

TAB 64

807 KAR 5:001 Section 16(7)(p)

Columbia Gas of Kentucky, Inc.
CASE NO. 2026-00099
Forecasted Test Period Filing Requirements
807 KAR 5:001 Section 16(7)(p)

Description of Filing Requirement:

A copy of the utility's annual report on Form 10-K as filed with the Securities and Exchange Commission for the most recent two (2) years, and any Form 8-K issued during the past two (2) years, and any Form 10-Q issued during the past six (6) quarters;

Response:

Please see attached for NiSource Inc.'s application for Form 10-Q's and Form 8-K's. Form 10-K is part of the Annual Report to Stockholders and is included with Filing Requirement 16(7)(l) located at Tab 60.

Responsible Witness:

Elizabeth N. Davis

TAB 64.1

807 KAR 5:001 Section 16(7)(p)

2024 8-Ks

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): December 31, 2023

NiSource Inc.
(Exact Name of Registrant as Specified in Charter)

Delaware
(State or other jurisdiction
of incorporation)

001-16189
(Commission
file number)

35-2108964
(I.R.S. Employer
Identification No.)

801 East 86th Avenue
Merrillville, Indiana
(Address of Principal Executive Offices)

46410
(Zip Code)

Registrant's telephone number, including area code: (877) 647-5990

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	NI	New York Stock Exchange
Depository Shares, each representing a 1/1,000th ownership interest in a share of 6.50% Series B Fixed-Rate Reset Cumulative Redeemable Perpetual Preferred Stock, par value \$0.01 per share, liquidation preference \$25,000 per share and a 1/1,000th ownership interest in a share of Series B-1 Preferred Stock, par value \$0.01 per share, liquidation preference \$0.01 per share	NI PR B	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Introductory Note.

On December 31, 2023, NiSource Inc., a Delaware corporation (“**NiSource**” or “**Company**”) consummated the closing (the “**Closing**”) of the issuance of a 19.9% indirect equity interest in NiSource’s wholly-owned subsidiary Northern Indiana Public Service Company LLC (“**NIPSCO**”) to BIP BLUE BUYER L.L.C., an affiliate of Blackstone Infrastructure Partners and an experienced investor in U.S. infrastructure (the “**Investor**”). Pursuant to that previously announced purchase and sale agreement (the “**Purchase Agreement**”) dated June 17, 2023, as amended by Amendment No. 1 to the Purchase Agreement dated July 6, 2023, by and among NiSource, NIPSCO Holdings II LLC, a Delaware limited liability company (“**Holdings II**”) and Investor, at Closing, Investor acquired a 19.9% equity interest in Holdings II in exchange for making a capital contribution of \$2,161,940,000 in cash in Holdings II. Upon consummation of the Closing, NiSource owns an 80.1% controlling indirect equity interest in NIPSCO while Investor owns the remaining 19.9% indirect equity interest.

Item 1.01 Entry Into a Material Definitive Agreement.

On December 31, 2023, pursuant to the terms of the Purchase Agreement and simultaneously with the Closing, Investor, NIPSCO Holdings I LLC, an Indiana limited liability company (“**Holdings I**”), Holdings II and NiSource entered into an Amended and Restated Limited Liability Company Agreement of Holdings II (the “**LLC Agreement**”). The LLC Agreement establishes, among other things, governance rights, exit rights, requirements for additional capital contributions, mechanics for distributions, and other arrangements for Holdings II from and following the Closing. Specifically, under the terms of the LLC Agreement, Investor will provide up to \$250,000,000 in additional capital contributions over a three-year period after the Closing, which obligation is backed by an Equity Commitment Letter from an affiliate of Investor. Under the LLC Agreement, Investor is entitled to appoint two directors to the board of directors of Holdings II (the “**Board**”) so long as Investor (together with any approved affiliate) holds at least a 17.5% Percentage Interest (as defined in the LLC Agreement). In connection with the Closing, Investor appointed two directors to the Board, such that the Board is now comprised of seven directors, two appointed by Investor and five appointed by NiSource. The LLC Agreement also contains certain investor protections, including, among other things, requiring Investor approval for Holdings II to take certain major actions. In addition, the LLC Agreement contains certain terms surrounding transfer rights and other obligations applicable to both Investor and NiSource.

The foregoing description of the LLC Agreement does not purport to be complete and is qualified in its entirety by reference to the complete text of the LLC Agreement, a copy of which is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

On January 2, 2024, NiSource issued a press release announcing the Closing, a copy of which is furnished hereto as Exhibit 99.1 to this Current Report on Form 8-K.

The information set forth in and incorporated by reference into this Item 7.01 of this Current Report on Form 8-K is being furnished pursuant to Item 7.01 of Form 8-K and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any of the Company’s filings under the Securities Act of 1933 or the Securities Exchange Act of 1934, whether made before or after the date hereof and regardless of any general incorporation language in such filings, except to the extent expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits

(d) *Exhibits*

Exhibit Number	Description
10.1*	Amended and Restated Limited Liability Company Agreement of NIPSCO Holdings II LLC, dated December 31, 2023.
99.1	Press Release, dated January 2, 2024 (furnished pursuant to Item 7.01).
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

* Schedules and similar attachments to this Exhibit have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company agrees to furnish supplementally a copy of any omitted schedule or exhibit to the U.S. Securities and Exchange Commission (the “SEC”) upon request.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NISOURCE INC.

Date: January 2, 2024

By: /s/ Shawn Anderson

Shawn Anderson

Executive Vice President and

Chief Financial Officer

AMENDED AND RESTATED
LIMITED LIABILITY COMPANY AGREEMENT
OF
NIPSCO HOLDINGS II LLC

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AMENDED & RESTATED
LIMITED LIABILITY COMPANY AGREEMENT

This AMENDED & RESTATED LIMITED LIABILITY COMPANY AGREEMENT (this “Agreement”) of NIPSCO Holdings II LLC (the “Company”) is made and entered into as of December 31, 2023 (the “Effective Date”), by and among the Company, NIPSCO Holdings I LLC, an Indiana limited liability company (the “NiSource Member”), BIP Blue Buyer L.L.C., a Delaware limited liability company (the “Investor Member”) and solely for the purposes of Article VI, NiSource Inc., a Delaware corporation (the “Parent”). The Company, the NiSource Member and the Investor Member are each sometimes referred to herein as a “Party” and, together, as the “Parties”.

RECITALS

1. Immediately prior to the execution and delivery hereof, the NiSource Member was the owner of 100% of the Membership Interests.
2. On June 17, 2023, the Company, the NiSource Member, the Parent and the Investor Member entered into the PSA, pursuant to which the Company has, concurrently with the execution and delivery of this Agreement, sold and issued to the Investor Member Membership Interests constituting a 19.9% Percentage Interest.
3. Upon the execution and delivery hereof, and in connection with the closing of the transactions contemplated by the PSA, the NiSource Member will be the owner of Membership Interests constituting an 80.1% Percentage Interest, and the Parties collectively will be the owners of 100% of the Membership Interests.
4. The Parties desire to, and by the execution and delivery of this Agreement hereby do, amend and restate in its entirety the Limited Liability Company Agreement of the Company, dated as of June 7, 2023, in order to provide for, among other things, the admission of the Investor Member as a Member, the rights and responsibilities of the Parties with respect to the governance, financing and operation of the Company, and certain other matters relating to the business arrangements between the Parties with respect to the Company.

Therefore, in consideration of the mutual covenants and agreements contained in this Agreement and other good and valid consideration the receipt of which is hereby acknowledged by each Party, and intending to be legally bound hereby, the Parties hereby agree as follows:

ARTICLE I
GENERAL MATTERS

Section 1.1 Formation. The Parent formed the Company as a limited liability company pursuant to the Act. The Members ratify the organization and formation of the Company and continue the Company, pursuant to the terms and conditions of this Agreement.

Section 1.2 Name. The name of the Company is “NIPSCO Holdings II LLC”.

Section 1.3 Purpose.

(a) The purpose of the Company is to, either on its own behalf or through its Subsidiaries, engage in all lawful business for which limited liability companies may be formed under the Act in furtherance of the following activities (the “Company Business”):

(i) owning and operating a public utility engaged in the (A) generation, transmission, distribution, marketing and sale of electricity and/or (B) transmission and distribution of natural gas, within the State of Indiana;

(ii) making direct or indirect investments in, or developing, constructing, commercializing, owning, operating or maintaining assets and facilities relating to the electric or gas business, including renewable energy projects;

(iii) undertaking any business activities conducted as of the Effective Date by the Company or its Subsidiaries;

(iv) engaging in such other activities that are (A) eligible to include in rate base and (B) expected to be eligible to earn a return through rates approved by IURC or FERC; or

(v) engaging in such other activities that the Board deems necessary, convenient or incidental to the conduct, promotion or attainment of the activities described in the foregoing subclauses (i), (ii), (iii) and (iv).

(b) The Company shall not engage in any activity or conduct inconsistent with the Company Business or any reasonable extensions thereof.

Section 1.4 Registered Office. The address of the registered office of the Company in the State of Delaware is 251 Little Falls Drive, Wilmington Delaware, 19808.

Section 1.5 Registered Agent. The name of the registered agent of the Company for service of process on the Company in the State of Delaware is Corporation Service Company.

Section 1.6 Members.

(a) Each of the NiSource Member and the Investor Member is hereby or was heretofore admitted to the Company as a Member, and hereby continues as such. Unless admitted to the Company as a Member as provided in this Agreement, no Person shall be, in fact or for any other purpose, a Member.

(b) No Member shall have any right to withdraw from the Company except as expressly set forth herein. No Membership Interest is redeemable or repurchasable by the Company at the option of a Member. Except as expressly set forth in this Agreement, no event affecting a Member (including dissolution, bankruptcy or insolvency) shall affect its obligations under this Agreement or affect the Company.

(c) The Members' names, addresses and Percentage Interests are set forth on the Schedule of Members attached to this Agreement as Schedule 1.

(d) No Member, acting in its capacity as a Member, shall be entitled to vote on any matter relating to the Company other than as specifically required by the Act or as expressly set forth in this Agreement.

(e) Except as otherwise expressly set forth in this Agreement, any matter requiring the action, consent, vote or other approval of the Members hereunder shall require action, consent, vote or approval of the Members owning at least a majority of the Membership Interests.

(f) A Member shall automatically cease to be a Member upon Transfer of all of such Member's Membership Interests made pursuant to and in accordance with the terms of this Agreement. Immediately upon any such permissible Transfer, the Company shall cause such Member to be removed from Schedule 1 to this Agreement and to be substituted by the transferee or transferees in such Transfer, and, except as otherwise expressly provided for herein, such transferee or transferees shall be deemed to be a "Party" for all purposes hereunder and all references to the NiSource Member or the Investor Member, as the case may be, shall be deemed to be references to such transferee or transferees (notwithstanding, in the case that more than one Person is a transferee of such Membership Interests, that such defined terms as used herein are singular in number).

Section 1.7 Powers. The Company shall have the power and authority to do any and all acts necessary or convenient to or in furtherance of the purposes described in Section 1.3, including all power and authority, statutory or otherwise, possessed by, or which may be conferred upon, limited liability companies under the Laws of the State of Delaware.

Section 1.8 Limited Liability Company Agreement. This Agreement shall constitute the "limited liability company agreement" of the Company for the purposes of the Act. The rights, powers, duties, obligations and liabilities of the Members shall be determined pursuant to the Act and this Agreement. To the extent that the rights, powers, duties, obligations and liabilities of any Member are different by reason of any provision of this Agreement than they would be under the Act in the absence of such provision, this Agreement shall control to the fullest extent permitted by the Act and other applicable Law.

Section 1.9 Issuance of Additional Membership Interests. Except for (a) the issuance of any Excluded Membership Interests or (b) the issuance of Membership Interests made pursuant to and in accordance with Section 5.1(c), Article VII, or as otherwise permitted herein, the Company shall not issue any new Membership Interests, or any securities convertible into Membership Interests or other equity interests of the Company, to any Third Party or to the Members other than in accordance with their respective Percentage Interests.

Section 1.10 No State Law Partnership. The Members intend that the Company not be a partnership (including a limited partnership) or joint venture, and that no Member be a partner or joint venturer of any other Member by virtue of this Agreement, for any purposes, and neither this Agreement nor any other document entered into by the Company or any Member relating to the subject matter hereof shall be construed to suggest otherwise. Nothing in this Section 1.10 shall control with respect to income tax treatment of the Company.

ARTICLE II MANAGEMENT

Section 2.1 Directors. Subject to the provisions of the Act and any limitations in this Agreement as to action required to be authorized or approved by the Members, the business and affairs of the Company shall be managed and all its powers shall be exercised by or under the direction of a board of directors (the "Board" and each duly appointed and continuing member thereof from time to time, a "Director"), and no Member, by virtue of having the status of a Member, shall have any management power over the business and affairs of the Company or any actual or apparent authority to enter into Contracts on behalf of, or to otherwise bind, the Company. Without prejudice to such general powers, but subject to the same limitations, the Board shall be empowered to conduct, manage and control the business and affairs of the Company and to make such rules and regulations therefor not inconsistent with applicable Law or this Agreement, as the Board shall deem to be in the best interest of the Company. Each Director is hereby designated as a "manager" of the Company within the meaning of Section 18-101 of the Act.

Section 2.2 Number of Directors; Proportional Appointment Rights.

(a) The authorized number of Directors constituting the Board shall be seven (7) Directors (the “Total Number of Directors”).

(b) The Investor Member shall, as of the Effective Date, be entitled to appoint two Directors, and the Investor Member shall retain the right to appoint at least two Directors for so long as it holds at least a 17.5% Percentage Interest. In the event that the Investor Member’s Percentage Interest is reduced below 17.5% but remains at or above a 9.9% Percentage Interest, the Investor Member shall retain the right to appoint one Director. In the event that the Investor Member’s Percentage Interest is reduced below 9.9%, the Investor Member shall cease to be entitled to appoint a Director. Any Directors appointed by the Investor Member are referred to herein as “Investor Directors”. The appointment of any particular proposed Investor Director shall be subject to the NiSource Member’s prior written consent of the identity of such individual prior to his or her appointment to the Board; provided however, that the NiSource Member shall not have any consent right over the appointment of a proposed Investor Director that is a Qualified Designee.

(c) In the event that the Investor Member’s Percentage Interest decreases below 17.5% or 9.9%, as applicable, if the Investor Member fails to remove an Investor Director concurrently with such decrease in the Investor Member’s Percentage Interest to be in compliance with the Investor Member’s Director appointment rights set forth in Section 2.2(b), then the NiSource Member may remove such appropriate number of Investor Directors from the Board such that the Investor Member is in compliance with its Director appointment rights set forth in Section 2.2(b), such removal being effective immediately.

(d) The NiSource Member shall be entitled to appoint all of the remaining Total Number of Directors that the Investor Member is not entitled to appoint pursuant to Section 2.2(b). Directors appointed by the NiSource Member are referred to herein as “NiSource Directors”; provided, that any NiSource Director must be a Qualified Designee. The NiSource Member shall further be entitled to designate a NiSource Director to serve as the chairperson of the Board.

(e) For so long as the Investor Member is entitled to appoint an Investor Director, the Investor Member shall be further entitled to designate the Board Observer or any other individual (provided, that such designee is a Qualified Designee) (the “Designated Alternate”) in its place and stead in the event that the Investor Director is unable to attend such meeting (or meetings of Board committees, if any pursuant to Section 2.12). The Designated Alternate will be entitled to exercise the powers of the Investor Director at such meetings, and will be subject to all of the responsibilities of an Investor Director hereunder at such meeting as if they were an Investor Director. The appointment of such Designated Alternate shall be subject to the same approval right of the NiSource Member applicable to the Investor Director under Section 2.2(b). If the Designated Alternate is serving in lieu of the Investor Director at any Board or committee meeting, the Investor Member shall provide written notice to the NiSource Member of this fact prior to the commencement of such meeting (which notice may be by way of an email to the NiSource Directors), and such notice shall be recorded in the minutes of such meeting. For the avoidance of doubt, any references to approval or notice by the Investor Director in this Agreement will be deemed to refer to the Investor Director, and not the Designated Alternate, except in respect of the voting on matters presented at the meeting at which the Designated Alternate is attending. In the event that the Designated Alternate is also a Board Observer, at any Board or committee meeting in which he or she is serving as the Investor Director pursuant to this Section 2.2(e), he or she shall be deemed to be serving only as an Investor Director and not as a Board Observer at such meeting.

Section 2.3 Removal of Directors. Any one or more Directors may be removed at any time, with or without cause, by the Member that appointed such Director, and except as provided in Section 2.2(c), may not be removed by any other means. If a Director is convicted by a court or equivalent tribunal of any felony (or equivalent crime in the applicable jurisdiction), or of any misdemeanor (or equivalent crime in the applicable jurisdiction) that involves financial dishonesty or moral turpitude, then the Member that appointed such Director shall, unless consented to by the other Member, promptly remove such Director. Delivery of a written notice to the Company by a Member designating for removal of a Director appointed by such Member shall conclusively and with immediate effect constitute the removal of such Director, without the necessity of further action by the Company, the Board, or by the applicable removed Director. Each Director duly appointed by a Member pursuant to and in accordance with the provisions of Section 2.2 shall hold office until his or her resignation, death, permanent disability, removal pursuant to and in accordance with Section 2.2 or with this Section 2.3, or until a successor Director is duly appointed by the Member that appointed (and continues to be entitled to appoint) such Director.

Section 2.4 Vacancies. A vacancy shall be deemed to exist in case of the resignation, death, permanent disability or removal of any Director. The Member entitled to appoint a Director to the vacant directorship may appoint or elect a Director thereto to take office (a) immediately, (b) effective upon the departure of the vacating Director, in the case of a resignation, or (c) at such other later time as may be determined by such Member.

Section 2.5 Acts of the Board; Voting. Except as otherwise expressly set forth in this Agreement (including Section 8.1), a vote of a majority of the Directors present at a duly called and noticed meeting of the Board at which a quorum is present shall be required to authorize or approve any action of the Board. Every act of or decision taken or made by the Directors pursuant to the vote required by this Section 2.5 shall be conclusively regarded as an act of the Board.

Section 2.6 Compensation of Directors. The Board shall have the authority to fix the compensation of Directors for their service to the Company, if any. The Board shall reimburse the Directors for their respective reasonable, documented out-of-pocket expenses incurred for attendance at meetings of the Board consistent with the Company's then-applicable policies related to travel and expenses for directors or executive officers (or, if none exists, such travel and expense policies of Parent). Nothing herein shall be construed to preclude any Director from serving the Company or any of its Affiliates in any other capacity and receiving compensation therefor.

Section 2.7 Meetings of Directors; Notice. Except as provided pursuant to Section 2.10, meetings of the Board, both regular and special, for any purpose or purposes may be called at any time by the Board or by the Company at the request of any Director, by providing at least seven calendar days' written notice to each Director unless the chairperson of the Board determines, acting reasonably, that there is a significant and time sensitive matter that requires shorter notice to be given, in which case a meeting of the Board may be called by giving at least 48 hours' written notice to each Director. Regular Board meetings will be held quarterly. Each notice shall state the purpose(s) of and agenda for the meeting and include all required information, including dial-in numbers or other applicable access information, in order to participate in the meeting by telephonic means, over the internet or by means of any other customary electronic communications equipment. Unless otherwise agreed by unanimous consent of the Board, no proposal shall be put to a vote of the Board unless it has been listed on the agenda for such meeting. Notice of the time and place of meetings shall be delivered personally or by telephone to each Director, or sent by e-mail or other electronic communication to any Director. Any notice given personally or by telephone shall be communicated to the applicable Director. A Director may waive the notice requirement set forth in this Section 2.7 by any means reasonable in the circumstances, including by communication to one or more other Directors, and the presence of a Director at a meeting or the approval by a Director of the minutes thereof shall conclusively constitute a waiver by such Director of such notice requirement.

Section 2.8 Quorum.

(a) Except as otherwise expressly set forth herein, the presence (whether physical, telephonic, over the internet or by means of other customary electronic communications equipment) of a majority of the number of Directors then serving on the Board (without regard to the Total Number of Directors), including at least one Investor Director, at a meeting of the Board shall constitute a quorum of the Board for the transaction of all business thereat; provided, that if quorum fails at two (2) consecutive attempted meetings that are called pertaining to the same subject matter with proper notice due to the failure of the Investor Director(s) to attend, then at the third attempted meeting only a majority of the number of Directors then serving on the Board (without regard to the Total Number of Directors or the attendance of the Investor Director(s)) must be present in person, by telephone or other electronic means or by proxy in order to constitute a quorum for the transaction of business for purposes of conducting only those matters that were included on the agenda for the attempted meetings immediately preceding such third attempted meeting; provided, that, at least twenty-four (24) hours prior written notice of any rescheduled meeting is required to be provided to the other Directors.

(b) If a quorum is not present at any meeting of the Board, the Directors present at such meeting may adjourn the meeting, without notice other than announcement at the meeting.

Section 2.9 Place and Method of Meetings.

(a) Meetings of the Board may be held at any place, whether within or outside the State of Delaware or the State of Indiana, and meetings may be held, in whole or in part, by telephonic means, over the internet or by means of any other customary electronic communications equipment. The place at which (or, if applicable, the electronic communication methods by which) a meeting will be held may be specified in the applicable notice of the meeting.

(b) The Directors may participate in meetings of the Board by telephonic means, over the internet or by means of any other customary electronic communications equipment, and, to the fullest extent permitted by applicable Law, shall be deemed to be present at such meeting for all purposes, including for purposes of determining quorum and of voting.

Section 2.10 Action by the Board Without a Meeting. Any action required or permitted to be taken by the Board may be taken without a meeting if a number of Directors the vote of whom would be minimally necessary to approve such action at a meeting of the Board shall individually or collectively consent in writing to such action; provided, that in order for such consent to be effective it shall have been provided to all Directors at least forty-eight (48) hours prior to its stated effectiveness, unless such prior notice is waived in writing by the Directors taking any such written action which includes at least one (1) Investor Director. Notwithstanding the foregoing, no action set forth in Section 8.1 that requires the consent of the Investor Member shall be effected by written action entered into pursuant to this Section 2.10 without the Investor Member's written consent. Any written actions of the Board may be in counterparts and transmitted by e-mail and shall be filed with the minutes of the proceedings of the Board. Such written actions shall have the same force and effect as a vote of the Board.

Section 2.11 Duties of Directors. Other than as set forth in Section 9.3, each member of the Board shall have fiduciary duties identical to those of directors of a business corporation organized under the General Corporation Law of the State of Delaware and except to the extent not permitted by applicable Law, no member of the Board shall be personally liable to the Company or its Members for monetary damages for breach of its fiduciary duties in such capacity. The provisions of this Agreement, to the extent that they expand or restrict the duties and liabilities of the Board, otherwise existing at law or in equity, are agreed by the Members to replace such other duties and liabilities of the Board.

Section 2.12 Committees. The Board may create one or more committees of the Board, delegate responsibilities, duties and powers to such one or more committees, and appoint Directors to serve thereon. Each Director appointed to serve on any such committee shall serve at the pleasure of the Board, or otherwise in accordance with the terms of the resolution designating the applicable committee. Section 2.4, Section 2.7, Section 2.8, Section 2.9 and Section 2.10 shall each apply to any committee of the Board with the same terms applicable to the Board, *mutatis mutandis*. For each committee of the Board, the Board shall designate one Investor Director to serve on each such committee so long as the Investor Member is entitled to appoint a Director pursuant to Section 2.2.

Section 2.13 Investor Member Board Observer. The Investor Member shall be entitled to appoint one Person (which shall be an individual) to serve as an observer of the Board (the "Board Observer") for so long as (i) the Investor Member is entitled to appoint only one (1) Investor Director, but in no event when the Investor Member is entitled to appoint two (2) Investor Directors or (ii) the Investor Member's Percentage Interest is greater than or equal to 4.9% but in no event if the Investor Member is entitled to appoint two (2) Directors, the identity of whom shall be subject to the prior written consent of the NiSource Member. The Board Observer shall have the right to receive notice of, attend and participate in all meetings of the Board (and any committee thereof) and to receive all information provided to Directors at the same time and in the same manner as provided to such Directors; provided, however, that the Company and the Board will be entitled to withhold access to any portion of the information and to exclude the Board Observer from any portion of any meeting of the Board (or any committee thereof) if the Company or the Board determines in good faith in reliance upon the advice of counsel that access to such information or attendance at such meeting (i) is reasonably necessary to preserve an attorney-client privilege of the Company or the Board or (ii) otherwise implicates any conflict of interest between the Investor Member and a particular matter or transaction under consideration by the Board; provided, however, that the Investor Member shall be notified of any intent to exclude the Board Observer in reliance on clause (ii) above in advance of any meeting from which the Board Observer is to be excluded to the extent reasonably practicable; provided, further, that, any Board Observer that is excluded shall only be excluded for such portion of the meeting during which such conflicted matter or transaction is being discussed. For the avoidance of doubt, the Board Observer shall not have any voting rights with respect to any matter brought before the Board and shall not be counted in any manner with respect to whether a quorum is present at a meeting of the Board, and (without limiting the Company's obligations to provide the Board Observer with notice of meetings of the Board and any committee thereof as set forth in this Section 2.13) no defect in the provision of notice to the Board Observer of any meeting of the Board shall be construed to constitute a defect in the provision of notice to Directors. The Board Observer shall be bound by the same confidentiality obligations as the Directors as set forth in Section 9.6. The Investor Member may cause the Board Observer to resign or appoint a replacement Board Observer from time to time by giving written notice to the Company. In the event that the Investor Member's Percentage Interest becomes less than 4.9%, the Investor Member's rights under this Section 2.13 shall immediately cease. For the avoidance of doubt, the sole purpose of this Section 2.13 is to provide observation rights (subject to the limitations and conditions set forth in this Section 2.13) to an individual Representative of the Investor Member, and in no event will any Board Observer be construed to be a third-party beneficiary of this Agreement, an agent of the Company of any kind or for any purpose, or have any other claim against the Company or the Members in relation to any matter whatsoever.

Section 2.14 Related Party Matters.

(a) The Parties acknowledge that certain Affiliates of the Company provide various services to the Company and its Subsidiaries and that all of such services shall continue in the ordinary course of business. All agreements between any member of the Outside Group, on the one hand, and the Company Group, on the other hand, (such transactions, "Affiliate Agreements"), shall be (i) entered into and carried out in a manner that, except as may be required by any applicable Law or Order, is (A) consistent with past

practices and the corporate allocation and affiliate transaction policies of the Outside Group in effect at such time and (B) on terms and conditions that are pursuant to the corporate allocation policies and affiliate transaction policies of the Outside Group as of such time to the extent that they are non-discriminatory against the Company and its Subsidiaries and are generally consistent with the corporate allocation policies and affiliate transaction policies of the Outside Group, (ii) entered into and carried out in accordance with the requirements of any applicable Law or Order (including, for the avoidance of doubt, on such terms and conditions as may be required to obtain the approval of the applicable Governmental Body in respect of such transaction) and (iii) if applicable pursuant to Section 8.1, approved by the Board. Notwithstanding anything to the contrary in this Agreement, except as required by applicable Law, the NiSource Member shall ensure during the term of this Agreement that any methodologies used to allocate costs to the Company Group (i) are and will be consistently applied to other members of the Outside Group in a manner that does not have a disproportionate adverse impact on the Company or any of its Subsidiaries as compared to any member of the Outside Group and (ii) would not result in any fines or penalties that are imposed on any member of the Outside Group being allocated to the Company or any of its Subsidiaries. The NiSource Member shall also use commercially reasonable efforts to ensure corporate separateness from the NiSource Member and the other members of the Outside Group in a manner and consistent with the Company Group's and the Outside Group's respective past practices and applicable Law and Orders. The NiSource Member shall continue to audit its corporate services annually by its then current auditor in the ordinary course and shall share such audit with Investor Member (including any work papers and other supporting documentation reasonably requested by the Investor Member (subject to its prior execution of a customary non-reliance letter agreement to the extent requested by such auditor)).

(b) The Investor Member acknowledges and agrees that (i) the Company Group and the Outside Group has prior to the Effective Date engaged in Affiliate Agreements, and will, pursuant to and in accordance with the provisions of Section 2.14(a), from and after the Effective Date engage in new Affiliate Agreements, subject to the Investor Member's approval rights under Section 8.1 (if applicable) and (ii) all services provided by any member of the Outside Group to any member of the Company Group as of the Effective Date and (iii) the promissory notes held or payable by the Company's Subsidiary, Northern Indiana Public Service Company LLC ("NIPSCO"), payable to NiSource Development Company, Inc. (the "NiSource Notes") shall or will remain outstanding and be payable in accordance with their terms or sooner as the Board determines in good faith is appropriate.

(c) In the event the Company and/or the NiSource Member becomes aware of any material breach or material default (it being understood that, for purposes of this clause (c), a breach or default will be deemed to be "material" if the reasonably expected amount of damages that would be sustained by the Company and its Affiliates as a result of such breach or default, or series of related breaches or defaults, would exceed \$30,000,000 in the aggregate, subject to an annual increase by the CPI Escalator) by any member of the Company Group or Outside Group under any Affiliate Agreement (an "Affiliate Agreement Default"), the Company and/or the NiSource Member, as applicable, shall promptly, but in any event within ten (10) Business Days after becoming aware of such Affiliate Agreement Default, send a written notice (an "Affiliate Agreement Default Notice") to the Company and the Investor Member setting forth in reasonable detail the nature of such Affiliate Agreement Default and the reasonable estimate of the current and future anticipated losses associated with such Affiliate Transaction Default (to the extent feasible to make a reasonable estimate at such time). After delivery of such Affiliate Agreement Default Notice to the Investor Member, the Company (and, if the Company did not provide the Affiliate Agreement Default Notice, the NiSource Member) shall promptly provide the Investor Member with any additional information reasonably requested by the Investor Member and available to the NiSource Member relating to such Affiliate Agreement Default. The defaulting party under such Affiliate Agreement shall have (i) twenty (20) Business Days following the expiration of the applicable cure period in respect of such Affiliate Agreement, to fully cure any monetary Affiliate Agreement Default, and (ii) sixty (60) days following the expiration of the applicable cure period in respect of such Affiliate Agreement, to fully cure any non-monetary Affiliate Agreement Default, subject to and consistent with applicable

Law and Orders, if capable of being cured. In the event that any material alleged Affiliate Agreement Default is not timely cured in accordance with the preceding sentence, the Investor Member shall have the sole right to cause the Company and its Subsidiaries to take, or refrain from taking, any actions in connection with the enforcement of or compliance with the rights or obligations of the Company or any of its Subsidiaries under the terms of the applicable Affiliate Agreement. In addition to, and not in limitation of, the foregoing provisions of this Section 2.14(c), the Company shall notify the Investor Member prior to, or within ten (10) days following, its execution of any new Affiliate Agreement or any material amendment to any Affiliate Agreement setting forth in reasonable detail the nature of such new Affiliate Agreement or such amendment and, upon request from the Investor Member, shall provide copies of all Contracts relating to such new Affiliate Agreement or such amendment within five (5) Business Days of such request.

ARTICLE III OFFICERS

Section 3.1 Appointment and Tenure.

(a) The Board may, from time to time, designate officers of the Company to carry out the day-to-day business of the Company.

(b) The officers of the Company shall be comprised of one or more individuals designated from time to time by the Board. Each officer shall hold his or her office for such term and shall have such authority and exercise such powers and perform such duties as shall be determined from time to time by the Board. Any number of offices may be held by the same individual. The salaries or other compensation, if any, of the officers shall be fixed from time to time by the Directors.

(c) The officers of the Company may consist of a president, a secretary and a treasurer. The Board may also designate one or more vice presidents, assistant secretaries and assistant treasurers. The Board may designate such other officers and assistant officers and agents as the Board may deem necessary or appropriate.

Section 3.2 Removal. Any officer may be removed as such at any time by the Board, either with or without cause, in its discretion, subject to the consultation right of the Investor Member set forth in Section 8.2.

Section 3.3 President. The president, if one is designated, shall be the chief executive officer of the Company, shall have general and active management of the day-to-day business and affairs of the Company as authorized from time to time by the Board, and shall be authorized and directed to implement all actions, resolutions, initiatives and business plans adopted by the Board.

Section 3.4 Vice Presidents. The vice presidents, if any are designated, in the order of their election, unless otherwise determined by the Board, shall, in the absence or disability of the president, perform the duties and have the authority and exercise the powers of the president. They shall perform such other duties and have such other authority and powers as the Board may from time to time prescribe.

Section 3.5 Secretary; Assistant Secretaries. The secretary, if one is designated, shall perform such duties and have such powers as the Board may from time to time prescribe. The assistant secretaries, if any are designated, and unless otherwise determined by the Board, shall, in the absence or disability of the secretary, perform the duties and exercise the powers of the Secretary. They shall perform such other duties and have such other powers as the Board may from time to time prescribe.

Section 3.6 Treasurer; Assistant Treasurers. The treasurer, if one is designated, shall have custody of the Company's funds and shall keep full and accurate accounts and records of receipts, disbursements and other transactions in books belonging to the Company, and shall deposit all moneys and other valuable effects in the name and to the credit of the Company in such depositories as may be designated from time to time by the Board. The treasurer shall disburse the funds of the Company as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render the president and the Board, when so directed, an account of all of his or her transactions as treasurer and of the financial condition of the Company. The treasurer shall perform such other duties and have such other powers as the Board may from time to time prescribe. If required by the Board, the treasurer shall give the Company a bond of such type, character and amount as the Board may require. The assistant treasurers, if any are designated, unless otherwise determined by the Board, shall, in the absence or disability of the treasurer, perform the duties and exercise the powers of the treasurer. They shall perform such other duties and have such other powers as the Board may from time to time prescribe.

Section 3.7 Duties of Officers. Other than as set forth in Section 9.3 with respect to any Representative of Parent or its Affiliates who is also an officer of the Company, each officer of the Company (in such individual's capacity as an officer) will owe the Company, its Subsidiaries and the Members such fiduciary duties that apply to officers of a Delaware corporation. No provision of this Agreement will be deemed to limit or eliminate such fiduciary duties.

ARTICLE IV DEFAULT; DISSOLUTION

Section 4.1 Events of Default. The following shall constitute events of default (each, an "Event of Default") by the applicable Member under this Agreement:

(a) any material breach of this Agreement by such Member;

(b) any failure by such Member to make any Mandatory Capital Contribution pursuant to and in accordance with a Capital Request Notice issued pursuant to Section 5.1 or, with respect to an Additional Funding Requirement (other than a Mandatory Capital Contribution), a duly authorized officer of the Investor Member has affirmed in writing it would make such Additional Funding Requirement in its Response to Capital Call but failed to do so within the time period set forth in Section 5.1;

(c) any purported Transfer by such Member made other than pursuant to and in accordance with the terms and conditions of this Agreement; and

(d) the filing of a petition seeking relief, or the consent to the entry of a decree or Order for relief in an involuntary case, under the bankruptcy, rearrangement, reorganization or other debtor relief Laws of the United States or any state or any other competent jurisdiction or a general assignment for the benefit of its creditors by such Member or by any of its controlling Affiliates.

Section 4.2 Default Notice. If an Event of Default occurs, then any Member (other than the Defaulting Member) may deliver to the Company and to the Member subject to the Event of Default (the "Defaulting Member") a notice of the occurrence of such Event of Default, setting forth the circumstances of such Event of Default. If, within thirty (30) days following the delivery of such notice (or, with respect to an Event of Default set forth in Section 4.1(b), ten (10) days), the Defaulting Member has not cured the event giving rise to the Event of Default (if capable of being so cured), the provisions of this Agreement applicable to a "Defaulting Member" shall apply to such Defaulting Member and, in addition to any other rights and remedies provided under this Agreement, (i) if the Defaulting Member is the Investor Member, the Defaulting Member's voting rights, including its approval rights in Section 8.1, shall be suspended and

(ii) any net Available Cash required to be distributed to the Defaulting Member shall instead be distributed to the non-Defaulting Member or the Company, as applicable, if such breach is capable of being cured by the payment of such amounts which such clauses (i) and (ii) shall apply as applicable (and such Member shall be considered a "Defaulting Member") until the applicable Event of Default and the material effects thereof have been cured (if capable of being so cured).

Section 4.3 Dissolution.

(a) Subject to obtaining the requisite authorization, approval or consent of any Governmental Body, the Company shall dissolve, and its affairs shall be wound up, upon either (i) the approval by the Board and the written consent of all of the Members or (ii) the entry of a decree of judicial dissolution under Section 18-802 of the Act (each, an "Event of Dissolution").

(b) Upon the occurrence of an Event of Dissolution, the Company will continue solely for the purposes of winding up its affairs in an orderly manner, liquidating its assets and satisfying the claims of its creditors and the Members. No Member, acting in its capacity as such, will take any action that is inconsistent with, or not necessary to or appropriate for, the winding up of the Company's business and affairs. All covenants contained and obligations provided for in this Agreement will continue to be fully binding upon the Members until such time as the property of the Company has been distributed pursuant to Section 5.3 and the certificate of formation of the Company has been canceled pursuant to the Act.

(c) After the occurrence of an Event of Dissolution, and after all of the Company's debts, liabilities and obligations have been paid and discharged or adequate reserves have been made therefor and all of the remaining assets of the Company have been distributed to the Members, the Company shall make necessary resolutions and filings to dissolve the Company under the Act.

ARTICLE V CAPITAL CONTRIBUTIONS; DISTRIBUTIONS; ALLOCATIONS

Section 5.1 Capital Contributions.

(a) If the Board determines that it is in the best interests of the Company to obtain additional equity capital for purposes of (i) developing, acquiring or maintaining Qualifying Core Assets or funding ordinary course operations of the Company Business, (ii) satisfying the Company's obligations to Third Parties (including in respect of the Indebtedness of the Company Group or under any Contract), (iii) complying with applicable Law or Order, or (iv) funding any Emergency Expenditures (any such determination by the Board an "Additional Funding Requirement"), then the Board may direct the Company to submit to the Members a written capital funding request notice (a "Capital Request Notice"), which Capital Request Notice shall set forth (A) the anticipated amount of, and the reason for, such Additional Funding Requirement, (B) each Member's requested share of such Additional Funding Requirement, which with respect to each Member shall equal such Member's Percentage Interest multiplied by the aggregate amount of the Additional Funding Requirement (such share, the "Pro Rata Request Amount") and (C) the funding date for such Additional Funding Requirement (the "Capital Request Funding Date"), which Capital Request Funding Date shall not be earlier than forty-five (45) days following the date on which such Capital Request Notice is delivered to the Members except for any Capital Request Notices pertaining to Emergency Expenditures in which case the Capital Request Funding Date shall not be earlier than ten (10) Business Days. Any Additional Funding Requirements for the period from the Effective Date and including the date that is three (3) years from the Effective Date and which do not exceed the Maximum Investor Commitment shall be a Mandatory Capital Contribution. Any Additional Funding Requirement shall require each Member to contribute its Pro Rata Request Amount. Requests for additional equity capital other than pursuant to a Mandatory Capital Contribution shall be determined by the Board and each

Member may, but shall not be obligated to, contribute its Pro Rata Request Amount as called for in the applicable Capital Request Notice for the avoidance of doubt, other than a Mandatory Capital Contribution pursuant to this Section 5.1, no Member shall have any obligation to fund any such requests for additional equity capital unless such Member indicates it will do so in accordance with this Section 5.1. Upon the receipt of a Capital Request Notice, each Member shall, within twenty (20) days of such receipt, provide written notice to the Company and the other Members as to the extent to which such Member intends to fund its Pro Rata Request Amount, whether in whole, in part or not at all (a "Response To Capital Call"). If one Member indicates in its Response To Capital Call that it does not intend to fund its Pro Rata Request Amount in full, and any other Member had, prior thereto, submitted a Response To Capital Call indicating that it intends to fund a greater percentage than such other Member of its Pro Rata Request Amount, then such other Member will be entitled to amend its Response To Capital Call to reduce its percentage funding to an amount representing a percentage of its Pro Rata Request Amount not less than the lower percentage indicated in the other Member's Response to Capital Call. If no Response to Capital Call is received within such twenty (20) days, the Member shall be deemed to have elected to not fund.

(b) If any Member refuses or fails to make all or any portion of its Pro Rata Request Amount pursuant to this Section 5.1 on or prior to the applicable Capital Request Funding Date (such Member, the "Non-Contributing Member", and the unfunded amount, the "Unfunded Amount"), then the Company shall provide written notice thereof to the other Member (the "Contribution Unfunded Amount Notice"), and:

(i) Excess Contribution. To the extent that the Non-Contributing Member contributes a portion (but less than all) of its Pro Rata Request Amount, and the other Member (the "Over-Contributing Member") has contributed a greater percentage of its Pro Rata Request Amount than the Non-Contributing Member, the Over-Contributing Member shall have the right to elect (which election shall be made by written notice to the Company and the other Members no later than 10 Business Days following the date of the Contribution Unfunded Amount Notice and any may consist of any combination thereof) to (A) receive a special distribution of the amount of such excess (the "Excess Contribution"), such that the Excess Contribution is returned to the Over-Contributing Member (and the Company shall cause such special distribution to be made as promptly as practicable), (B) have the portion of such Excess Contribution that would have been the Non-Contributing Member's share thereof treated as a loan to the Company (consistent with the methodology in clause (ii)(A), below), or (C) except in the event that the Non-Contributing Member is the NiSource Member, have the portion of such Excess Contribution that would have been the Non-Contributing Member's share thereof treated as a contribution to capital (consistent with the methodology in clause (ii)(B) below).

(ii) Top-Up Right. A Member that has paid its full Pro Rata Request Amount (the "Contributing Member") shall have the right (but not the obligation) to elect (which election shall be made by written notice to the Company and the other Members no later than ten (10) Business Days following the receipt of the Contribution Unfunded Amount Notice) to contribute any portion of the Unfunded Amount in accordance with this Section 5.1(b) either (A) as a loan to the Company, or (B) except in the event that the Non-Contributing Member is the NiSource Member, as a capital contribution to the Company (or as any combination thereof as the Contributing Member elects) in accordance with the following procedures:

(A) Loan. The Contributing Member may elect to advance all or a portion of the Unfunded Amount to the Company on behalf of the Non-Contributing Member, which advance shall be treated as a loan by the Contributing Member to the Company (an "Unfunded Amount Loan") at an interest rate equal to a floating rate equal to the Wall Street Journal Prime Rate plus 0.75% per annum. Subject to the terms of this Agreement, each Unfunded Amount Loan shall be repaid out of any subsequent distributions made pursuant to Section 5.2 to which the Non-Contributing Member would otherwise be entitled under this Agreement, and such payments shall be applied first to the payment of accrued but unpaid interest on each such Unfunded Amount Loan and then to the payment of the outstanding principal, until such Unfunded Amount Loan is paid in full.

(B) Capital Contribution. Except in the event that the Non-Contributing Member is the NiSource Member, the Contributing Member may elect to contribute an amount equal to all or a portion of the Unfunded Amount to the Company. If the Contributing Member elects to contribute to the Company all or a portion of the Unfunded Amount, then, on or after the earlier of the date that the Non-Contributing Member indicates it will not cure the failure to fund its full Pro Rata Request Amount and the thirtieth (30th) day following the date of the Contribution Unfunded Amount Notice, the Company shall issue to the Contributing Member the amount of additional Membership Interests that can be purchased for such funded amount at a price per Membership Interest equal to 90% of the Fair Market Value of the Company (measured as of the date that such contribution is to be made) per Membership Interest until the NiSource Member has purchased up to \$250,000,000 of additional Membership Interests pursuant hereto, and thereafter at Fair Market Value of the Company, and the Contributing Member's and the Non-Contributing Member's respective Percentage Interests will be adjusted accordingly. For the avoidance of doubt, this subsection shall in all respects not be subject to the rights and procedures set forth in Section 7.1.

(C) Cure Right. Notwithstanding anything to the contrary in this Section 5.1, on or before the thirtieth (30th) day following the date of the Contribution Unfunded Amount Notice, a Non-Contributing Member may make a contribution to the Company equal to the sum of the Unfunded Amount plus, if the Contributing Member already made an Unfunded Amount Loan in respect of such Unfunded Amount, any interest accrued on the Unfunded Amount Loan, following which (1) the Unfunded Amount advanced by the Contributing Member to the Company together with any such interest shall be paid to the Contributing Member, and (2) the former Non-Contributing Member shall be deemed to have cured its failure to pay the Pro Rata Request Amount prior to the Capital Request Funding Date with respect to the applicable Capital Request Notice.

For the avoidance of doubt, the remedies set forth in this Section 5.1(b)(ii)(C) shall not apply to an Event of Default by the NiSource Member.

(c) If the Non-Contributing Member is the Investor Member and it refuses or fails to make its full Pro Rata Request Amount pursuant to this Section 5.1 on or prior to the applicable Capital Request Funding Date and the Contributing Member has not fully funded the Unfunded Amount in accordance with Section 5.1(b), then on or after the thirtieth (30th) day following the date of the applicable Contribution Unfunded Amount Notice, the Board may authorize the Company to seek additional equity funds on commercially reasonable terms from a Third Party in an amount up to the difference between the total Additional Funding Requirement requested and the total funds received by the Company from the Non-Contributing Member and the Contributing Member (including any additional funds that the Contributing Member may have contributed pursuant to Section 5.1(b)), and to issue Membership Interests to Third Parties in connection therewith pursuant to this Section 5.1(c). The terms and rights of the Membership Interests issued pursuant to this Section 5.1 must be on terms no better than the Membership Interests that would have been issued to the applicable Member had they been a Contributing Member. If the Board determines to seek additional equity funds from and issue Membership Interests to a Third Party pursuant to this Section 5.1(c), then the Company must consummate such issuance within 180 days following the Capital Request Funding Date. If such issuance is not consummated within such 180-day period, then the Company's right to so issue Membership Interests to a Third Party in connection with the applicable Additional Funding Requirement shall be lapsed, and the Company shall not thereafter issue any Membership Interests to a Third Party in connection with such Additional Funding Requirement; provided, that, if a definitive agreement providing for such issuance is executed prior to the expiration of such 180-day period but the issuance has not been consummated at the expiration of such period solely as a result of a failure to receive the requisite authorization, approval or consent of any Governmental Body in respect of

such issuance, then such period shall be extended solely to the extent necessary to permit the receipt of all such authorizations, approvals and consents which are in process but have not been received from the relevant Governmental Body as of such original expiration date and the consummation of the issuance provided for in such definitive agreement; provided, further, that the Company shall have used its reasonable best efforts in seeking such authorizations, approvals and consents. Upon the completion of such issuance of Membership Interests pursuant to this Section 5.1(c), the Company shall give written notice to the Members of such issuance, which notice shall specify (i) the total number of new Membership Interests issued, (ii) the price per Membership Interest at which the Company issued the Membership Interests, and (iii) any other material terms of the issuance. Upon the issuance of new Membership Interests pursuant to this Section 5.1(c), the Contributing Member's and Non-Contributing Member's respective Percentage Interests will be adjusted accordingly. In no event shall any such issuance be subject to Section 7.1 or 8.1.

(d) If a Member does not make a Mandatory Capital Contribution or indicates in its Response to Capital Call that it shall make its Pro Rata Request Amount but then does not fund such amounts, such Member shall be a Defaulting Member.

(e) In the event that there is an Investor Call Trigger, the NiSource Member (or its Affiliate) may (but is not required to), at its option at any time, acquire all (but not less than all) of the Membership Interests held by the Investor Member (the "Call Right") by giving written notice (the "Call Notice") to the Investor Member of its election to exercise the Call Right; provided, that, other than with respect to clause (ii) or (iii) of the definition of Investor Call Trigger, the Investor Member shall have sixty (60) days following the Call Notice to cure the event giving rise to the Call Notice, if capable of being so cured (the "Cure Period"). The purchase price payable by the NiSource Member in connection with the exercise of the Call Right shall be equal to the product of (i) with respect to an Investor Call Trigger pursuant to clause (i) of the definition thereof, 90% of the Fair Market Value of the Company, (ii) with respect to an Investor Call Trigger pursuant to clause (ii) of the definition thereof, 100% of the Fair Market Value of the Company and (iii) with respect to an Investor Call Trigger pursuant to clause (iii) of the definition thereof, the greater of 100% of the Fair Market Value of the Company or such amount which would satisfy the Spin Return Threshold, (in each case, measured as of the date of the delivery of the Call Notice to the Investor Member) multiplied (ii) by a fraction, (A) the numerator of which is the number of Membership Interests that the Investor Member owns at such time and (B) the denominator of which is the total number of Membership Interests then outstanding (the amount equal to such product, the "Call Exercise Price"). If the Call Right is exercised by the NiSource Member, each of the Parties shall take all actions as may be reasonably necessary to consummate the transactions contemplated by this Section 5.1(e) as promptly as practicable, but in any event not later than thirty (30) days after the end of the Cure Period, or so long as necessary to obtain all required authorizations, approvals, or consents (such period, the "Call Consummation Period"), including entering into agreements and delivering certificates and instruments and consents as may be deemed necessary; provided, that, with respect to an Investor Call Trigger pursuant to clause (iii) of the definition thereof, the closing of the Call Right shall occur concurrently with or immediately prior to the underlying spin-off, split-off or similar transaction giving rise to the Call Right. If the Investor Member fails to take all actions necessary to consummate the Transfer of the Membership Interests held by it in accordance with this Section 5.1(e) prior to the expiration of the Call Consummation Period, then the Investor Member shall be deemed to be in material breach of this Agreement for purposes of Article IV and for all other purposes hereunder, shall be deemed a Defaulting Member, and shall be deemed to have granted (and hereby grants, contingent only on the occurrence of such failure) an irrevocable appointment of any Person nominated for the purpose by the NiSource Member to be the Investor Member's agent and attorney to execute all necessary documentation and instruments on its behalf to Transfer the Investor Member's Membership Interest to the Company as the holder thereof, in each case consistent with the provisions of this Section 5.1(e). At the consummation of any purchase and sale pursuant to this Section 5.1(e), the Investor Member shall sell to the NiSource Member all of the Membership Interests owned by the Investor Member in exchange for the Call Exercise Price. Contemporaneously with its receipt

from the NiSource Member of the Call Exercise Price, the Investor Member shall Transfer to the NiSource Member all of the Member's interests owned by the Investor Member, free and clear of all Liens. The Members and the Company acknowledge and agree that they shall cooperate reasonably to obtain any necessary authorization, approval or consent of any Governmental Body to consummate the transactions contemplated by this Section 5.1(e). For the avoidance of doubt, in the event the Call Right is exercised, the Investor Member may request the Fair Market Value be determined in accordance with Section 13.15, regardless of the Investor Member's Percentage Interest at such time.

(f) The Investor Member has delivered to the Company on the Effective Date the Equity Commitment Letter. In the event the Investor Member fails to make any Mandatory Capital Contribution from the Effective Date to and including the third (3rd) anniversary of the Effective Date, and so long as the Maximum Investor Commitment has not been fully paid, the Company shall be entitled to enforce the Equity Commitment Letter for any portion of the Investor Member's Pro Rata Request Amount, in addition to the other remedies provided herein (with the Directors appointed by the Investor Member abstaining from determining any such enforcement).

(g) Notwithstanding anything contained herein to the contrary, to the extent the Company does not distribute one hundred percent (100%) of the Purchase Price (as defined in the PSA) to the NiSource Member on or after the Effective Date (any such shortfall, the "NiSource Shortfall Amount"), the NiSource Member shall have no obligation with respect to any Additional Funding Requirement pursuant to Section 5.1(a) unless or until the cumulative amount of any Additional Funding Requirement otherwise imposed upon the NiSource Member exceeds the NiSource Shortfall Amount, if any. For the avoidance of doubt, the NiSource Shortfall Amount, if any, shall in no way affect the Members' Percentage Interests herein, and the NiSource Shortfall Amount, if any, shall not be Available Cash subject to distribution to the Members pursuant to Section 5.2.

Section 5.2 Distributions Generally.

(a) Except as otherwise provided herein and subject to Section 5.2(b), Section 5.2(c), and the Act, no later than seventy-five (75) days after the end of each fiscal quarter, the Company shall make distributions in cash of all its Available Cash in respect of such fiscal quarter. The Company may make such other more frequent distributions (including interim distributions) at such times and in such amounts as the Board may determine.

(b) Except as otherwise provided herein, all distributions shall be paid to the Members only in cash and in the same proportion as their respective Percentage Interest; provided, that, in the case of distributions to be paid in respect of any period during which the Percentage Interest of the Members changed, such distributions shall be prorated to reflect the Percentage Interest of the Members on each day of such measurement period, and the Company and the Members shall take such action as necessary to effectuate such proration.

(c) With respect to each taxable year, at such times necessary to allow the Members to timely satisfy all of their U.S. federal, state and local and non-U.S. tax liabilities, prior to any distributions pursuant to Section 5.2(a) and subject to Available Cash and any restrictions contained in any loan agreement or other contract to which the Company is a party or by which it is bound, the Company shall make cash distributions ("Tax Distributions") to each Member equal to such Member's quarterly Assumed Tax Liability determined based on the Board's good faith estimate of the projected Profits for such taxable year; provided, however, that to the extent a Member would otherwise be entitled to receive less than its Percentage Interest of the aggregate Tax Distributions to be paid pursuant to this Section 5.2(c) on any given date, then the Tax Distributions to such Member shall be increased, as necessary, to ensure that all such Tax Distributions made pursuant to this Section 5.2(c) are made pro rata in accordance with the

Members' respective Percentage Interests. The Company and the Board shall not have any liability to any Member for penalties or non-payment or incorrect estimates of such Member's estimated tax payments. Any distributions made pursuant to this Section 5.2(c) shall be treated for purposes of this Agreement as having been distributed pursuant to Section 5.2(a) and shall reduce, dollar-for-dollar, the amount otherwise distributable to such Member pursuant to Section 5.2(a). To the extent the Company does not have sufficient funds and thereby is unable to pay to the Members the full amount of any Tax Distribution otherwise payable pursuant to this Section 5.2(c), the Company shall pay the amount of such shortfall to the Members (pro rata, in accordance with the amount of any such shortfall then owing to such Members) as promptly thereafter as such funds become available. If with respect to any taxable year, the aggregate amount of distributions made to a Member under this Section 5.2(c) is in excess of the amount that would result from the application of this Section 5.2(c) to the entire taxable year, then the amount of such excess shall be treated as an advance against, and shall reduce the amount of, any future distributions made with respect to such Member pursuant to this Section 5.2(c), but shall not reduce Tax Distributions made to a Member to provide such Member with its pro rata Percentage Interest of Tax Distributions.

(d) Notwithstanding the terms of this Section 5.2 and any other provision of this Agreement, (i) the Company shall not make any distribution to any Member on account of its Membership Interests to the extent such distribution would violate the Act, other applicable Law or an Order, and (ii) a Member may direct the payment of part or all of any distribution to another Person by providing written notice of such direction to the Company.

Section 5.3 Distributions upon the Occurrence of an Event of Dissolution. Upon the occurrence of an Event of Dissolution, the Board will proceed, subject to the provisions herein, to wind up the affairs of the Company, liquidate and distribute the remaining assets of the Company (provided, however, that all distributions shall be paid to the Members only in cash and in accordance with the following order of priority: (i) first, to the NiSource Member to the extent the NiSource Shortfall Amount, if any, exceeds the cumulative amount of any Additional Funding Requirement otherwise imposed upon the NiSource Member pursuant to Section 5.1(a), and (ii) second, to the Members in accordance with their Percentage Interests) and apply the proceeds of such liquidation in the order of priority in accordance with Section 18-804 of the Act or as may otherwise be agreed to by the Members; provided, however, that notwithstanding anything contained herein to the contrary, the NiSource Notes shall be paid first. If the assets of the Company remaining after the payment or discharge of all debts and liabilities of the Company are insufficient to return capital contributions of each Member, such Member shall have no recourse against the Company or any other Member.

Section 5.4 Capital Accounts.

(a) A separate Capital Account for each Member shall be established on the books and records of the Company in compliance with Section 704(b) of the Code and the Treasury Regulations. The initial Capital Accounts of each Member are set forth on Schedule 1. This Section 5.4(a) and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Treasury Regulation Sections 1.704-1(b) and 1.704-2, and shall be interpreted and applied in a manner consistent with such Treasury Regulation, as determined by the Board in its reasonable discretion.

(b) No Member shall be required to pay to any other Member or the Company any deficit or negative balance which may exist from time to time in such Member's Capital Account (including upon and after dissolution of the Company).

Section 5.5 Withdrawal of Capital; Interest. Except as expressly provided in this Agreement, (a) no Member may withdraw capital or receive any distributions from the Company and (b) no interest shall be paid by the Company on any capital contribution or distribution.

Section 5.6 Allocation of Profits and Losses.

(a) Subject to Section 5.6(b), and after the application of the allocation rules in Section 5.7, Profits and Losses and, if the Board in its discretion determines it to be necessary, individual items thereof, for an Allocation Year (or other relevant period) shall be allocated among the Members for such Allocation Year (or other relevant period) in a manner determined by the Board so as to produce, as nearly as possible, the sum of (a) the Capital Account balance for each Member at the end of such Allocation Year (or other relevant period) and (b) such Member's share of Company Minimum Gain and Member Nonrecourse Debt Minimum Gain, if any, equal to the hypothetical cash that would be distributed to such Member if (x) the Company were dissolved, its affairs wound up and its assets sold for an amount of hypothetical cash equal to the sum of the Gross Asset Values of the assets at the end of such Allocation Year (or other relevant period), (y) the Company paid all of its liabilities in accordance with their terms up to the amount of the hypothetical cash (limited with respect to each Nonrecourse Liability to the Gross Asset Value of the asset securing such liability), and (z) the remaining hypothetical cash from the deemed sale were immediately distributed to the Members in accordance with Section 5.3.

(b) Notwithstanding the foregoing provisions of Section 5.6(a), the Losses (or items of expense or deduction or loss) allocated pursuant to Section 5.6(a) shall not exceed the maximum amount that can be so allocated without causing any Member to have an Adjusted Capital Account Deficit at the end of any Allocation Year (or other relevant period). In the event some, but not all, of the Members would have an Adjusted Capital Account Deficit as a consequence of an allocation of Losses pursuant to Section 5.6(a), the limitation set forth in this Section 5.6(b) shall be applied on a Member-by-Member basis so as to allocate the maximum permissible Losses to each Member under Treasury Regulations Section 1.704-1(b)(2)(ii)(d). All Losses (or items of expense or deduction or loss) in excess of the limitation set forth in this Section 5.6(b) shall be allocated to other Members in accordance with the positive balances in such Members' Adjusted Capital Accounts so as to allocate the maximum permissible Losses to each Member under Treasury Regulations Section 1.704-1(b)(2)(ii)(d).

Section 5.7 Special Allocations. Any allocation of Profits and Losses (or items thereof) for purposes of maintaining Capital Accounts will, however, be subject to any adjustment required to comply with Treasury Regulations Sections 1.704-1 and 1.704-2, including the following adjustments and special allocations which shall be made in the following order of priority and prior to any allocation under Section 5.6(a):

(a) Except as otherwise provided in Treasury Regulations Section 1.704-2(f), notwithstanding any other provision of this Article V, if there is a net decrease in Company Minimum Gain during an Allocation Year (or other relevant period), then each Member shall be specially allocated items of Company income and gain for such Allocation Year (or other relevant period) (and, if necessary, for subsequent Allocation Years (or other relevant periods)) in an amount equal to such Member's share of the net decrease in Company Minimum Gain, determined in accordance with Treasury Regulations Section 1.704-2(g)(2). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member in accordance with Treasury Regulations Sections 1.704-2(f)(6) and 1.704-2(j)(2). This Section 5.7(a) is intended to comply with the minimum gain chargeback requirement of Treasury Regulations Section 1.704-2(f) and shall be interpreted consistently therewith.

(b) Except as otherwise provided in Treasury Regulations Section 1.704-2(i)(4), notwithstanding any other provision of this Article V, if there is a net decrease in Member Nonrecourse Debt Minimum Gain attributable to a Member Nonrecourse Debt during any Allocation Year (or other relevant period), then each Member who has a share of the Member Nonrecourse Debt Minimum Gain attributable to such Member Nonrecourse Debt, determined in accordance with Treasury Regulations Section 1.704-2(i)(5), shall be specially allocated items of Company income and gain for such Allocation

Year (or other relevant period) (and, if necessary, for subsequent Allocation Years (or other relevant periods)) in an amount equal to such Member's share of the net decrease in Member Nonrecourse Debt Minimum Gain attributable to such Member Nonrecourse Debt, determined in a manner consistent with the provisions of Treasury Regulations Section 1.704-2(i)(4). The items to be allocated shall be determined in accordance with Treasury Regulations Sections 1.704-2(i)(4) and 1.704-2(j)(2). This Section 5.7(b) is intended to comply with the Member nonrecourse debt minimum gain chargeback requirement of Regulations Section 1.704-2(i)(4) and shall be interpreted consistently therewith.

(c) If any Member unexpectedly receives an adjustment, allocation, or distribution of the type contemplated by Treasury Regulations Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5) or 1.704-1(b)(2)(ii)(d)(6) resulting in, or increasing, an Adjusted Capital Account Deficit for such Member, then items of Company income and gain shall be specially allocated to all such Members in an amount and manner sufficient to eliminate, to the extent required by the Treasury Regulations, the Adjusted Capital Account Deficit of such Member as quickly as possible, provided that an allocation pursuant to this Section 5.7(c) shall be made only if and to the extent that such Member would have an Adjusted Capital Account Deficit after all other allocations provided for in this Article V have been tentatively made as if this Section 5.7(c) were not in this Agreement. It is intended that this Section 5.7(c) qualify and be construed as a "qualified income offset" within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

(d) If any Member has an Adjusted Capital Account Deficit at the end of any Allocation Year (or other relevant period) in excess of the sum of (A) the amount such Member is required to restore pursuant to the provisions of this Agreement and (B) the amount such Member is deemed obligated to restore pursuant to Treasury Regulations Sections 1.704-2(g) and 1.704-2(i)(5), such Member shall be specially allocated items of Company income and gain in the amount of such deficit as quickly as possible; provided, however, that an allocation pursuant to this Section 5.7(d) shall be made only if and to the extent that such Member would have an Adjusted Capital Account Deficit after all other allocations provided for in this Section 5.7 have been tentatively made as if Section 5.7(c) and this Section 5.7(d) were not in this Agreement.

(e) To the extent that an adjustment to the adjusted tax basis of any Company asset pursuant to Code Section 734(b) is required, pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts as the result of a distribution to a Member in complete liquidation of its Membership Interest, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis), and such gain or loss shall be specially allocated to the Members in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m).

(f) The Nonrecourse Deductions for each Allocation Year (or other relevant period) shall be allocated to the Members in proportion to their relative Percentage Interests.

(g) The Member Nonrecourse Deductions shall be allocated each Allocation Year (or other relevant period) to the Member that bears the economic risk of loss (within the meaning of Treasury Regulations Section 1.752-2) for the Member Nonrecourse Debt to which such Member Nonrecourse Deductions are attributable.

(h) The allocations set forth in Section 5.7(a) through Section 5.7(g) (collectively, the "Regulatory Allocations") are intended to comply with certain requirements of the Treasury Regulations. It is the intent of the parties to this Agreement that, to the extent possible, all Regulatory Allocations will be offset in the current Allocation Year or future Allocation Years either with other Regulatory Allocations

or with special allocations of other items of Company income, gain, loss or deduction pursuant to this Article V. Therefore, notwithstanding any other provision of this Section 5.7(h) (other than the Regulatory Allocations), the Board shall make such offsetting special allocations of Company income, gain, loss, or deduction (to the extent permissible) among the Members so that, after such offsetting allocations are made, each Member's Capital Account balance is, to the extent possible, equal to the Capital Account balance such Member would have had if the Regulatory Allocations were not part of the Agreement and all Company items were allocated pursuant to Section 5.6(a).

Section 5.8 Other Allocation Rules for Profits and Losses for Capital Accounts.

(a) In the event Members are admitted to the Company pursuant to this Agreement on different dates, the Company items of income, gain, loss, deduction, and credit allocated to the Members for each Allocation Year during which Members are so admitted shall be allocated among the Members in proportion to their respective interests during such Allocation Year using any reasonable convention permitted by Section 706 of the Code and selected by the Board (or its designee).

(b) In the event a Member transfers its Membership Interests during an Allocation Year, the allocation of Company items of income, gain, loss, deduction, and credit allocated to such Member and its transferee for such Allocation Year shall be made between such Member and its transferee in accordance with Section 706 of the Code using any reasonable convention permitted by Section 706 of the Code and selected by the Board (or its designee).

Section 5.9 Tax Allocations; Code Section 704(c) Allocations.

(a) Except as provided in this Section 5.9, for income tax purposes under the Code and the Treasury Regulations each Company item of income, gain, loss, deduction and credit shall be allocated among the Members in the same manner as its correlative item of Profit and Loss for the Allocation Year (or other relevant period).

(b) In accordance with Code Section 704(c) and the Treasury Regulations, items of income, gain, loss, and deduction with respect to any property of the Company shall, solely for income tax purposes, be allocated among the Members so as to take account of any variation between the adjusted tax basis of such property and its initial Gross Asset Value pursuant to any permissible method under the Treasury Regulations as may be determined by the Partnership Representative in its discretion; provided, however, with respect to any Company asset that is contributed to the Company with a Gross Asset Value that varies from its basis in the hands of the contributing Member immediately preceding the date of contribution shall be allocated among the Members for income tax purposes using the "traditional method," with no "curative allocation" of income or gain to offset any "shortfall" in depreciation that results by reason of the use of the "traditional method," as defined in Treasury Regulations Section 1.704-3(b), including upon sale of any property or upon the a subsequent issuance of additional membership interests, an in-kind contribution of property to the Company in exchange for membership interest, or a redemption of membership interests.

(c) If any portion of gain recognized from the disposition of assets by the Company represents the "recapture" of previously allocated deductions by virtue of the application of Code Section 1245 or 1250 (the "Recapture Gain"), such Recapture Gain shall be allocated, solely for income tax purposes, in accordance with Treasury Regulations Sections 1.1245-1(e)(2) and (3) and 1.1250-1(f).

(d) Tax credits and tax credit recapture shall be allocated among the Members in accordance with any reasonable method selected by the Board (or its designee) that is permitted by applicable tax laws.

(e) Unless otherwise provided in this Section 5.9, any material elections or other decisions relating to allocations for income tax purposes, including selecting any allocation method under Treasury Regulation Section 1.704-3, shall be made by the Board and shall reflect the economic intent of parties.

(f) Allocations pursuant to this Section 5.9 are solely for income tax purposes and shall not affect, or in any way be taken into account in computing, any Member's Capital Account.

Section 5.10 Allocation of Liabilities. The liabilities of the Company shall be allocated to the Members in any manner permitted under Code Section 752 and Treasury Regulations promulgated thereunder and as selected by the Board (or its designee); provided, however, for the avoidance of doubt, NIPSCO's intercompany debt payable to Parent as of Closing is recourse debt and shall be allocated one hundred percent (100%) to NIPSCO Holdings I under Treasury Regulations Section 1.752-2(c) for disguised sale and basis purposes.

Section 5.11 Compliance with Tax Laws. The allocation rules set forth in Section 5.6 through Section 5.10 are intended to comply with the Code and Treasury Regulations and to ensure that all allocations under this Article V are respected for United States federal income tax purposes and shall be interpreted consistently with such intent. If, for any reason, the Board determines that any provision of Section 5.6 through Section 5.10 does not comply with the Code or Treasury Regulations or that the allocations under this Article V may not be respected for United States federal income tax purposes, the Board may, subject to the next sentence, take all reasonable actions, including amending this Article V or adjusting a Member's Capital Account or how Capital Accounts are maintained, to ensure compliance with the Code and Treasury Regulations and that the allocations provided for in this Article V shall be respected for United States federal income tax purposes. Nothing in this Section 5.11 shall permit any changes to the provisions of Section 5.2 or Section 5.3.

ARTICLE VI TRANSFERS OF MEMBERSHIP INTERESTS

Section 6.1 General Restriction.

(a) No Member shall Transfer any of its Membership Interests except pursuant to and in accordance with this Article VI. Any purported Transfer by any Member of its Membership Interests in violation of this Section 6.1(a), or without compliance in all respects with the provisions of this Article VI pertaining to such purported Transfer, shall be invalid and void ab initio, and such purported Transfer by such Member shall constitute a material breach of this Agreement for purposes of Article VI.

(b) Subject to Section 6.2, neither the Investor Member nor the NiSource Member may Transfer any of its Membership Interests to any Person prior to the date that is the third (3rd) anniversary of the Effective Date (the "Lock-Up Period"), other than (i) in connection with any spin off, split off or similar transaction of the Company, the NiSource Member or NIPSCO, or any of their Affiliates, in each case, subject to the NiSource Member's compliance with Section 5.1(e) or Section 6.5 and the satisfaction of the Spin Return Threshold, or (ii) with the prior written consent of the NiSource Member or the Investor Member, as applicable. After the expiration of the Lock-Up Period, each of the Investor Member and the NiSource Member, as applicable, may Transfer its Membership Interests in accordance with this Article VI. Notwithstanding the forgoing, each of the Members may at any time Transfer Membership Interests in compliance with Section 6.2.

(c) Transfers by Members in accordance with and pursuant to this Article VI shall entitle each applicable transferee to the rights and obligations of the transferor under this Agreement.

(d) The Investor Member and the NiSource Member acknowledge any indirect Transfers of any Member's Membership Interest shall be deemed a Transfer by such Member hereunder. The Parent has joined this Agreement solely for the purpose of acknowledging the obligations of the NiSource Member under this Article VI.

Section 6.2 Transfers to Permitted Transferees; Liens by Members.

(a) Notwithstanding Section 6.1, each of the Members may Transfer at any time all or any portion of the Membership Interests held by it to any one of its Permitted Transferees; provided, that, in connection with any such Transfer, (a) such Permitted Transferee shall, in writing, assume all of the rights and obligations of the transferring Member as a Member under this Agreement and as a Party hereto with respect to the Transferred Membership Interests, (b) such Permitted Transferee is as creditworthy as the transferring Member and provides evidence thereof to the non-transferring Member, (c) the transferring Member remains liable for all liabilities and obligations of the Permitted Transferee, and (d) effective provision shall be made whereby such Permitted Transferee shall be required, prior to the time when it shall cease to be a Permitted Transferee of the transferring Member, to Transfer such Membership Interests to the transferring Member or to another Person that would be a Permitted Transferee of the transferring Member as of such applicable time. In the event that a Member (including, as the case may be, a Permitted Transferee) intends to Transfer its Membership Interests to a Permitted Transferee, such transferring Member or the Permitted Transferee, as applicable, shall notify the other Member and the Company of the intended Transfer at least twenty (20) Business Days prior to the intended Transfer.

(b) Each Member shall be permitted to directly or indirectly Encumber its Membership Interests or any equity interests in such Member in connection with any debt financing, the proceeds of which have been or will be used by such Member to finance its purchase of such Membership Interests (whether in respect of an issuance of new Membership Interests by the Company or the purchase of existing Membership Interests from a Member or the refinancing of any such debt financing in the future), to fund the capital expenditure needs of the Company and its Subsidiaries or to fund its capital needs for any Mandatory Capital Contribution and neither such Lien nor any commencement or consummation of foreclosure proceedings or exercise of foreclosure remedies by a secured party on a Member's Membership Interests Encumbered in connection with any such debt financing shall, in either case, be considered a "Transfer" for any purpose under this Agreement; provided, that (i) such Member shall be obligated to promptly notify the other Member and the Company in writing following the commencement of any such foreclosure remedies or proceedings, (ii) in the event of the consummation of such a foreclosure, such Member will automatically cease to be deemed the owner of the Membership Interests so foreclosed and will cease to have any rights in respect thereof (with the financing source foreclosing on such Membership Interests succeeding to the rights and responsibilities of the Member hereunder), and (iii) the consummation of any such foreclosure will be subject to the receipt of any required authorization, approval or consent of all applicable Governmental Bodies; provided, further, following exercise of any foreclosure or similar rights, such lender or similar Person may not further Transfer such Membership Interests without complying with this Article VI, including, Section 6.3.

Section 6.3 Right of First Offer.

(a) Prior to any Transfer by a Member (each, a "Transferring Member") of all or any portion of its Membership Interests other than to a Permitted Transferee of such Transferring Member, the Transferring Member must first offer to sell to the other Member (the "Non-Transferring Member") all of its Membership Interests that it desires to sell (such Membership Interests to be offered for sale to the Non-Transferring Member pursuant to this Section 6.3, the "Subject Membership Interests"), in each case, in accordance with the procedures set forth in the provisions of this Section 6.3.

(i) The Transferring Member shall first deliver to the Non-Transferring Member a written notice which shall be a binding offer to sell the Subject Membership Interests to the Non-Transferring Member, which notice shall constitute an offer to the Non-Transferring Member to effect such purchase and sale on the terms set forth therein. Any such Sale Notice shall be firm, not subject to withdrawal and prepared and delivered in good faith. Within ninety (90) days following its receipt of a Sale Notice, the Non-Transferring Member may accept the Transferring Member's offer and purchase the Subject Membership Interests at the cash price and upon the other material terms and conditions set forth in the Sale Notice, in which event the closing of the purchase and sale of the Subject Membership Interests will take place as promptly as practicable, subject to customary closing conditions, including the receipt of required regulatory approvals. The Sale Notice shall contain representations and warranties by the Transferring Member to the Non-Transferring Member that (A) the Transferring Member has full right, title and interest in and to the Subject Membership Interests, (B) the Transferring Member has all the necessary power and authority and has taken all necessary action to Transfer the Subject Membership Interests to the Non-Transferring Member as contemplated by this Section 6.3, and (C) the Subject Membership Interests are free and clear of any and all Liens other than those arising as a result of or under the terms of this Agreement and those arising under securities Laws of general applicability pertaining to limitations on the transfer of unregistered securities or (D) such other customary representations and warranties.

(ii) If the Non-Transferring Member does not accept the Transferring Member's offer within such ninety (90)-day period, then the Transferring Member will, for a period of 180 days commencing on the earlier of (A) the expiration of such ninety (90)-day period and (B) the delivery of a written notice by the Non-Transferring Member to the Transferring Member rejecting the offer set forth in the Sale Notice (if any) (such 180-day period, the "Sale Period"), be entitled to sell the Subject Membership Interests to any one Third Party at the same or higher price and upon other terms and conditions (excluding price) that are not more favorable to the acquiror than those specified in the Sale Notice, subject to the other terms of this Section 6.3. If such sale to any Third Party is not completed prior to the expiration of the Sale Period, then the process initiated by the delivery of the Sale Notice shall be lapsed, and the Transferring Member will be required to repeat the process set forth in this Section 6.3 before entering into any agreement with respect to, or consummating, any sale of Membership Interests to any Third Party; provided, that if a definitive agreement providing for the consummation of such sale is executed within the Sale Period but such sale has not been consummated at the expiration of the Sale Period solely as a result of a failure to receive the requisite authorization, approval or consent of any Governmental Body in respect of such sale, then the Sale Period shall be extended solely to the extent necessary to permit the receipt of all such authorizations, approvals or consents which are in process but have not been received from the relevant Governmental Body as of the original expiration date of the Sale Period and the consummation of the sale provided for in such definitive agreement; provided, that the Transferring Member shall have used efforts in seeking such authorizations, approvals and consents, consistent with its obligations under such definitive agreements in respect thereof.

(b) The Investor Member and its Permitted Transferees (if any) shall not be permitted to Transfer any of their Membership Interests to a Prohibited Competitor without the prior written consent of the NiSource Member. Within ten (10) Business Days after January 1, 2024 (and each year thereafter during the ten (10) Business Day period beginning on January 1 of the applicable year), the NiSource Member shall have the right (i) to update the list of Prohibited Competitors set forth on Appendix (A) to replace no more than three (3) of the Prohibited Competitors with other Competitors designated by the NiSource Member, and (ii) in addition to any replacements pursuant to clause (i), to add up to two (2) additional Competitors designated by the NiSource Member to such list.

(c) No Transfer of Membership Interests by the Investor Member to any Third Party pursuant to Section 6.3(a)(ii) may be effected if it would, or would reasonably be expected to in the reasonable and good faith determination of the NiSource Member in consultation with the Board, (i) have a material and adverse effect on the Company Group or (ii) create a material risk of a material adverse regulatory consequence on any member of the Company Group or the Outside Group as a result of the identity of the Third Party transferee, any action taken or reasonably expected to be taken by any Governmental Body with respect to such Transfer or change in Tax status of any Person caused or reasonably expected to be caused by such Transfer, any terms or conditions of such Transfer, any requirement that the Membership Interests be registered under any applicable securities Laws in connection with or as a result of such Transfer, or any other similar matter. For purposes of this Section 6.3 and Section 6.4, "control" means (x) the ownership of at least a majority of the issued and outstanding Membership Interests of the Company, or (y) the ability to elect, directly or indirectly, a majority of the Directors of the Company in accordance with this Agreement.

(d) Prior to the consummation of any Transfer pursuant to Section 6.3(a)(ii), the Transferring Member shall have delivered to the Board and the Non-Transferring Member evidence reasonably satisfactory to the Board (with the Directors appointed by the Transferring Member abstaining from any such determination) and to the Non-Transferring Member that (i) the transferee is a Qualified Transferee and (ii) the Transfer complies with the provisions of Section 6.3(b) (if applicable) and Section 6.3(c).

Section 6.4 Tag-Along Rights.

(a) Other than with respect to a Transfer proposed and made in accordance with Section 6.5, in the event that the NiSource Member proposes to effect a Transfer to a Third Party transferee (the "Tag-Along Buyer") of a number of its Membership Interests constituting more than 25% of the total Membership Interests then outstanding (a "Tag-Along Sale"), then the NiSource Member shall give the Investor Member written notice (a "Tag-Along Notice") of such proposed Transfer at least thirty (30) days prior to the consummation of such Tag-Along Sale, setting forth (w) the number of Membership Interests ("Tag-Along Offered Membership Interests") proposed to be Transferred to the Tag-Along Buyer and the purchase price, (x) the identity of the Tag-Along Buyer, (y) any other material terms and conditions of the proposed Transfer and (z) the intended dates on which the NiSource Member will enter into a definitive agreement in respect of such proposed Transfer and consummate such proposed Transfer.

(b) Upon delivery of a Tag-Along Notice, the Investor Member shall have the right, to sell up to its Tag Portion, at the same price per Membership Interest, for the same form of consideration and pursuant to the same terms and conditions (including time of payment) as set forth in the Tag-Along Notice (or, if different, as such are applicable at the time of the entry into a definitive agreement in respect of, or at the time of the consummation of, the Tag-Along Sale). If the Investor Member wishes to participate in the Tag-Along Sale, then the Investor Member shall provide written notice to the NiSource Member no less than forty-five (45) days after the date of the Tag-Along Notice, indicating such election. Such notice shall set forth the number of its Membership Interests that the Investor Member elects to include in the Tag-Along Sale (which number shall not exceed its Tag Portion), and such notice shall constitute the Investor Member's binding agreement to sell such Membership Interests on the terms and subject to the conditions applicable to the Tag-Along Sale.

(c) Any Transfer of the Investor Member's Membership Interests in a Tag-Along Sale shall be on the same terms and conditions as the Transfer of the NiSource Member's Membership Interests in such Tag-Along Sale, except as otherwise provided in this Section 6.4(c). The Investor Member shall be required to make customary representations and warranties in connection with the Transfer of the Investor Member's Membership Interests, including as to its ownership and authority to Transfer, free and clear of all Liens, the Investor Member's Membership Interests and shall indemnify and hold harmless, to the fullest extent

permitted by applicable Law, the Tag-Along Buyer against all losses of whatever nature arising out of, in connection with or related to any breach of any representation or warranty made by, or agreements, understandings or covenants of the Investor Member, as the case may be, under the terms of the agreements relating to such Transfer of Investor Member's Membership Interests, in each case not to exceed the equivalent obligations to indemnify and hold harmless the Tag-Along Buyer provided by the NiSource Member; provided, that (i) liability for misrepresentation or indemnity shall (as between the NiSource Member and the Investor Member) be expressly stated to be several but not joint and the NiSource Member and the Investor Member shall not be liable for any breach of covenants or representations or warranties as to the Membership Interests of any other Member and shall not, in any event, be liable for more than its pro rata share (based on the proceeds to be received) of any liability for misrepresentation or indemnity, (ii) the Investor Member shall benefit from any releases of sellers or other provisions in the transaction documentation of general applicability to sellers to the same extent as the NiSource Member, (iii) the Investor Member shall not be obligated to agree to any non-customary administrative covenants (such as any non-compete covenants that would restrict its or its Affiliates' business activities), and (iv) the Investor Member shall not be obligated to provide indemnification obligations that exceed its proceeds from the Tag-Along Sale.

(d) Notwithstanding the foregoing, and for the avoidance of doubt, the Investor Member shall not be entitled to Transfer its Membership Interests pursuant to this Section 6.4 in the event that, notwithstanding delivery of a written notice of election to participate in such Tag-Along Sale pursuant to this Section 6.4, the Investor Member fails to consummate the Transfer of its Membership Interests (on the terms and conditions required by this Section 6.4) in the applicable Tag-Along Sale.

(e) For the avoidance of doubt, the rights conferred to the Investor Member under this Section 6.4 do not apply in the event of a Change in Control of the NiSource Member.

Section 6.5 Drag-Along Rights.

(a) Following the end of the Lock-Up Period, except for the exclusions set forth in Section 6.1(b) thereto, in the event that the NiSource Member intends to effect a sale of all or any portion of the Membership Interests owned by the NiSource Member and such Membership Interests constitute at least a majority of the issued and outstanding Membership Interests of the Company (a "Drag-Along Sale"), then the NiSource Member shall have the option (but not the obligation) to require the Investor Member to Transfer all of its Membership Interests to the Third Party buyer (the "Drag-Along Buyer") (or to such other Party as the Drag-Along Buyer directs) in accordance with the provisions of this Section 6.5 (such right of the NiSource Member, the "Drag-Along Right").

(b) If the NiSource Member elects to exercise the Drag-Along Right pursuant to Section 6.5(a), then the NiSource Member shall send a written notice to the Investor Member (a "Drag-Along Notice") specifying (i) that the Investor Member is required to Transfer all of its Membership Interests pursuant to this Section 6.5, (ii) the amount and form of consideration payable for the Investor Member's Membership Interests, (iii) the name of the Third Party to which the Investor Member's Membership Interests are to be Transferred (or which is otherwise entitled to direct the disposition thereof at the consummation of the Drag-Along Sale), (iv) any other material terms and conditions of the proposed Transfer and (v) the intended dates on which the NiSource Member will enter into a definitive agreement in respect of such proposed Transfer and consummate such proposed Transfer.

(c) In the event that the NiSource Member elects to exercise the Drag-Along Right, then the Investor Member hereby agrees with respect to all Membership Interests it holds:

(i) in the event such transaction requires the approval of Members, to vote (in person, by proxy or by action by written consent, as applicable) all of its Membership Interests in favor of such Drag-Along Sale;

(ii) to execute and deliver all related documentation and take such other action reasonably necessary to enter into definitive agreements in respect of and to consummate the proposed Drag-Along Sale in accordance with, and subject to the terms of, this Section 6.5; and

(iii) not to deposit its Membership Interests in a voting trust or subject any Membership Interests to any arrangement or agreement with respect to the voting of such Membership Interests, unless specifically requested to do so by the Drag-Along Buyer in connection with a Drag-Along Sale.

(d) Subject to Section 6.5(e), any Transfer of the Investor Member's Membership Interests in a Drag-Along Sale shall be on the same terms and conditions as the proposed Transfer of the NiSource Member's Membership Interests in the Drag-Along Sale. Upon the request of the NiSource Member, the Investor Member shall be required to make customary representations and warranties in connection with the Transfer of the Investor Member's Membership Interests, including as to its ownership and authority to Transfer, free and clear of all Liens, its Membership Interests, and shall indemnify and hold harmless, to the fullest extent permitted by applicable Law, the Drag-Along Buyer against all losses of whatever nature arising out of, in connection with or related to any breach of any representation or warranty made by, or agreements, understandings or covenants of the Investor Member as the case may be, under the terms of the agreements relating to such Transfer of the Investor Member's Membership Interests, in each case not to exceed the equivalent obligations to indemnify and hold harmless the Drag-Along Buyer provided by the NiSource Member; provided, that (i) liability for misrepresentation or indemnity shall (as between the NiSource Member and the Investor Member) be expressly stated to be several but not joint and the NiSource Member and the Investor Member shall not be liable for any breach of covenants or representations or warranties as to the Membership Interests of any other Member and shall not, in any event, be liable for more than its pro rata share (based on the proceeds to be received) of any liability for misrepresentation or indemnity, (ii) the Investor Member shall benefit from any releases of sellers or other provisions in the transaction documentation of general applicability to sellers to the same extent as the NiSource Member and (iii) the Investor Member shall not be obligated to provide indemnification obligations that exceed its proceeds from the Drag-Along Sale.

(e) Any Transfer required to be made by the Investor Member pursuant to this Section 6.5 shall be for consideration consisting of cash or cash equivalents (or a combination thereof). Without the consent of the Investor Member, the Investor Member shall not be required in connection with such Drag-Along Sale to agree to any material indemnification obligations, material, non-customary administrative covenants (including, but not limited to, restrictive covenants (such as non-solicit and non-compete covenants) that would restrict its or its Affiliates' business activities).

(f) At the consummation of the Drag-Along Sale, the Investor Member shall Transfer all of its Membership Interests to the Drag-Along Buyer (or its designee), and the Drag-Along Buyer shall pay the consideration due for the Investor Member's Membership Interest. If the Investor Member has failed, as of immediately prior to the time that the consummation of the Drag-Along Sale would otherwise have occurred, to have taken all actions necessary in accordance with this Agreement to consummate the Transfer of the Membership Interests held by it, then the Investor Member shall be deemed to be in material breach of this Agreement for purposes of Article IV and for all other purposes hereunder, shall be a Defaulting Member, and shall be deemed to have granted (and hereby grants, contingent only on the occurrence of such failure) an irrevocable appointment of any Person nominated for the purpose by the NiSource Member to be the Investor Member's agent and attorney to execute all necessary documentation and instruments on its behalf to Transfer the Investor Member's Membership Interest to the Drag-Along Buyer (or as it may direct) as the holder thereof, in each case consistent with the terms set forth in this Section 6.5.

(g) The NiSource Member shall have a period of 180 days commencing on the delivery of the Drag-Along Notice (such as the 180-day period, the “Drag Sale Period”) to consummate the Drag-Along Sale. If the Drag-Along Sale is not completed prior to the expiration of the Drag Sale Period, then the process initiated by the delivery of the Drag-Along Notice shall be lapsed, and the NiSource Member will be required to repeat the process set forth in this Section 6.5 to pursue any Drag-Along Sale; provided that if a definitive agreement providing for the consummation of such Drag-Along Sale is executed within the Drag Sale Period but such Drag-Along Sale has not been consummated at the expiration of the Drag Sale Period solely as a result of a failure to receive the requisite authorization, approval or consent of any Governmental Body in respect of such Drag-Along Sale, then the Drag Sale Period shall be extended solely to the extent necessary to permit the receipt of all such authorizations, approvals or consents which are in process but have not been received from the relevant Governmental Body as of the original expiration date of the Drag Sale Period and the consummation of the Drag-Along Sale provided for in such definitive agreement; provided, that the NiSource Member shall have used efforts in seeking such authorizations, approvals and consents consistent with its obligations under such definitive agreement(s) in respect thereof.

(h) Notwithstanding the foregoing, the NiSource Member may not exercise the Drag-Along Right or consummate any Drag-Along Sale, without the prior written consent of the Investor Member unless the applicable Drag-Along Sale would result in the Investor Member receiving proceeds resulting in it achieving at least a IRR of 10% (the “Investor Return Threshold”) and a MOIC of 2.15x (the “MOIC Return Threshold”); provided, that any shortfall in the Investor Member achieving the Investor Return Threshold or the MOIC Return Threshold may be paid by the NiSource Member to the Investor Member in immediately available funds at the closing of the Drag-Along Sale, in which case the prior written consent of the Investor Member shall not be required to exercise the Drag-Along Right or consummate such Drag-Along Sale.

(i) For the avoidance of doubt, the rights conferred to the NiSource Member under this Section 6.5 do not apply in the event of a Change in Control of the NiSource Member.

Section 6.6 Cooperation. The transferring Member acknowledges and agrees that it shall cooperate reasonably to obtain the requisite authorization, approval or consent of any Governmental Body necessary to consummate any Transfers contemplated or permitted by this Article VI. The Members shall have the right in connection with any Transfer of Membership Interests permitted by this Agreement (or in connection with the investigation or consideration of any such potential Transfer) to require the Company to reasonably cooperate with potential purchasers in such prospective Transfer (at the sole cost and expense of the applicable Member or such potential purchasers) by taking such actions reasonably requested by the applicable Member or such potential purchasers to cooperate in such Transfer, including (a) preparing or assisting in the preparation of due diligence materials and (b) providing such reasonable access to the Company’s and each of its Subsidiaries’ books, records, properties and other materials (subject, in each case, to the execution of customary confidentiality and non-disclosure agreements and subject to attorney-client privilege) to potential purchasers; provided that no such cooperation by the Company shall be required (i) until the relevant potential purchaser executes and delivers to the Company a customary confidentiality agreement, (ii) to the extent such cooperation would unreasonably interfere with the normal business operations of the Company or any of its Subsidiaries, and (iii) to the extent the provision of any information would (A) conflict with, or constitute a violation of, any applicable Law or Order or cause a loss of attorney-client privilege of the Company or any of its Subsidiaries, (B) in the NiSource Member’s reasonable determination, require the disclosure of any information that is proprietary, confidential or sensitive to the NiSource Member or to any member of the NiSource Outside Group, or (C) require the disclosure of any information relating to any joint, combined, consolidated or unitary Tax Return that includes the NiSource Member or any other member of the Outside Group or any supporting work papers or other documentation related thereto.

Section 6.7 Sale of Investor Member. Notwithstanding anything to the contrary in this Agreement, if an Investor Member is participating in any sale of Membership Interests pursuant to Section 6.3, Tag-Along Sale or Drag-Along Sale or any other Transfer of its Membership Interests, the owners of the Investor Member (or, as applicable, the regarded owner of the Investor Member for U.S. federal income tax purposes) (each, a "Blocker Seller") shall, use commercially reasonable efforts to sell, and the NiSource Member and the Company will use commercially reasonable efforts to structure such sale or transfer such that the Blocker Seller is able to sell, equity interests in the Investor Member (or, as applicable, the regarded owner of the Investor Member for U.S. federal income tax purposes), in lieu of selling the Membership Interests held (directly or indirectly) by the Investor Member in exchange for consideration equal to the value of the Membership Interests as determined in such sale pursuant to Section 6.3, Tag-Along Sale or Drag-Along Sale or other Transfer, held (directly or indirectly) by the Investor Member without discount (as appropriately adjusted for any partial sale).

ARTICLE VII PREEMPTIVE RIGHTS

Section 7.1 Preemptive Rights. The Company hereby grants to each Member the right to purchase such Member's Preemptive Right Share of all (or any part) of any New Securities that the Company may from time to time issue after the Effective Date (the "Preemptive Right"); provided, however, that the Preemptive Right shall not apply with respect to New Securities issues or to be issued in any public offering or pursuant to failures to fund Additional Funding Requirements or as otherwise specifically provided herein. In the event the Company proposes to undertake an issuance of New Securities (in a single transaction or a series of related transactions), the Company shall give to each Member written notice of its intention to issue New Securities (the "Preemptive Right Participation Notice"), describing the amount and type of New Securities, the cash purchase price and the general terms upon which it proposes to issue such New Securities. Each Member shall have twenty (20) days from the date of receipt of any such Preemptive Right Participation Notice (the "Preemptive Right Notice Period") to agree in writing to purchase for cash up to such Member's Preemptive Right Share of such New Securities for the price and upon the terms and conditions specified in the Preemptive Right Participation Notice by giving written notice to the Company and stating therein the quantity of New Securities to be purchased (not to exceed such Members' Preemptive Right Share) as well as the maximum amount of New Securities it would purchase. If any Member fails to so respond in writing within the Preemptive Right Notice Period, then such Member shall forfeit the right hereunder to purchase its Preemptive Right Share of such New Securities and the Company will allocate the rights to purchase such New Securities to any other Member that indicated it would purchase New Securities in excess of its Preemptive Right Share based on their relative Preemptive Right Shares. Subject to obtaining the requisite authorization, approval or consent of any Governmental Body, the closing of any purchase by any Member pursuant to this Section 7.1 shall be consummated concurrently with the consummation of the issuance or sale described in the Preemptive Right Participation Notice. The Company shall be free to complete the proposed issuance or sale of New Securities described in the Preemptive Right Participation Notice with respect to any New Securities not elected to be purchased pursuant to this Section 7.1 in accordance with the terms and conditions set forth in the Preemptive Right Participation Notice (except that the amount of New Securities to be issued or sold by the Company may be reduced). If a Member indicates in its response to a Preemptive Right Participation Notice that it shall purchase New Securities but then does not fund such amounts, such Member shall be a Defaulting Member.

**ARTICLE VIII
PROTECTIVE PROVISIONS**

Section 8.1 Investor Member Threshold Matters. Notwithstanding anything to the contrary in this Agreement, the Company shall not cause or permit, in each case, so long as the Investor Member's Percentage Interest is equal to or greater than the Investor Consent Threshold (except with respect to subclauses (a)–(g) and (i), in which case so long as the Investor Member's Percentage Interest is at least 4.9%), and is not a Defaulting Member, without the prior written consent of the Investor Member (except that no such written consent shall be required to the extent that such matter is necessary to comply with applicable Law or Order or is in response to an Emergency Situation):

(a) make an election or take any other action that results in a change in the tax classification of the Company or any of its Subsidiaries, with respect to its Subsidiaries only if such change adversely affects the Investor Member;

(b) any non-*pro rata* repurchase or redemption of any equity interests issued by the Company;

(c) any (i) issuance of any class of equity interest in the Company, other than pursuant to Sections 1.9, 5.1, Section 7.1 or as otherwise specifically contemplated herein or (ii) change to the existing rights or obligations of any class of equity interest of the Company if such change would have a disproportionate material adverse impact on any Member in a manner different from the NiSource Member;

(d) the filing of a petition seeking relief, or the consent to the entry of a decree or order for relief in an involuntary case, under the bankruptcy, rearrangement, reorganization or other debtor relief Laws of the United States or any state or any other competent jurisdiction or a general assignment for the benefit of its creditors by the Company or any of its Subsidiaries of all or substantially all of the assets of the Company and its Subsidiaries;

(e) the conversion of the Company or NIPSCO from its current legal business entity form to any other business entity form (*e.g.*, the conversion of the Company from a Delaware limited liability company to a Delaware corporation);

(f) the listing of any equity interests of the Company or its Subsidiaries on any stock exchange (other than any spin off, split off or similar transaction of the Company, the NiSource Member or NIPSCO, or any of their Affiliates, which, for the avoidance of doubt, shall be subject to Sections 5.1(e) or 6.5 and the Spin Return Threshold);

(g) any amendment or modification to any Organizational Document of the Company or any Subsidiary of the Company, other than (i) ministerial amendments thereto or (ii) amendments thereto that are not disproportionately adverse to the Investor Member as compared to any other holder of equity interests of the Company;

(h) the transfer, sale or other disposition, whether by the way of asset sale, stock sale, merger, or otherwise, of (i) all or substantially all of the assets of the Company Group, taken as a whole on a consolidated basis, or (ii) assets of the Company's Subsidiaries having a Fair Market Value in excess of 2.5% of the Rate Base Amount in the aggregate in any transaction or series of related transactions, other than Qualifying Core Assets and Excluded Transactions (it being understood, for the avoidance of doubt, that this Section 8.1(h) shall not be deemed to restrict a transfer, sale or other disposition of the equity of the Company) and other than pursuant to Article VI or a Change in Control of the Company, or the NiSource Member or as set forth below;

(i) the transfer, sale, issuance, or other disposition of any equity interests in NIPSCO or in any Subsidiary of the Company that directly or indirectly holds any equity interests in NIPSCO to any Person that is not the Company or one of its wholly-owned Subsidiaries;

(j) any new agreements or amendments to existing agreements, among the Company or any of its Subsidiaries, on the one hand, and any Member or any of their respective Affiliates (other than the Company or any of its Subsidiaries), on the other hand, which such agreement (or series of related transactions) are entered into after the Effective Date, other than those that (i) are on an arms-length basis and (ii) involve revenues or expenditures of less than \$15,000,000 per Contract or series of related transactions individually or less than \$40,000,000 in the aggregate, subject to an annual increase by the CPI Escalator, for any fiscal year for all such affiliate transactions (it being acknowledged and agreed that no prior written consent of the Investor Member will be required with respect to any amendments to any affiliate transaction made in the ordinary course of business unless to the extent such amendment would have a disproportionately adverse effect on the Company Group (relative to other regulated utilities then owned by Parent or its Affiliates (other than the Company and its Subsidiaries)) in any material respect;

(k) the acquisition by the Company or any of the Company's Subsidiaries of any equity interests or assets of any Person or the entry into joint ventures, in each case, having a Fair Market Value in excess of 2.5% of the Rate Base Amount in the aggregate in any calendar year, other than in connection with Qualifying Core Assets or Excluded Transactions;

(l) any capital expenditure by the Company or its Subsidiaries, that is in excess of 1.0% of the Rate Base Amount in any calendar year and is not made (i) in connection with a Qualifying Core Asset, (ii) reasonably necessary to fund an Emergency Expenditures, or (iii) an Excluded Transaction;

(m) incurring long-term Indebtedness (other than the refinancing of existing Indebtedness on commercially reasonable terms consistent with current market conditions as determined by the Board) by the Company or its Subsidiaries, if, after giving pro forma effect to such incurrence and the application of the proceeds therefrom, the Company's and its Subsidiaries' Debt-to-Capital Ratio would exceed the then-current target Debt-to-Capital Ratio approved by the IURC by more than 200 basis points for two consecutive (2) quarters; provided, that the Company shall notify the Investor Member at least ten (10) Business Days prior to the Company or any of its Subsidiaries incurring any Indebtedness in excess of the annual budget;

(n) making any political or charitable contribution made by or on behalf of the Company or any of its Subsidiaries to any Governmental Body or any official, representative or staff thereof, including any community leaders or elected officials, in excess of \$250,000 individually or \$1,000,000 in the aggregate in a fiscal year; and

(o) entering into any binding agreement or arrangement by the Company or any of its Subsidiaries to effect any of the foregoing actions.

Notwithstanding the foregoing, no Investor Member approval shall be required with respect to any spin off, split off or similar transaction of the Company, the NiSource Member or NIPSCO, or any of their Affiliates; provided, that any such transaction must satisfy the requirements of Section 5.1(e) or Section 6.5 and the Spin Return Threshold.

Section 8.2 Consultation Matters. For so long as (x) the Investor Member's Percentage Interest is at least 9.9% and (y) the Investor Member is not a Defaulting Member, the Company (and, as applicable, the Board) shall use reasonable efforts to consult in good faith with the Investor Member prior to the Company undertaking, or causing or permitting any of its Subsidiaries to undertake, the following matters (except as would be impracticable in respect of a particular action that the Board reasonably believes to be necessary or appropriate to comply with applicable Law, Order or in response to an Emergency Situation):

(a) appointing or replacing the President, and the head of electric and the head of gas of NIPSCO;

(b) establishing or materially amending, or material deviating from the then-current plan or budget of the Company and its Subsidiaries; provided, that the Company (and, as applicable, the Board) the NiSource Member and the Parent shall (i) provide to the Investor Member a draft of the business plan and budget of the Company and its Subsidiaries for a given fiscal year no later than November 10 of the prior fiscal year, which budget shall include quarterly fiscal projections, (ii) schedule and attend a meeting among representatives of the Company, the NiSource Member, the Parent and the Investor Member, including the Chief Financial Officer and Head of Regulatory Affairs of the Parent, no later than November 24 of the prior fiscal year, to discuss the draft business plan and budget, (iii) schedule and attend a meeting between the Chief Executive Officer of the Parent and the Global Head of Infrastructure of Blackstone Inc., within 5 Business Days of a written request by the Investor Member, to discuss the draft business plan and budget as well as any changes proposed by Investor Member and (iv) consider the Investor Member's comments to the business plan and budget in good faith; and

(c) material decisions relating to the conduct (including the settlement) of any litigation, administrative, or criminal proceeding to which the Company or any of its Subsidiaries is a party where (i) it is reasonably expected that the liability of the Company and its Subsidiaries would exceed \$75,000,000 (as adjusted by the CPI Escalator) (solely with respect to litigation proceedings), (ii) such proceeding would have material reputational damage on the Company or its Subsidiaries, or (iii) such proceeding would reasonably be expected to have a material and adverse effect on the Investor Member or any of its Affiliates (other than in its or (if applicable, their) capacity as an investor in the Company); provided, that, for the avoidance of doubt, the foregoing shall not be applicable to any ordinary course regulatory proceedings (including rate cases) that do not involve claims of criminal conduct or intentional violations of applicable Law.

Section 8.3 Indebtedness. The Company and its Subsidiaries shall use reasonable best efforts to incur Indebtedness, both intercompany and with respect to any Third Party, such that the regulated capital structure of NIPSCO remains consistent with authorized levels.

Section 8.4 Additional Actions. The NiSource Member and Investor Member further agree to the additional actions set forth on Schedule 2.

Section 8.5 Actions by the Investor Directors on behalf of the Investor Member. Where any action requires the consent of the Investor Member pursuant to Section 8.1, the Investor Directors shall, unless the Investor Member indicates in writing to the NiSource Member otherwise, have the authority to provide such consent on behalf of the Investor Member at any meeting of the Board called to discuss such matters, and the Company, the other Members and the other Directors shall be entitled to rely on such action of the Investor Directors as an action of the Investor Member with such action being binding upon the Investor Member.

Section 8.6 Acknowledgement of Purpose of Provisions. It is hereby acknowledged and agreed by the Parties that the rights of the Investor Member set forth in this Article VIII are protection mechanisms for the Investor Member acting in its capacity as an investor in the Company and are not for purposes of, and should not be construed or otherwise interpreted as, providing the Investor Member or any of its Representatives or Affiliates with the ability to take any action that would constitute exercising substantial influence or control over the Company or any of its Subsidiaries or would otherwise provide the Investor Member or any of its Representatives or Affiliates with any right to direct the operation of the business of the Company or any of its Subsidiaries.

**ARTICLE IX
OTHER COVENANTS AND AGREEMENTS**

Section 9.1 Books and Records.

(a) The Company shall keep and maintain, or cause to be kept and maintained, books and records of accounts, taxes, financial information and all matters pertaining to the Company and its Subsidiaries at the offices and place of business of the Company in a commercially reasonable manner consistent with the manner in which similar books and records are kept and maintained by other members of the Outside Group. Each Member (other than any Defaulting Member) and its duly authorized Representatives shall have the right to, at reasonable times during normal business hours, upon reasonable notice, under supervision of the Company's personnel and in such a manner as to not unreasonably interfere with the normal operations of any member of the Company Group, visit and inspect the books and records of the Company Group, and, at its expense, make copies of and take extracts from any books and records of the Company Group; provided, that, in the case of the Investor Member, any Person gaining access to such information regarding the Company Group pursuant to this Section 9.1 shall agree to hold in strict confidence, not make any disclosure of, and not use for purposes other than good faith administration of the Investor Member's continuing investment, all information regarding any member of the Company Group that is not otherwise publicly available.

(b) Notwithstanding the foregoing, the Company shall not be obligated to provide to the Investor Member any record or information (i) relating to the negotiation and consummation of the transactions contemplated by this Agreement and the PSA, including confidential communications with Representatives or Advisors, including legal counsel, representing the Company or any of its Affiliates, (ii) that is subject to an attorney-client or other legal privilege, (iii) that, in the NiSource Member's reasonable determination, are proprietary, confidential or sensitive to the NiSource Member or to any other member of the Outside Group, (iv) relating to any joint, combined, consolidated or unitary Tax Return that includes the NiSource Member or any other member of the Outside Group or any supporting work papers or other documentation related thereto if such work papers or documentation includes the information of the NiSource Member or Outside Group, or (v) the provision of which would violate any applicable Law or Order; provided, with respect to (ii) and (iv) above that the Company shall use commercially reasonable efforts to develop an alternative to make such information available, including to make redactions to any such material and provide such redacted materials to the Investor Member.

(c) Each Member shall reimburse the Company for all reasonable, documented, out-of-pocket costs and expenses incurred by the Company in connection with such Member's exercise of its inspection and information rights pursuant to this Section 9.1.

Section 9.2 Financial Reports. The Company shall provide, or otherwise make available, to any Member (unless such Member is a Defaulting Member):

(a) on an annual basis, within 120 days after the end of each fiscal year, an audited consolidated balance sheet, statement of operations and statement of cash flow of NIPSCO and its Subsidiaries;

(b) on a quarterly basis, within 60 days after the end of each fiscal quarter, an unaudited consolidated balance sheet and related quarter and year to date statement of operation and related quarter and year to date statement of cash flow of NIPSCO and its Subsidiaries;

(c) on a monthly basis, within 30 days after the end of each month-end, an unaudited income statement as readily available to NIPSCO and its Subsidiaries and related financial information prepared in the ordinary course;

(d) on an annual basis (or more frequently, if applicable), as soon as reasonably practicable after the approval thereof by the Board, the annual budget and business plan for NIPSCO and its Subsidiaries;

(e) on an annual basis, as soon as reasonably practicable after the approval thereof by the Board, financial forecasts for NIPSCO and its Subsidiaries for the fiscal year, which shall be in such manner and form as approved by the Board, and which shall include a projection of income and a projected cash flow statement for each fiscal quarter in such fiscal year and a projected balance sheet as of the end of each fiscal quarter in such fiscal year;

(f) (i) within 45 days after the end of each fiscal year, an estimated Schedule K-1 for the immediately preceding taxable year based on best-available information to date and depreciation will be subject to change based on final year end audit and financial reporting results and (ii) not less than 45 days prior to the due date, including extensions, for the filing of the Company's federal information return for the immediately preceding taxable year, a final Schedule K-1, along with copies of all other federal, state and local income tax returns or reports filed by the Company for the previous year, as may be required as a result of the operations of the Company, and a schedule of Company book tax differences for the immediately preceding year;

(g) Investor Member shall promptly upon request by the NiSource Member provide the following information: (i) Form SS-4/IRS determination letter and Form 8832 Entity Classification Election and (ii) Form W-9; and

(h) promptly, upon reasonable notice, any information that is reasonably requested by any Member in order to manage its regulatory or tax affairs or make filings with Governmental Bodies, including but not limited to Federal and Indiana corporate tax returns and financial statements (whether or not audited) for the Investor Member (or the regarded owner of the Investor Member if the Investor Member is a disregarded entity for tax purposes).

Section 9.3 Other Business; Corporate Opportunities.

(a) To the extent permitted by applicable Law, any Member and any Affiliate of any Member may engage in, possess an interest in or otherwise be involved in other business ventures of any nature or description, independently or with others, similar or dissimilar to the businesses of the Company Group, and neither the Company nor any other Member shall have any rights by virtue of this Agreement in and to such independent ventures or the income or profits derived therefrom, and the pursuit of any such venture, even if competitive with the businesses of the Company Group, shall be deemed not to be wrongful or improper so long as it is consistent with all Laws and Orders applicable to the Company and its Subsidiaries.

(b) The Company and each Member expressly acknowledge and agree, that, (i) neither the Members nor any of their respective Affiliates or Representatives shall have any duty to communicate or present an investment or business opportunity to the Company in which the Company may, but for the provisions of this Section 9.3, have an interest or expectancy (a "Corporate Opportunity"), and (ii) neither of the Members nor any of their respective Affiliates or Representatives (even if such Person is also an officer or Director of the Company) shall be deemed to have breached any duty or obligation to the Company by reason of the fact that such Person pursues or acquires a Corporate Opportunity for itself or directs, sells, assigns or transfers such Corporate Opportunity to another Person or does not communicate information regarding such Corporate Opportunity to the Company. The Company and each Member expressly renounce any interest in Corporate Opportunities and any expectancy that a Corporate Opportunity will be offered to the Company.

Section 9.4 Compliance with Laws.

(a) The Company shall and shall cause its Subsidiaries to use their respective commercially reasonable efforts to procure that the Company and its Subsidiaries and Company Group's respective Representatives shall not in the course of their actions for, or on behalf of, any member of the Company Group:

(i) offer promise, provide or authorize the provision of any money, property, contribution, gift, entertainment or other thing of value, directly or knowingly indirectly, to any government official, to unlawfully influence official action or secure an improper advantage, or to unlawfully encourage the recipient to improperly influence or affect any act or decision of any Governmental Body, in each case, in order to assist any member of the Company Group in obtaining or retaining business, or otherwise act in violation of any applicable Anti-Corruption Laws;

(ii) violate any applicable Anti-Money Laundering Laws; or

(iii) engage in any unlawful dealings or transactions with or for the benefit of any Sanctioned Person or otherwise violate Sanctions.

(b) The Company shall promptly notify the Members of (i) any allegations of material misconduct by any member of the Company Group or any actions, suits or proceedings by or before any Governmental Body to which any member of the Company Group becomes a party, or to which the Company becomes aware that any Representative of the Company Group (in relation to such Representative's actions for, or on behalf of, any member of the Company Group) is a party, in each case, relating to any material breach or suspected material breach of any applicable Anti-Corruption Laws, Anti-Money Laundering Laws, or Sanctions or (ii) any fact or circumstances of which it becomes aware that would reasonably be expected to result in a breach of this Section 9.4.

Section 9.5 Non-Solicit. Without the prior written consent of the Company, during the term of this Agreement, the Investor Member shall not, shall cause its Affiliates not to, and shall use its reasonable best efforts to procure that other Persons in which it is invested do not, solicit for employment, hire or engage as a consultant any individual who is serving in any position within the then-current NiSource Leadership Team; provided, that this Section 9.5 shall not prohibit any Person from issuing general public solicitations not specifically targeted at the then-current NiSource Leadership Team or from hiring or engaging any Person responding to such general solicitations.

Section 9.6 Confidentiality.

(a) Each Member shall, and shall cause its Representatives to, keep confidential and not divulge any information (including all budgets, business plans and analyses) concerning the Company and its Subsidiaries, including their respective assets, business, operations, financial condition and prospects, or with respect to another Member of this Agreement ("Confidential Information"), and to use such Confidential Information only in connection with the operation of the Company and its Subsidiaries or such Member's administration of its investment in the Company; provided that nothing herein shall prevent any Member from disclosing such Confidential Information (i) upon the Order of any court or administrative agency, (ii) upon the request or demand of any Governmental Body having jurisdiction over such party, (iii) to the extent compelled by legal process or required pursuant to binding requirement of any

Governmental Body, (iv) to the other Parties, (v) to such party's Representatives that in the reasonable judgment of such party need to know such Confidential Information, (vi) to any potential Permitted Transferee in connection with a proposed Transfer of Membership Interests from a Member so long as such transferee agrees to be bound by the provisions of this Section 9.6 as if a Member, or (vii) to actual and prospective limited partners of such Member or its Affiliates in connection with reporting requirements or fundraising efforts; provided, further, that in the case of clauses (i), (ii), or (iii), such Member shall prior to making any disclosure seek a protective order or other relief to prevent or reduce the scope of such disclosure, to the extent legally permissible, notify the other Parties of the proposed disclosure as far in advance of such disclosure as practicable and use reasonable efforts to ensure that any Confidential Information so disclosed is accorded confidential treatment, when and if available; provided, further, that in the cases of clauses (v) through (vii), such party receiving any Confidential Information is bound to an obligation of confidentiality no less stringent than that contained in this Agreement including such other protective provisions to protect the misuse of material non-public information.

(b) The restrictions in Section 9.6(a) shall not apply to information that (i) is or becomes generally available to the public other than as a result of a disclosure by a Member or any of its Representatives in violation of this Agreement, (ii) is or has been independently developed or conceived by such Member or its Affiliates without use of the Company's or any of its Subsidiaries' Confidential Information or (iii) becomes available to the receiving Member or any of its Representatives on a non-confidential basis from a source other than the Company or any of its Subsidiaries, any other Party or any of their respective Representatives; provided, that such source is not known by the recipient of the information to be bound by a confidentiality agreement with the disclosing party or any of its Representatives.

(c) Each Party shall inform any Representatives to whom it provides Confidential Information that such information is confidential and instruct them (i) to keep such Confidential Information confidential and (ii) not to disclose Confidential Information to any Third Party (other than those Persons to whom such Confidential Information has already been disclosed in accordance with the terms of this Agreement). The disclosing Party shall be responsible for any breach of this Section 9.6 by the Person to whom the Confidential Information is disclosed.

(d) The restrictions in Section 9.6(a) shall not restrict any Member and its Affiliates from disclosing any Confidential Information required to be disclosed under applicable securities Laws or the rules of any stock exchange on which any of their securities are traded.

(e) Notwithstanding anything herein to the contrary, the provisions of this Section 9.6 shall survive the termination of this Agreement for a period of three (3) years and, with respect to each Member, shall survive for a period of three (3) years following the date on which such Member is no longer a Member. The provisions of this Section 9.6 shall supersede the provisions of any non-disclosure agreements entered into by the Company (or its Affiliates, including the NiSource Member) and any of the Members (or their respective Affiliates) with respect to the transactions contemplated hereby or by the PSA prior to the Effective Date.

Section 9.7 Expenses. Except as otherwise expressly provided herein, all costs and expenses, including fees and disbursements of Representatives and other Advisors, incurred in connection with this Agreement and the transactions contemplated hereby, shall be paid by the Party incurring such costs and expenses. Notwithstanding the foregoing, should any litigation be commenced between the Parties or their Representatives concerning this Agreement or the rights, duties, or obligations hereunder, the Party or Parties prevailing in such proceeding shall be entitled, in addition to any other relief granted, to the reasonable attorneys' fees and other litigation costs incurred by reason of such litigation.

Section 9.8 Obligations in Respect of Financings.

(a) Subject to Section 9.8(b), during the term of this Agreement, the NiSource Member and the Company shall cooperate with Investor Member as reasonably requested by the Investor Member in connection with any Debt Financing. Such assistance shall include (i) providing to Investor Member such information as may be reasonably necessary in connection with the Debt Financing, and (ii) taking such other actions as are reasonably requested by the Investor Member to facilitate the consummation of any Debt Financing.

(b) Notwithstanding anything in Section 9.8(a) or this Agreement to the contrary, the cooperation requested by the Investor Member pursuant to Section 9.8(a) shall not (i) unreasonably interfere with the ongoing operations of the NiSource Member or its Subsidiaries, or (ii) require the NiSource Member or any of its Subsidiaries (other than the Company) to (A) pay any commitment or other similar fee, (B) have or incur any liability or obligation in connection with any Debt Financing, including under any agreement or any document related to any Debt Financing, (C) commit to taking any action (including entering into any Contract) or to otherwise execute any document, agreement, certificate or instrument in connection with any Debt Financing or (D) take any action that would conflict with, violate or breach or result in a violation or breach of or default under any Contract, this Agreement or any other document contemplated hereby or any Law or regulatory requirements. In no event shall the Company or NiSource Member be required to provide information relating to the transactions contemplated hereby or with any other Person in connection with any possible sale or transfer of assets or equity of the Company and its Subsidiaries, any information subject to the attorney-client privilege or any confidential or sensitive information, or relating to any Tax Return.

Section 9.9 Credit Support. For so long as there are (a) any guarantees, credit support, letters of credit or financial assurances of a member of the Outside Group related to support obligations of the Company Group, each Member shall pay the portion equal to its Percentage Interest of any payment or draw request on such credit support facilities on or before the applicable payment date required or (b) any guarantees, credit support, letters of credit or financial assurances of the Company or any of its Subsidiaries related to support obligations of a member of the Outside Group, the NiSource Member shall pay all such payments on or before the applicable payment date required. If a Member does not make a payment in accordance with the above, the Company may issue a Capital Call Request Notice in accordance with Section 5.1 for such amount from the applicable Member. For the avoidance of doubt, the failure to make the payment in clauses (a) or (b) prior to a Capital Call Request Notice shall not be an Event of Default and the failure to fund pursuant to a Capital Call Request Notice shall be treated in accordance with Section 5.1.

**ARTICLE X
TAX MATTERS**

Section 10.1 Tax Classification. The Parties intend that the Company be classified as a partnership for U.S. federal income (and applicable state and local) Tax purposes. Without limiting Section 8.1(a), neither the Company nor any Member shall make any election to change the tax classification of the Company or otherwise take any action inconsistent with such intended tax classification without the consent of the Board (or its designee).

Section 10.2 Partnership Representative.

(a) The NiSource Member is hereby designated the “Partnership Representative” within the meaning of Code Section 6223(a) of the Company. The Partnership Representative shall, if required, designate from time to time a “designated individual” to act on behalf of the Partnership Representative, and such designated individual shall be subject to replacement by the Partnership Representative in accordance with the Code and Treasury Regulations. If any state or local tax law provides for a tax matters partner, partnership representative, or person having similar rights, powers, authority, or obligations, the Partnership Representative shall also serve in such capacity. The Partnership Representative is authorized to represent the Company before the Internal Revenue Service and any other governmental agency with jurisdiction, make all decisions regarding permitted elections under the Code, Treasury Regulations, and other state and local tax law with respect to tax proceedings; provided, however, the Partnership Representative shall not enter into any settlement or similar agreement without the consent of the Board (such consent not to be unreasonably withheld, conditioned, or delayed). All Members (and former Members) agree to cooperate with, and to do and refrain from doing any or all things reasonably required by the Partnership Representative in connection with the conduct of all such proceedings or to otherwise allow the Company and the Partnership Representative to comply with the partnership audit provisions of the Code, Treasury Regulations, and similar state and local law. All Members shall cooperate in good faith to amend this Section 10.2 or other provisions of this Agreement as necessary to reflect any statutory amendments or the promulgation of Treasury Regulations or other administrative authority promulgated under the Partnership Audit Rules so as to, to the extent possible, preserve the relative rights, duties, and obligations of the Members hereunder. The Company shall, to the fullest extent permitted by law, reimburse and indemnify the Partnership Representative for all third-party expenses (including legal and accounting fees), claims, liabilities, losses, and damages incurred as the Partnership Representative in connection with any examination, administrative, or judicial proceeding, or otherwise acting in its capacity as Partnership Representative.

(b) Notwithstanding anything to the contrary in this Agreement, each Member (including, for purposes of this Section 10.2, any Person who is or becomes a Member but who for any reason ceases to be a Member) (i) hereby covenants to treat each item of income, gain, loss, deduction, or credit attributable to the Company in a manner consistent with the treatment of such income, gain, loss, deduction, or credit on the tax return of the Company or as determined in a notice of final partnership adjustment pursuant to Section 6226 of the Code, (ii) hereby agrees to indemnify and hold harmless the Company from such Member’s share of any tax and any penalties, interest, and additions to tax attributable to any adjustment to the income, gain, loss, deduction, or credit of the Company pursuant to Section 6226 of the Code, and (iii) hereby agrees to take all other actions as the Partnership Representative may reasonably direct with respect to the Member’s (or, in respect of the Member, the Company’s) tax liabilities, which shall not include filing an amended return for any “reviewed year” to account for all adjustments under Section 6225(a) of the Code properly allocable to the Member as provided in and otherwise contemplated by Section 6225(c) of the Code and any Treasury Regulations that may be promulgated thereunder. If the Company or any other entity in which the Company holds an interest is obligated to pay any amount to a governmental agency or body or to any other Person (or otherwise makes a payment) of any taxes arising under a federal, state, or local tax audit or other proceeding and the Partnership Representative determines that all or a portion of such payment is specifically attributable to a Member (or former Member), then such Member (or former Member) shall reimburse the Company in full for the entire amount paid (including any interest, penalties, and expenses associated with such payment). The obligations of a Member under this Section 10.2 shall survive such Member’s sale or other disposition of its interests in the Company and the termination, dissolution, liquidation, or winding up of the Company.

(c) The Partnership Representative (i) shall keep the Investor Member reasonably informed of any material tax audit, settlement or proceeding and (ii) shall not settle or otherwise compromise a material tax audit, settlement or proceeding that would have a material adverse impact on the Investor Member, without the Investor Member’s prior written consent (such consent not to be unreasonably withheld, conditioned, or delayed).

Section 10.3 Tax Elections. Except as otherwise provided by this Agreement, all material elections and decisions required or permitted to be made by the Company under any applicable tax law shall be determined by the NiSource Member; provided however, that any election with respect to taxes that is disproportionately materially adverse to the Investor Member shall require the Investor Member's prior consent (such consent not to be unreasonably withheld, conditioned, or delayed). The elections shall include, but not be limited to, the following:

- (a) Upon the written request of a Member, the Company may make the election under Section 754 of the Code in accordance with applicable regulations thereunder for the Company and each applicable Subsidiary;
- (b) To the extent permitted under Section 706 of the Code, to elect the calendar year as the Company's taxable year and, (i) for clarity, to the extent the Company is permitted to adopt the calendar year, no other year shall be adopted as the taxable year and (ii) to the extent any additional filings or elections are required, to make such required filings or elections;
- (c) To elect the accrual method of accounting;
- (d) To elect to amortize any organizational expenses of the Company ratably over a period of one hundred eighty (180) months as permitted by Section 709(b) of the Code, and to elect to deduct the start-up expenditures of the Company as permitted by Section 195(b) of the Code;
- (e) If "bonus depreciation" is available with respect to qualified property, the NiSource Member shall make the election described in Section 168(k)(7) of the Code to opt out of "bonus depreciation" for the Taxable Year during which the placed in service date occurs.
- (f) Based upon current knowledge of the facts pertaining to the transactions contemplated by the PSA as of the Effective Date, the Company will not report the transactions contemplated by the PSA to the IRS as a "reportable transaction" pursuant to Section 6011 of the Code, the relevant Treasury Regulations and any other administrative practice or procedure;
- (g) To the extent permitted by law, to elect to apply the de minimis safe harbor under Treasury Regulations Section 1.263(a)-1(f);
- (h) To the extent permitted under Code Section 461(h)(3), to elect the adoption of the exception for certain recurring items;
- (i) To the extent permitted under Code Section 461(c), to elect to ratably accrue real property taxes; and
- (j) To elect under Code Section 163(j) to be treated as an excepted trade or business.

Section 10.4 Cooperation. The Investor Member shall, and shall cause its Affiliates to, provide to the NiSource Member and its Subsidiaries (including the Company and its Subsidiaries), and the NiSource Member and the Company shall, and shall cause their Affiliates to, provide to the Investor Member, in each case, such cooperation, documentation and information as any of them reasonably may request in connection with (a) filing any Tax Return, amended Tax Return or claim for refund, (b) determining a liability for Taxes or (c) preparing for or conducting any Tax audits, examinations or other proceedings by any taxing authority of any Governmental Body.

Section 10.5 Withholding. The Company may withhold and pay over to the United States Internal Revenue Service (or any other relevant Tax authority) such amounts as it is required to withhold or pay over, pursuant to the Code or any other applicable Tax Law, on account of a Member, including in respect of distributions made pursuant to Section 5.2 or Section 5.3, and, for the avoidance of doubt, the amount of any such distribution or other payment to a Member shall be net of any such withholding. To the extent that any amounts are so withheld and paid over, such amounts shall be treated as paid to the Person(s) in respect of which such withholding was made. For all purposes under this Agreement, any amounts withheld or paid with respect to a Member pursuant to this Section 10.5 shall offset any distributions to which such Member is entitled concurrently with such withholding or payment and shall be treated as having been distributed to such Member pursuant to Section 5.2 or Section 5.3 at the time such offset is made. To the extent that the cumulative amount of such withholding or payment exceeds the distributions to which such Member is entitled concurrently with such withholding or payment, the amount of such excess shall be promptly paid to the Company by the Member on whose behalf such withholding is required to be made; provided, however, that any such payment shall not be treated as a Capital Contribution and shall not reduce the amount that a Member is otherwise obligated to contribute to the Company. To the extent that a Member claims to be entitled to a reduced rate of, or exemption from, a withholding Tax pursuant to an applicable income Tax treaty, or otherwise, such Member shall furnish the Company with such information and forms as such Member may be required to complete where necessary to comply with any and all Laws and regulations governing the obligations of withholding Tax agents, and the Company shall apply such reduced rate of, or exemption from, withholding Tax as reflected on such information and forms that have been provided by such Member. Each Member agrees that if any information or form provided pursuant to this Section 10.5 expires or becomes obsolete or inaccurate in any respect, such Member shall update such form or information.

Section 10.6 Certain Representations and Warranties. Each Member represents and warrants that any such information and forms furnished by such Member shall be true and accurate and agrees to indemnify the Company from any and all damages, costs and out-of-pocket expenses resulting from the filing of inaccurate or incomplete information or forms relating to such withholding Taxes.

ARTICLE XI

LIABILITY; EXCULPATION; INDEMNIFICATION

Section 11.1 Liability; Member Duties. The debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and no Covered Person shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a Covered Person. Each Member acknowledges and agrees that each Member, in its capacity as a Member, may decide or determine any matter subject to the approval of such Member pursuant to any provision of this Agreement in the sole and absolute discretion of such Member, and in making such decision or determination such Member shall have no duty, fiduciary or otherwise, to any other Member or to the Company Group, it being the intent of all Members that such Member, in its capacity as a Member, has the right to make such determination solely on the basis of its own interests.

Section 11.2 Exculpation. To the fullest extent permitted by applicable Law, no Covered Person shall be liable to the Company or any other Covered Person for any loss, damage or claim incurred by reason of any act or omission performed or omitted by such Covered Person in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of the authority conferred on such Covered Person by this Agreement, except that a Covered Person shall be liable for any such loss, damage or claim incurred by reason of such Covered Person's fraud or willful misconduct.

Section 11.3 Indemnification. The Company shall indemnify, defend and hold harmless any Person who was or is a party or is treated to be made a party to any threatened, pending or completed actions, suits or proceedings by reason of the fact that such Person is or was a Director or officer of the Company, or is or was a Director or officer of the Company serving at the request of the Company as a director, officer or agent of another limited liability company, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' and experts' fees), judgments, settlements, penalties and fines actually and reasonably incurred by him or her in connection with the defense or settlement of such, action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Company; and, with respect to any criminal action or proceeding, either he or she had reasonable cause to believe such conduct was lawful or no reasonable cause to believe such conduct was unlawful; provided, however, for the avoidance of doubt, this Section 11.3 shall not apply with respect to any such actions between the Company and such Person or pursuant to claims under the PSA.

Section 11.4 Authorization. To the extent that such present or former Director or officer of the Company has been successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to in Section 11.3, or in the defense of any claim, issue or matter therein, the Company shall indemnify him or her against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection therewith. Any other indemnification under Section 11.3 shall be made by the Company only as authorized in the specific case, upon a determination that indemnification of the present or former Director or officer is permissible in the circumstances because such present or former Director or officer has met the applicable standard of conduct. Such determination shall be made, with respect to a Person who is a Director or officer at the time of such determination, (a) by a majority vote of the Directors who are not parties to such action, suit or proceeding, even with less than a quorum, or (b) if there are no such Directors, or if such Directors so direct, by independent legal counsel in a written opinion, or (c) by the Members. Such determination shall be made, with respect to former Directors and officers, by any Person or Persons having the authority to act on the matter on behalf of the Company.

Section 11.5 Reliance on Information. For purposes of any determination under Section 11.3, a present or former Director or officer of the Company shall be deemed to have acted in good faith and have otherwise met the applicable standard of conduct set forth in Section 11.3 if his or her action is based on the records or books of account of the Company or on information supplied to him or her by a Director or an officer of the Company in the course of his or her duties, or on the advice of legal counsel for the Company or on information or records given or reports made to the Company by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Company. The provisions of this Section 11.5 shall not be deemed to be exclusive or to limit in any way the circumstances in which a present or former Director or officer of the Company may be deemed to have met the applicable standard of conduct set forth in Section 11.3.

Section 11.6 Advancement of Expenses. Expenses (including reasonable attorneys' fees) incurred by the present or former Director or officer of the Company in defending any civil, criminal, administrative or investigative action, suit or proceeding may be paid by the Company as authorized in the specific case in the same manner described in Section 11.4, upon receipt of a written affirmation of the present or former Director or officer that he or she has met the standard of conduct described in Section 11.3 and upon receipt of a written undertaking by or on behalf of him or her to repay such amount if it shall ultimately be determined that he or she did not meet the standard of conduct, and a determination is made that the facts then known to those making the determination shall not preclude indemnification under this Article XI.

Section 11.7 Non-Exclusive Provisions. The indemnification and advancement of expenses provided by, or granted pursuant to, this Article XI shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled. The Company hereby acknowledges that certain of its Directors and certain of its Members and the direct and indirect partners therein or owners thereof (the "Fund Indemnitors") may have rights to indemnification, advancement of expenses and/or insurance with respect to their service on the Board (collectively, the "Fund Indemnitors"). The Company hereby agrees: (a) that it is the indemnitor of first resort (i.e., its obligations to the Fund Indemnitors are primary and any obligation of the Fund Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by the Fund Indemnitors are secondary) and (b) that it irrevocably waives, relinquishes and releases the Fund Indemnitors from any and all claims against the Fund Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof, except to the extent that a Fund Indemnitor breaches its undertaking to repay advanced expenses as provided in Section 11.6. The Company further agrees that no advancement or payment by the Fund Indemnitors on behalf of the Fund Indemnitors with respect to any claim for which the Fund Indemnitors have sought indemnification from the Company shall affect the foregoing and that the Fund Indemnitors shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of the Fund Indemnitors against the Company.

Section 11.8 Survival of Indemnification and Advancement of Expenses. The indemnification and advancement of expenses provided by, or granted pursuant to, this Article XI shall, unless otherwise provided when authorized or ratified, continue as to a Person who has ceased to be a Director or officer of the Company and shall inure to the benefit of his or her heirs, executors and administrators.

Section 11.9 Limitations. Notwithstanding anything contained in this Article XI to the contrary, the Company shall not be obligated to indemnify any Director or officer (or his or her heirs, executors or personal or legal representatives) or advance expenses in connection with a proceeding (or part thereof) initiated by such Person unless such proceeding (or part thereof) was authorized or consented to by the Board.

ARTICLE XII REPRESENTATIONS AND WARRANTIES

Section 12.1 Members Representations and Warranties. Each Member hereby represents and warrants, severally and not jointly, to the Company and to the other Member as follows:

(a) Such Member is a company duly organized, validly existing and in good standing under the Laws of its jurisdiction of incorporation or formation, as applicable, with full power and authority to enter into this Agreement and perform all of its obligations hereunder.

(b) The execution and delivery of this Agreement by such Member, and the performance by such Member of its obligations hereunder, have been duly and validly authorized by all requisite action by such Member, and no other proceedings on the part of such Member are necessary to authorize the execution, delivery or performance of this Agreement by such Member.

(c) This Agreement has been duly and validly executed and delivered by such Member, and, assuming that this Agreement is a valid and binding obligation of the other Parties, this Agreement constitutes a valid and binding obligation of such Member, enforceable against such Member in accordance with its terms, except as limited by the application of bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other Laws relating to or affecting creditors' rights or general principles of equity.

(d) The execution and delivery by such Member of this Agreement, and the performance by such Member of its obligations hereunder, does not (i) violate or breach its Organizational Documents, (ii) violate any applicable Law to which such Member is subject or by which any of its assets are bound, or (iii) result in any breach of or constitute a default (or an event that, with notice or lapse of time or both, would become a default) under any Contract to which such Member is a party or by which any of its assets are bound.

(e) Such Member is acquiring its Membership Interests (i) for such Member's own account and not directly or indirectly for the account of any other Person and (ii) for investment and not with a view to their sale or distribution. Such Member understands that the Membership Interests have not been registered under the Securities Act and may be resold only if registered pursuant to the provisions of the Securities Act or if an exemption from registration is available. Such Member understands that no public market now exists for the Membership Interests and that it is unlikely that a public market will ever exist for the Membership Interests. Such Member understands that its investment in the Company is highly speculative in nature and is subject to a high degree of risk of loss, in whole or in part.

ARTICLE XIII MISCELLANEOUS

Section 13.1 Notices. Except as otherwise expressly provided herein, all notices, demands and other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given (a) when personally delivered, (b) when transmitted by electronic mail (unless if transmitted after 5:00 p.m. Eastern time or other than on a Business Day, then on the next Business Day) to the address specified below (with confirmation of transmission), (c) when sent by internationally-recognized courier in which case it shall be deemed to have been given at the time of actual recorded delivery, or (d) the third (3rd) Business Day following the day on which the same is sent by certified or registered mail, postage prepaid, in each case, to the respective Party at the number, electronic mail address or street address, as applicable, set forth below, or at such other number, electronic mail address or street address as such Party may specify by written notice to the other Party.

Notices to the Investor Member:

BIP Blue Buyer L.L.C.
345 Park Avenue
New York, NY 10154
Attention: Legal Counsel – Blackstone Infrastructure Partners; Max Wade
Email: BIP-Legal@blackstone.com; max.wade@blackstone.com

with copies to (which shall not constitute notice):

Latham & Watkins LLP
1271 Avenue of the Americas
New York, NY 10020
Attention: David Allinson
Email: david.allinson@lw.com

and

Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas
New York, NY 10019
Attention: Ravi Purohit
Email: rpurohit@paulweiss.com

Notices to the NiSource Member:

NIPSCO Holdings I LLC

290 W. Nationwide Boulevard

Columbus, OH 43215

Attention: Shawn Anderson, Executive Vice President and Chief Financial Officer; Kim Cuccia, Senior Vice President, General Counsel and Corporate Secretary

Email: sanderson@nisource.com; kscuccia@nisource.com

with a copy to (which shall not constitute notice):

McGuireWoods LLP

800 East Canal Street

Richmond, Virginia 23219

Attention: Joanne Katsantonis; Emilie McNally

Email: jkatsantonis@mcguirewoods.com; emcnally@mcguirewoods.com

Notices to the Company:

NIPSCO Holdings II LLC

290 W. Nationwide Boulevard

Columbus, OH 43215

Attention: Shawn Anderson, Executive Vice President and Chief Financial Officer; Kim Cuccia, Senior Vice President, General Counsel and Corporate Secretary

Email: sanderson@nisource.com; kscuccia@nisource.com

with a copy to (which shall not constitute notice):

McGuireWoods LLP

800 East Canal Street

Richmond, Virginia 23219

Attention: Joanne Katsantonis; Emilie McNally

Email: jkatsantonis@mcguirewoods.com; emcnally@mcguirewoods.com

Section 13.2 Assignment. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns; provided, that neither Member, nor the Company, shall purport to assign or Transfer all or any of its rights or obligations under this Agreement nor grant, declare, create or dispose of any right or interest in this Agreement in whole or in part except with respect to a Transfer in accordance with the terms of this Agreement, and any attempted or purported assignment hereof not in accordance with the terms hereof shall be void ab initio.

Section 13.3 Waiver of Partition. Each Member hereby waives any right to partition of the Company property.

Section 13.4 Further Assurances. From and after the Effective Date, from time to time, as and when requested by any Party, any other Party shall execute and deliver, or cause to be executed and delivered, all such documents and instruments and shall take, or cause to be taken, all such further or other actions as such requesting Party may reasonably deem necessary or desirable to carry out the purposes and intent of this Agreement.

Section 13.5 Third Party Beneficiaries. Except as otherwise expressly provided herein, nothing expressed or referred to in this Agreement shall be construed to give any Person other than the Parties any legal or equitable right, remedy or claim under or with respect to this Agreement or any provision of this Agreement; provided, that Covered Persons are express third party beneficiaries of Article XI.

Section 13.6 Parties in Interest; Non-Recourse. This Agreement shall inure to the benefit of, and be binding upon, the Parties and their respective successors, legal representatives and permitted assigns. This Agreement may only be enforced against, and any claim, action, suit, proceeding or investigation based upon, arising out of or related to this Agreement may only be brought against, the Persons that are expressly named as Parties to this Agreement. Except to the extent named as a Party to this Agreement, and then only to the extent of the specific obligations of such Parties set forth in this Agreement, no past, present or future shareholder, member, partner, manager, director, officer, employee, Affiliate (without giving effect to the proviso set forth in the definition thereof), agent or advisor of any Party shall have any liability (whether in contract, tort, equity or otherwise or by or through theories of equity, agency, control, instrumentality, alter ego, domination, sham, single business enterprise, piercing the veil, undercapitalization or any other attempt to avoid or disregard the entity form of any Person not a Party) for any of the representations, warranties, covenants, agreements or other obligations or liabilities of any of the Parties or for any claim, action, suit, proceeding or investigation based upon, arising out of or related to this Agreement. Notwithstanding anything contained herein, in no event shall this Section 13.6 limit in any way or waive any rights the Company or the NiSource Member may have with respect to the Equity Commitment Letter.

Section 13.7 Severability. If any term, provision, covenant or restriction contained in this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void, unenforceable or against its regulatory policy, the remainder of the terms, provisions, covenants and restrictions contained in this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and, to the extent permitted and possible, any invalid, void or unenforceable term shall be deemed replaced by a term that is valid and enforceable and that comes closest to expressing the intention of such invalid, void or unenforceable term.

Section 13.8 Construction. The language used in this Agreement shall be deemed to be the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Person. The headings of the sections and paragraphs of this Agreement have been inserted for convenience of reference only and shall in no way restrict or otherwise modify any of the terms or provisions hereof.

Section 13.9 Complete Agreement. This Agreement (including any schedules thereto), constitutes the entire agreement of the Parties hereto with respect to the subject matter hereof and thereof and supersedes any prior understandings, agreements or representations by or among the Parties hereto or Affiliates thereof, written or oral, to the extent they relate in any way to the subject matter hereof.

Section 13.10 Amendment; Waiver. Subject to Article VIII, neither this Agreement nor any other Organizational Document of the Company may be amended (whether by merger or otherwise) except in a written instrument signed by Members owning at least a majority of the Membership Interests; provided, that (a) the prior written consent of any Member shall be required in respect of any such proposed modification, alteration, supplement or amendment that would have a material disproportionate adverse impact on that Member (in its capacity as a Member) as compared to the other Members (in their capacity as Members) and (b) notwithstanding anything in this Agreement to the contrary, Article V, Article VI,

Article VII, Article VIII and this Section 13.10 may not be amended other than by a written instrument signed by the Investor ~~Pages 62 to 612~~ even if the Company issues Membership Interests to one or more Third Parties pursuant to Section 5.1(c) or Section 7.1, the Members and the Company shall negotiate in good faith to amend this Agreement to the extent reasonably necessary to reflect such additional Members. Any amendment or revision to Schedule 1 that is made by an officer solely to reflect information regarding Members or the Transfer or issuance of Membership Interests made in accordance with the terms of this Agreement shall not be considered an amendment to this Agreement and shall not require any Board or Member approval. Any failure or delay on the part of any Party in exercising any power or right hereunder shall not operate as a waiver thereof, nor shall any single or partial exercise of any such right or power preclude any other or further exercise thereof or the exercise of any other right or power hereunder or otherwise available at law or in equity.

Section 13.11 Governing Law. This Agreement, and any claim, action, suit, investigation or proceeding of any kind whatsoever, including a counterclaim, cross-claim or defense, regardless of the legal theory under which such liability or obligation may be sought to be imposed, whether sounding in contract or tort, or whether at law or in equity, or otherwise under any legal or equitable theory, that may be based upon, arising out of or related to this Agreement or the negotiation, execution or performance of this Agreement or the transactions contemplated hereby shall be governed by and construed in accordance with the internal Laws of the State of Delaware applicable to agreements executed and performed entirely within such State without regards to conflicts of law principles of the State of Delaware or any other jurisdiction that would cause the Laws of any jurisdiction other than the State of Delaware to apply.

Section 13.12 Specific Performance. The Parties agree that irreparable damage, for which monetary relief, even if available, shall not be an adequate remedy, would occur in the event that any provision of this Agreement is not performed in accordance with its specific terms or is otherwise breached. It is accordingly agreed that (a) the Parties shall be entitled to seek an injunction or injunctions, specific performance or other equitable relief to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof without proof of damages or otherwise, this being in addition to any other remedy to which they are entitled under this Agreement, and (b) the right of specific performance and other equitable relief is an integral part of this Agreement and the business and legal understandings between the Members with respect to the Company, and without that right, none of the Members would have entered into this Agreement. The Parties acknowledge and agree that any Party pursuing an injunction or injunctions or other Order to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement in accordance with this Section 13.12 shall not be required to provide any bond or other security in connection with any such Order. The remedies available to the Parties pursuant to this Section 13.12 shall be in addition to any other remedy to which they may be entitled at law or in equity, and the election to pursue an injunction or specific performance shall not restrict, impair or otherwise limit any Party from seeking to collect or collecting damages. Each of the Parties agrees that it shall not oppose the granting of an injunction, specific performance and other equitable relief on the basis that any other Party has an adequate remedy at law or that any award of specific performance is not an appropriate remedy for any reason at law or in equity.

Section 13.13 Escalation; Arbitration.

(a) In connection with any dispute, controversy or claim between the Members relating to or arising out of this Agreement, the Members will use their reasonable efforts to resolve such dispute within thirty (30) days. If the dispute has not been resolved within such thirty (30) day period, the Members will escalate the dispute to the respective Senior Officers, who will meet to discuss and use their reasonable efforts to resolve the dispute. If the Members remain unable to resolve the dispute within thirty (30) days of the initial meeting of the Senior Officers or such later date as the Members subject to such dispute may agree, such dispute shall be finally settled by binding arbitration administered by the American Arbitration

Association (“AAA”) utilizing its Commercial Arbitration Rules in effect as of the date the arbitration is commenced. The arbitration shall be conducted before a single arbitrator, if the Parties can agree on the one arbitrator. If the Parties cannot agree on a single arbitrator, there shall be a panel of three arbitrators with one chosen by each Member and the third arbitrator selected by the two Members-appointed arbitrators. If a Party fails to appoint an arbitrator within 30 days following a written request by another Party to do so or if the two party-appointed arbitrators fail to agree upon the selection of a third arbitrator, as applicable, within 30 days following their appointment, the additional arbitrator shall be selected by the AAA pursuant to its applicable procedures. Each arbitrator shall be disinterested and have at least 20 years of experience with commercial matters. The arbitrator(s) shall have the power to award any appropriate remedy consistent with the objectives of the arbitration and subject to, and consistent with, all Laws and Orders applicable to the Company and its Subsidiaries (including, for the avoidance of doubt, the necessity of obtaining any requisite authorization, approval or consent of any Governmental Body necessary to implement the appropriate remedy). The decision of the one arbitrator or, if applicable, the majority of the three arbitrators shall be final and binding upon the Parties (subject only to limited review as required by applicable Law). Judgment upon the award of the arbitrator(s) may be entered in any court of competent jurisdiction or otherwise enforced in any jurisdiction in any manner provided by applicable Law. The losing Party shall pay the prevailing Party’s attorney’s fees and costs and the costs associated with the arbitration, including expert fees and costs and the arbitrators’ fees and costs; provided, however, that each Party shall bear its own fees and costs until the arbitrator(s) determine which, if any, Party is the prevailing Party and the amount that is due to such prevailing Party. The arbitration proceedings shall take place in Chicago, Illinois and, for the avoidance of doubt, the arbitration proceedings shall be conducted in the English language.

(b) All discussions, negotiations and proceedings under this Section 13.13, and all evidence given or discovered pursuant hereto, will be maintained in strict confidence by all Parties, except where disclosure is required by applicable Law, necessary to comply with any legal requirements of such Party or necessary or advisable in order for a Party to assert any legal rights or remedies, including the filing of a complaint with a court or, based on the advice of counsel, such disclosure is determined to be necessary or advisable under applicable securities Laws or the rules of any stock exchange on which any of such Party’s securities are traded. Disclosure of the existence of any arbitration or of any award rendered therein may be made as part of any action in court for interim or provisional relief or to confirm or enforce such award.

(c) Any settlement discussions occurring and negotiating positions taken by any Party in connection with the procedures under this Section 13.13 will be subject to Rule 408 of the Federal Rules of Civil Procedure and shall not be admissible as evidence in any proceeding relating to the subject matter of this Agreement.

(d) The fact that the dispute resolution procedure specified in this Section 13.13 has been or may be invoked will not excuse any Party from performing its obligations under this Agreement, and during the pendency of any such procedure, all Parties must continue to perform their respective obligations in good faith. In addition, in no event shall the fact that this provision has been invoked and the pendency of the proceedings limit, suspend, delay or waive any other rights and remedies provided in this Agreement to any Member.

(e) Notwithstanding the agreement to arbitrate contained in this Section 13.13, in the event that either Party wishes to seek a temporary restraining order, a preliminary or temporary injunction, or other injunctive relief in connection with any claim, demand, cause of action, dispute, controversy, or other matter arising out of or relating to this Agreement or the alleged breach thereof, whether such claim sounds in contract, tort, or otherwise, at law or in equity, under state or federal law, whether provided by statute or the common law, each Party shall have the right to pursue such injunctive relief in court, rather than by arbitration. The Parties agree that such action for a temporary restraining order, a preliminary or temporary injunction, or other injunctive relief may be brought in the state or federal courts of Delaware, or in any other forum in which jurisdiction is appropriate.

Section 13.14 Counterparts. This Agreement may be executed in counterparts, and any Party may execute any such counterparts, each of which when executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute one and the same instrument. This Agreement shall become effective when each Party shall have received a counterpart hereof signed by the other Parties. The Parties agree that the delivery of this Agreement may be effected by means of an exchange of facsimile or electronically transmitted signatures.

Section 13.15 Fair Market Value Determination. In the event the Board makes a determination of Fair Market Value under this Agreement, upon request by any Member, so long as a Member holds a Percentage Interest greater than 5%, within five Business Days after receiving written notice of the Board's determination in connection with any determination of Fair Market Value of Membership Interests or other assets under this Agreement (which determination shall be provided by the Company to each Member promptly following the making thereof), the Company shall select a nationally recognized independent valuation firm with no existing or prior business or personal relationship with any Member or any of its Affiliates in the three year period immediately preceding the date of engagement, pursuant to this Section 13.15 (the "Independent Evaluator") to determine such Fair Market Value. Each of the Company and the requesting Member shall submit their view of the Fair Market Value of the Membership Interests or the relevant asset(s) to the Independent Evaluator, and each party will receive copies of all information provided to the Independent Evaluator by the other party. The final Independent Evaluator's determination of the Fair Market Value of such Membership Interests or asset(s) shall be set forth in a detailed written report addressed to the Company and the Members within 30 days following the Company's selection of such Independent Evaluator and such determination shall be final, conclusive and binding. In rendering its decision, the Independent Evaluator shall determine which of the positions of the Company and the requesting Member submitted to the Independent Evaluator is, in the aggregate, more accurate (which report shall include a worksheet setting forth the material calculations used in arriving at such determination), and, based on such determination, adopt either the Fair Market Value determined by the Company or the requesting Member. Any fees and expenses of the Independent Evaluator incurred in resolving the disputed matter(s) will be borne by the party whose positions were not adopted by the Independent Evaluator. Notwithstanding the foregoing, the Board's determination of Fair Market Value under this Agreement shall be conclusive and relied upon by the Members in carrying out their obligations hereunder, unless and until the Independent Evaluator determines otherwise. The pendency of this process shall not excuse the performance of any obligations of a Member hereunder.

Section 13.16 Certain Definitions. As used in this Agreement, the following terms shall have the meanings ascribed to them below:

"Act" means the Delaware Limited Liability Company Act, as amended from time to time.

"Actual Performance Management Net Income" means Net Income of NIPSCO Consolidated adjusted for income taxes computed or imputed on Net Income. For these purposes, "NIPSCO Consolidated" is defined as NIPSCO and its consolidated subsidiaries including NIPSCO Accounts Receivable Corporation and its controlling investments in tax equity financings related to renewable projects. On an annual basis, Parent will provide to the Investor Member a schedule calculating Actual Performance Management Net Income including supporting documentation.

"Advisors" means, with respect to any Person, the accountants, attorneys, consultants, advisors, investment bankers, or other representatives of such Person.

“Adjusted Capital Account” means, with respect to any Member, the balance in such Member’s Capital Account as of the end of the Allocation Year or other period, after giving effect to the following adjustments:

(a) Add to such Capital Account the following items:

(i) The amount, if any, that such Member is obligated to contribute to the Company upon liquidation of such Member’s Interest; and

(ii) The amount that such Member is obligated to restore or is deemed to be obligated to restore pursuant to Treasury Regulations Section 1.704-1(b)(2)(ii)(c) or the penultimate sentence of each of Treasury Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5).

(b) Subtract from such Capital Account such Member’s share of the items described in Treasury Regulations Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5) and 1.704-1(b)(2)(ii)(d)(6).

The foregoing definition of Adjusted Capital Account is intended to comply with the provisions of Treasury Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

“Adjusted Capital Account Deficit” means, with respect to any Member, the deficit balance, if any, in such Member’s Adjusted Capital Account as of the end of the Allocation Year (or other relevant period).

“Affiliate” of any particular Person means any other Person controlling, controlled by or under common control with such particular Person, where “control” means the possession, directly or indirectly, of the power to direct the management and policies of a Person whether through the ownership of voting securities, Contract or otherwise; provided, however, that (i) no portfolio company of any investment fund affiliated with or advised by The Blackstone Group Inc. or Blackstone Infrastructure Partners L.P. shall be deemed to be an “Affiliate” of the Investor Member (excluding the Investor’s Subsidiaries) and (ii) no investment fund affiliated with or advised by The Blackstone Group Inc. shall be deemed an “Affiliate” of the Investor Member (excluding Blackstone Infrastructure Partners L.P. together with its controlled investment vehicles).

“Allocation Year” means (a) the period commencing on the Effective Date and ending on the immediately succeeding December 31; (b) any subsequent twelve (12) month period commencing on January 1 and ending on December 31; or (c) any portion of the period described in preceding clause (a) or (b) for which the Company is required to allocate items of the Company income, gain, loss, deduction or credit.

“Anti-Corruption Laws” means any Law concerning or relating to bribery or corruption imposed, administered or enforced by any Governmental Body.

“Anti-Money Laundering Laws” means any Law concerning or relating to money laundering, any predicate crime to money laundering or any record keeping, disclosure or reporting requirements related to money laundering imposed, administered or enforced by any Governmental Body.

“Assumed Tax Liability” means, for any Member, the product of (a) such Member’s allocable share of net taxable income of the Company for such Fiscal Year (or applicable portion thereof), reduced by such Member’s allocable share of cumulative net taxable loss of the Company not previously been taken into account (calculated taking into account the effect of any basis adjustment under Code Section 734, 743 or 754 and allocations pursuant to Code Section 704(c)), determined as if such Member has no items of income, gain, loss, deduction or credit other than through the Company, multiplied by (b) the Assumed Tax Rate.

“Assumed Tax Rate” means the highest effective combined marginal U.S. federal, state and local income tax rate applicable to the Company for such Fiscal Year (taking into account the character of the underlying taxable income) and the deductibility of state and local income taxes for U.S. federal income tax purposes (and any applicable limitations thereon). The Assumed Tax Rate shall be the same for each Member.

“Available Cash” means, for any fiscal quarter, the cash flow generated from the normal business operations of the Company and its Subsidiaries in such fiscal quarter, less any amounts that the Board reasonably determines are necessary and appropriate to be retained in order to (a) permit the Company and its Subsidiaries to pay their obligations as they become due in the ordinary course of business, (b) make all payments required or that the Board determines is appropriate under the NiSource Notes, (c) maintain the Company’s and its Subsidiaries’ target regulatory capital structure and investment grade credit metrics, (d) fund planned capital expenditures, (e) maintain an adequate level of working capital, (f) maintain prudent reserves for future obligations (including contingent obligations of the Company and its Subsidiaries), (g) comply with applicable Law, Order, the terms of the Company’s and its Subsidiaries’ Indebtedness (including making any required payments of principal or interest in satisfaction of Indebtedness), or (h) respond to an Emergency Situation, with the requirement of the Company and its Subsidiaries, to make upward cash distributions (on a quarterly basis) of at least 50% of the such applicable entity’s Net Income for the relevant period (but, in any case, no less than all Available Cash).

“Business Day” means any day other than a Saturday, Sunday or a day on which banking institutions located in New York, New York or Delaware are closed generally.

“Capital Account” means the capital account maintained for each Member on the Company’s books and records in accordance with the following provisions:

(a) To each Member’s Capital Account there shall be added (i) such Member’s Capital Contributions, (ii) such Member’s allocable share of Net Profits and any items in the nature of income or gain that are specially allocated to such Member pursuant to Section 5.6 or Section 5.7 hereof or other provisions of this Agreement, and (iii) the amount of any Company liabilities assumed by such Member or which are secured by any property distributed to such Member.

(b) From each Member’s Capital Account there shall be subtracted (i) the amount of (A) cash and (B) the Gross Asset Value of any Company assets (other than cash) distributed to such Member pursuant to any provision of this Agreement, (ii) such Member’s allocable share of Net Losses and any other items in the nature of expenses or losses that are specially allocated to such Member pursuant to Section 5.6 or Section 5.7 hereof or other provisions of this Agreement, and (iii) liabilities of such Member assumed by the Company or which are secured by any property contributed by such Member to the Company.

(c) In the event any Membership Interest is transferred in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred Membership Interest.

(d) In determining the amount of any liability for purposes of subparagraphs (a) and (b) above, there shall be taken into account Code Section 752(c) and any other applicable provisions of the Code and Regulations.

The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are hereby deemed to comply with Regulations Sections 1.704-1(b) and 1.704-2 and shall be interpreted and applied in a manner consistent with such Regulations.

“Capital Contribution” means, with respect to any Member, the total amount of cash and the initial Gross Asset Value of property (other than cash) contributed to the capital of the Company by such Member, whether as an initial Capital Contribution or as an additional Capital Contribution.

“Change in Control” means with respect to the applicable Party, any person or group (within the meaning of Sections 13(d)(3) and 14(d)(2) of the Securities Exchange Act of 1934, as amended) at any time becoming the beneficial owner of more than 50% of the combined voting power of the voting securities of such Party (including through general partner and limited partner arrangements).

“Code” means the Internal Revenue Code of 1986, as amended.

“Company Group” means the Company and each of its Subsidiaries, collectively.

“Company Minimum Gain” has the meaning set forth in Treasury Regulations Sections 1.704-2(b)(2) and 1.704-2(d)(1) for the phrase “partnership minimum gain.”

“Competitor” means any Person that is, or through its Subsidiaries is, directly involved in or competes with the Company Business in the United States. For the avoidance of doubt, a Competitor shall not include any financial sponsors that own equity in any Person that is directly involved in the Company Business in the United States.

“Contract” means any written agreement, arrangement, commitment, indenture, instrument, purchase order, license or other binding agreement.

“Covered Person” means any (a) Member, any Affiliate of a Member or any officers, directors, shareholders, partners, members, employees, representatives or agents of a Member or their respective direct or indirect Affiliates, (b) Director, or (c) employee, officer, or agent of the Company or its Affiliates.

“CPI Escalator” means that certain increase calculated annually on the anniversary of the Effective Date by the percentage increase of services measured by the consumer price index as determined by the U.S. Department of Labor, Bureau of Labor Statistics.

“Debt Financing” means any debt financing incurred by the Investor Member or any of its Affiliates (other than the Company), including, the incurrence of any loans or the issuance of any bonds, notes, debentures or hybrid securities.

“Debt-to-Capital Ratio” means the debt-to-capital ratio of NIPSCO as calculated for IURC purposes.

“Depreciation” means, for Allocation Year or other period, an amount equal to the depreciation, amortization or other cost recovery deduction allowable for federal income tax purposes with respect to an asset for such Allocation Year or other period, except that (a) with respect to an asset the Gross Asset Value of which differs from its adjusted basis for U.S. federal income tax purposes and which difference is being eliminated by use of the “remedial allocation method” as defined in Treasury Regulations Section 1.704-3(d), Depreciation for such period shall be the amount of the book basis recovered for such period under the rules prescribed in Treasury Regulations Section 1.704-3(d)(2), and (b) if the Gross Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such Allocation

Year or other period, Depreciation shall be an amount that bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization or other cost recovery deduction for such Allocation Year or other period bears to such beginning adjusted tax basis; provided, however, that if the federal income tax depreciation, amortization or other cost recovery deduction for such Allocation Year or other period is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the Board.

“Emergency Expenditure” means amounts required to be incurred in order to respond to an Emergency Situation or to avoid an Emergency Situation in a manner that is consistent with general practices applicable to facilities used in the Company Business or consistent with the past operations of the Company or its Subsidiaries, but only to the extent such expenditures are reasonably designed to ameliorate the consequences, or an immediate threat of any of the consequences, of the issues set forth in the definition of “Emergency Situation”.

“Emergency Situation” means, with respect to the business of the Company and its Subsidiaries, any abnormal system condition or abnormal situation requiring immediate action to maintain the system, frequency, loading within acceptable limits or voltage or to prevent loss of firm load, material equipment damage or tripping of system elements that would reasonably be expected to materially and adversely affect reliability of an electric system or any other occurrence or condition that requires immediate action to prevent or mitigate an immediate and material threat to the safety of Persons or the operational integrity of the assets and business of the Company or its Subsidiaries or any other condition or occurrence requiring prompt implementation of emergency procedures as defined by the applicable transmission grid operator, distribution or transmitting utility.

“Encumber” means to place a Lien against.

“Equity Commitment Letter” means the Equity Commitment Letter dated as of the Effective Date by Blackstone Infrastructure Partners L.P. for the benefit of the Company in the amount equal to \$250,000,000 minus the Additional Capital Contribution Amount (as defined in the PSA) (the “Maximum Investor Commitment”).

“Exchange Act” has the meaning set forth in the definition of “Excluded Membership Interests”.

“Excluded Membership Interests” means any Membership Interests or other equity interests in the Company issued in connection with:

(a) any issuance to a Third Party pursuant to and in accordance with Section 7.1;

(b) any arrangement approved unanimously by the Board for the return of income or capital to the Members;

(c) any equity split, equity dividend or any similar recapitalization; or

(d) the commencement of any offering or registration of Membership Interests or other equity interests of the Company or any of its Subsidiaries, pursuant to a registration statement filed in accordance with the United States Securities Act of 1933 (the “Securities Act”) or under the Securities and Exchange Act of 1934 (the “Exchange Act”).

“Excluded Transactions” means Transactions in the ordinary course of the Company Business, with respect to (i) tax equity financings related to renewable projects, or (ii) pilot programs and similar undertakings by the Company or its Subsidiaries in connection with the Company Business.

“Fair Market Value” means, with respect to any asset (including equity interest), the price at which the asset would change hands between a willing buyer and a willing seller that are not affiliated parties, neither being under any compulsion to buy or to sell, and both having knowledge of the relevant facts and taking into account the full useful life of the asset. In valuing Membership Interests, no consideration of any control, liquidity or minority discount or premium shall be taken into account. Fair Market Value shall be determined by the Board in accordance with the foregoing, subject to Section 13.15.

“FERC” means the U.S. Federal Energy Regulatory Commission or any successor agency thereto.

“GAAP” means United States generally accepted accounting principles applied on a consistent basis during the periods involved.

“Governmental Body” means any national, foreign, federal, regional, state, local, municipal or other governmental authority of any nature (including any division, department, agency, commission or other regulatory body thereof) and any court or arbitral tribunal, including any governmental, quasi-governmental or non-governmental body administering, regulating or having general oversight over electricity, power or the transmission or transportation thereof, including any regional transmission operator, independent system operator and any market monitor thereof.

“Gross Asset Value” means, with respect to any asset, the asset’s adjusted basis for federal income tax purposes, except as follows:

(a) The initial Gross Asset Value of any asset contributed by a Member to the Company shall be the gross fair market value of such asset on the date of the contribution, as determined by the Board, provided that the initial Gross Asset Values of the assets contributed to the Company pursuant to Section 5.1 shall be as set forth on Schedule 1.

(b) The Gross Asset Values of all Company assets immediately prior to the occurrence of any event described in subparagraphs (i) through (v) below shall be adjusted to equal their respective gross fair market values, as determined by the Board, as of the following times: The Gross Asset Values of all Company assets shall be adjusted to equal their respective gross fair market values, as determined by the Board, as of the following times: (i) the acquisition of an additional interest in the Company by any new or existing Member in exchange for more than a de minimis Capital Contribution; (ii) the distribution by the Company to a Member of more than a de minimis amount of Property as consideration for an interest in the Company; (iii) the liquidation of the Company within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(g); (iv) in connection with the grant of an interest in the Company (other than a de minimis interest) as consideration for the provision of services to or for the benefit of the Company by an existing Member acting in a partner capacity, or by a new Member acting in a partner capacity in anticipation of being a Member; and (v) the acquisition of an interest in the Company upon the exercise of a non-compensatory option in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv)(s); provided, however, adjustments pursuant to clause (i), clause (ii), and clause (iv) above shall be made only if the Board reasonably determines that such adjustments are necessary or appropriate to reflect the relative economic interests of the Members in the Company; and provided further, if any non-compensatory option is outstanding, Gross Asset Values shall be adjusted in accordance with Treasury Regulation Sections 1.704-1(b)(2)(iv)(f)(1) and 1.704-1(b)(2)(iv)(h)(2);

(c) The Gross Asset Value of any Company asset distributed to a Member shall be the gross fair market value of such asset on the date of distribution as determined by the Board

(d) The Gross Asset Values of Company assets shall be increased (or decreased) to reflect any adjustments to the adjusted Gross Asset Values of assets pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Regulations Section 1.704-1(b)(2)(iv)(m); provided, however, that Gross Asset Values shall not be adjusted pursuant to this subparagraph (d) to the extent that an adjustment pursuant to subparagraph (b) above is made in connection with a transaction that would otherwise result in an adjustment pursuant to this subparagraph (d).

(e) If the Gross Asset Value of a Company asset has been determined or adjusted pursuant to subparagraph (a), subparagraph (b) or subparagraph (d) above, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such Company asset for purposes of computing Net Profits and Net Losses.

“Indebtedness” means indebtedness or long term debt or similar instruments as those terms are calculated or determined by IURC.

“Investor Call Trigger” means (i) the Investor Member fails to fund all or any portion of its share of a Mandatory Capital Contribution or any Additional Funding Requirement (other than a Mandatory Capital Contribution) in respect of two (2) events if the Investor Member indicated it would do so in its Response to Capital Call but failed to do so within the time period specified in Section 5.1; provided, that the NiSource Member shall be required to provide notice to the Investor Member immediately upon its first event of failure to fund that would trigger this right, (ii) the Investor Member’s Percentage Interest is equal to or less than five percent (5%), or (iii) the NiSource Member elects to pursue a spin off, split off or similar transaction of the Company, NIPSCO or an Affiliate; provided, in the case of this clause (iii), the NiSource Member may not exercise its Call Right unless the Spin Return Threshold would be satisfied in the event such contemplated transaction is consummated.

“Investor Consent Threshold” means a Percentage Interest equal to or greater than 19.9%; provided, that, solely in the event the Investor Member’s Percentage Interest is reduced in connection with issuances of Membership Interests in compliance with Sections 5.1 or 7.1, such reference to “19.9%” shall be replaced by “17.5%”.

“IRR” means, at any time of determination, the actual annual rate of return of the Investor Member (specified as a percentage) taking into account only the following, on a cash-in, cash-out basis: (a) all capital contributions actually made to the Company by or on behalf of the Investor Member or any of its Permitted Transferees with respect to their Membership Interests on or before such date, and (b) all cash distributions to the Investor Member or any of its Permitted Transferees on or before such date. For the avoidance of doubt, the IRR calculation would not include any tax payments at the Investor Member level. The IRR will be calculated using the XIRR function in the most recent version of Microsoft Excel (or if such program is no longer available, such other software program for calculating the IRR as is reasonably determined by the Board), and will be based on the actual dates of funding of such capital contributions and the actual dates of receipt of such cash distributions and proceeds.

“IURC” means the Indiana Utility Regulatory Commission.

“Law” means any law (statutory, common or otherwise), rule, regulation, code or ordinance enacted, adopted, promulgated or applied by any Governmental Body, including all regulatory requirements emanating from state and federal regulators of the Company Group’s businesses and operations.

“Liens” means all liens, encumbrances, mortgages, deeds of trust, pledges, security interests, charges, claims, proxy, voting trust or transfer restrictions, under any stockholder or similar agreement or Organizational Document.

“Maximum Investor Commitment” has the meaning set forth in the definition of “Equity Commitment Letter”.

“Member” means each of the NiSource Member and the Investor Member, and any Person admitted as an additional member of the Company or a substitute member of the Company pursuant to the provisions of this Agreement, each in its capacity as a member of the Company.

“Member Nonrecourse Debt” has the meaning of “partner nonrecourse debt” as set forth in Treasury Regulations Section 1.704-2(b)(4).

“Member Nonrecourse Debt Minimum Gain” means an amount, with respect to each Member Nonrecourse Debt, equal to the Company Minimum Gain that would result if such Member Nonrecourse Debt were treated as a Nonrecourse Liability, determined in accordance with Treasury Regulation Section 1.704-2(i)(3).

“Member Nonrecourse Deductions” has the meaning of “partner nonrecourse deductions” set forth in Treasury Regulations Section 1.704-2(i)(1) and 1.704-2(i)(2).

“Membership Interests” means membership interests of the Company.

“MOIC” means, as of any measurement time, with respect to any holder of Membership Interests, the number resulting from the quotient of (i) the cumulative amount of distributions received by such holder (or its predecessors in interest) in respect of such Membership Interests divided by (ii) the cumulative amount of all capital contributions made to the Company by such holder (or its predecessors in interest) in respect of such Membership Interests prior to such time or, in the case of the Investor Member, the cumulative amount of the Purchase Price (as defined in the PSA) under the PSA paid by the Investor Member to the Parent (as defined therein).

“Net Income” means the Net Income attributable to the applicable entity in its consolidated GAAP income statement adjusted to (i) reflect non-GAAP adjustments included in the Parent’s consolidated non-GAAP reporting associated with the applicable entity and recorded in accordance with the Parent’s non-GAAP policy in effect as of the date of the income statement, and (ii) add post-tax Pension & OPEB Non-Service Cost if it is an expense and subtract post-tax Pension & OPEB Non-Service Cost in cases when this item is income. For reference, the Parent’s non-GAAP policy is to that certain non-GAAP policy in effect as of the Effective Date.

“New Securities” means any Membership Interests or other equity interests in the Company, other than any Excluded Membership Interests.

“NiSource Leadership Team” means any individual serving as an officer at any Company Group.

“Nonrecourse Deductions” has the meaning set forth in Treasury Regulations Sections 1.704-2(b)(1) and 1.704-2(c).

“Nonrecourse Liability” has the meaning set forth in Treasury Regulations Sections 1.704-2(b)(3) and 1.752-1(a)(2).

“OFAC” means the U.S. Office of Foreign Assets Control.

“Order” means any order, ruling, decision, verdict, decree, writ, award, judgment, injunction, or other similar determination or finding of any Governmental Body.

“Organizational Documents” means, with respect to any corporation, its articles or certificate of incorporation, memorandum of association and by-laws or documents of similar substance; with respect to any limited liability company, its articles of association, articles of organization or certificate of organization, formation or association and its operating agreement or limited liability company agreement or documents of similar substance; with respect to any limited partnership, its certificate of limited partnership and partnership agreement or documents of similar substance; and with respect to any other entity, documents of similar substance to any of the foregoing.

“Outside Group” means the Parent and its Subsidiaries, other than the Company and its Subsidiaries.

“Partnership Audit Rules” means Sections 6221 through 6241 of the Code, as enacted in Public Law 114-74, as may be amended, including any final or temporary Regulations, other administrative guidance or case law interpreting Sections 6221 through 6241 of the Code (and any analogous provision of state or local tax law).

“Partnership Representative” means, with respect to any Allocation Year, the Person designated for such year as the partnership representative for the Company pursuant to section 6223(a) of the Code or with respect to the tax law of any state or foreign jurisdiction, as a representative pursuant to a provision of law of such state or foreign jurisdiction corresponding to Section 6223(a) of the Code and shall also include the Person through whom a Partnership Representative acts.

“Percentage Interest” means, in respect of any Member, their relative ownership in the Membership Interests, expressed as a percentage, which shall be deemed to be equal to the number of Membership Interests that such Member owns divided by the total number of Membership Interests then outstanding.

“Permitted Transferee” means, with respect to the NiSource Member or the Investor Member, (a) a directly or indirectly wholly owned Subsidiary of such Member, (b) an Affiliate of such Member of which such Member is, directly or indirectly, a wholly owned Subsidiary (an “Affiliate Parent”), or (c) an Affiliate of such Member that is a wholly owned Subsidiary of an Affiliate Parent.

“Persons” means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or a Governmental Body.

“Preemptive Right Share” means a ratio of (a) the number of Membership Interests held by such Member with Preemptive Rights, to (b) the total number of Membership Interests then outstanding immediately prior to the issuance of New Securities giving rise to the Preemptive Rights.

“President” means the President of NIPSCO.

“Profits” and “Losses” mean, for each Allocation Year, an amount equal to the Company’s taxable income or loss for such Allocation Year, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments (without duplication):

(a) Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Profits or Losses pursuant to this definition of “Profits” and “Losses” shall be added to such taxable income or loss;

(b) Any expenditures of the Company described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Profits or Losses pursuant to this definition of “Profits” and “Losses,” shall be subtracted from such taxable income or loss;

(c) In the event the Gross Asset Value of any Company asset is adjusted pursuant to clause (b) or clause (c) of the definition of “Gross Asset Value,” the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the Gross Asset Value of the asset) or an item of loss (if the adjustment decreases the Gross Asset Value of the asset) from the disposition of such asset and shall be taken into account for purposes of computing Profits or Losses;

(d) In lieu of the depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such Allocation Year, computed in accordance with the definition of Depreciation;

(e) Gain or loss resulting from any disposition of Property with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Gross Asset Value of the Property disposed of, notwithstanding that the adjusted tax basis of such Property differs from its Gross Asset Value;

(f) To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Code Section 734(b) or Section 743(b) is required, pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m)(4), to be taken into account in determining Capital Accounts as a result of a distribution other than in liquidation of a Member’s interest in the Company, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) from the disposition of such asset and shall be taken into account for purposes of computing Profits or Losses; and

(g) Notwithstanding any other provision of this definition, any items that are specially allocated pursuant to Section 5.7 or Section 5.8 shall not be taken into account in computing Profits or Losses.

The amounts of the items of Company income, gain, loss, or deduction available to be specially allocated pursuant to Section 5.7 and Section 5.8 shall be determined by applying rules analogous to those set forth in clause (a) through clause (f) of this definition

“Prohibited Competitor” means (i) any Competitor listed on Appendix (A) hereto, as may be updated from time to time in accordance with Section 6.3(b) and (ii) any person owned or controlled by an entity existing under the laws of a country or territory that is subject to, or a target of, any Sanctions.

“PSA” means the Purchase and Sale Agreement, dated June 17, 2023, by and among the Company, the NiSource Member and the Investor Member (as amended, modified or supplemented from time to time).

“Qualified Designee” means (i) with respect to NiSource Member, an employee of Parent or its Affiliates that is an officer of any such entity and (ii) with respect to Investor Member, an employee of the Investor Member or its parent company that is an officer or comparable position of such entity or is otherwise affiliated with such entity; provided, that a “Qualified Designee” shall not include any Person so long as such Person is (a) a director, officer, employee, or other Person affiliated with a Prohibited Competitor or (b) any Person convicted by a court or equivalent tribunal of any felony (or equivalent crime in the applicable jurisdiction) or of any misdemeanor (or equivalent crime in the applicable jurisdiction) that involves financial dishonesty or moral turpitude, or (c) any Person that would create a material reputational risk to the Company based on a good faith determination by the Board.

“Qualified Transferee” means any Person so long as such Person is (i) an asset manager with “assets under management” (as such term is commonly defined in the private equity industry) of at least \$5,000,000,000, (ii) a Person with its equity interests listed on a nationally recognized stock exchange which has a market capitalization of at least \$5,000,000,000 or (iii) a Person that based on its most recent audited balance sheet has at least \$5,000,000,000 of assets, and/or in all cases, is in the good faith determination of the Board of being financially capable of carrying out the obligations and promptly paying all liabilities as they become due and payable under and in accordance with this Agreement and such Person is not a Prohibited Competitor; provided, that a Person that consummated a foreclosure pursuant to Section 6.2(b) shall be deemed a Qualified Transferee.

“Qualifying Core Assets” means assets utilized in connection with the conduct of the Company’s and its Subsidiaries’ business on which the Company reasonably expects (a) that it or its Subsidiaries will be eligible to include in the applicable rate base, and (b) to earn a return through rates approved by FERC (or such other Governmental Body that may then be applicable) that are commercially reasonable (to be determined by the Board in good faith) and are not otherwise inconsistent with applicable FERC (or such other Governmental Body, as the case may be) rate precedent. For the avoidance of doubt, “Qualifying Core Assets” shall also include necessary or ancillary expenses to support such assets (including working capital).

“Rate Base Amount” means an amount equal to the net utility plant of the Company and its Subsidiaries, taken as a whole, as determined based on the most recently filed FERC Form 1s for the Company and each of its Subsidiaries.

“Representatives” means the directors, officers, employees, agents and Advisors of a Party.

“Sanctioned Country” means a country or territory that is the target of comprehensive Sanctions (currently, Cuba, Iran, North Korea, Syria, the Crimea region of Ukraine, and the so-called Donetsk and Luhansk People’s Republics in eastern Ukraine).

“Sanctioned Person” means, (a) any Person listed in any Sanctions-related list of designated Persons maintained by a Governmental Body described in the definition of “Sanctions,” (b) any Person operating, organized, domiciled or resident in a Sanctioned Country, (c) the government of, or a Governmental Body or government official of, any Sanctioned Country or of Venezuela, or (d) any Person directly or indirectly owned or otherwise controlled by, acting for or on behalf of, or acting at the direction of, any such Person described in clauses (a), (b), or (c).

“Sanctions” means any trade or economic sanctions imposed, administered or enforced from time to time by OFAC, the U.S. Department of State, His Majesty’s Treasury, the United Nations, the European Union or any agency or subdivision of any of the foregoing, including any regulations, rules and executive orders issued in connection therewith.

“Securities Act” has the meaning set forth in the definition of “Excluded Membership Interests”.

“Senior Officers” means with respect to the NiSource Member, the Chief Executive Officer of the Parent, and with respect to the Investor Member, the Global Head of Infrastructure of Blackstone Inc.

“Spin Return Threshold” means the Investor Return Threshold and the MOIC Return Threshold.

“Subsidiary” means, with respect to any Person, any entity of which a majority of the total voting power of shares of stock of such Person (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of such Person or a combination thereof or any partnership, association or other entity of which a majority of the partnership or other similar ownership interest is at the time owned or controlled, directly or indirectly, by such Person or one or more Subsidiaries of such Person or a combination thereof. For purposes of this definition, a Person is deemed to have a majority ownership interest in a partnership, limited liability company, association or other business entity if such Person is allocated a majority of the gains or losses of such partnership, limited liability company, association or other entity or is or controls the managing director or general partner of such partnership, limited liability company, association or other business entity.

“Tag Portion” means an amount of Membership Interests equal to the specified quantity of Tag-Along Offered Membership Interests multiplied by Investor Member’s Percentage Interest.

“Target Performance Management Net Income” means the financial model output reflected in the “Net Income – Controlling Interests – GAAP” row of the PDF labeled “Project Blue – Seller Model and Non-GAAP Policy.pdf” and attached to an email from the Investor Member’s counsel to the NiSource Member’s counsel copying Representatives of the Investor Member and the NiSource Member on December 28, 2023 at 4:16 p.m. Eastern Standard Time.

“Tax” or “Taxes” means any federal, state, local or foreign taxes, including income, gross receipts, capital stock, capital gains, franchise, profits, license, withholding, payroll, social security, unemployment, disability, real property, ad valorem/personal property, stamp, excise, occupation, sales, use, excise, transfer, value added, import, export, alternative minimum, estimated or other tax, duty, assessment or governmental charge in the nature of a tax, including any interest, penalty or addition thereto.

“Tax Return” means any return, claim for refund, report, election, form, statement or information return relating to Taxes, including any schedule or attachment thereto, and including any amendments thereof.

“Third Party” means, with respect to a Member, another Person that is not another Member or an Affiliate of a Member.

“Transfer” shall mean, with respect to the legal or beneficial ownership of any of a Member’s Membership Interests, any sale, assignment, transfer, pledge, encumbrance, hypothecation or other similar arrangement or disposal, directly or indirectly, whether voluntarily, involuntarily or by operation of applicable Law (through a Change in Control or otherwise) including by the entry into any contract, option or other arrangement, or the granting or imposition of any Lien, that gives any Person other than the Member, whether or not upon the occurrence or nonoccurrence of an event, the right to acquire any Membership Interests or any interest therein, to vote any Membership Interest, or to require that any Membership Interests be transferred, directly or indirectly, whether voluntarily, involuntarily or by operation of applicable Law. For the avoidance of doubt and notwithstanding the foregoing, none of the following shall constitute a Transfer: (i) a sale, assignment, transfer, or other disposition of equity interests in any Member or any direct or indirect parent of such Member in which such Member represents less than 50% of the Fair Market Value of all of the assets directly or indirectly held by such Member or direct or indirect parent the equity interests of which are being disposed, except in any such case as expressly set forth in Section 6.2(b), (ii) a Change in Control of the NiSource Member or indirect transfers of Membership Interests resulting solely from acquisitions and dispositions of equity interests of Blackstone Inc., Parent or their respective Affiliates on the New York Stock Exchange, (iii) any direct or indirect transfer of equity interests in the Investor Member that does not result in a Change in Control of the Investor Member, and (iv) as permitted under Section 6.2(b).

Section 13.17 Terms Defined Elsewhere in this Agreement. As used in this Agreement, the following terms shall have the meanings ascribed to them in the sections indicated:

<u>Term</u>	<u>Section</u>
AAA	Section 13.13(a)
Affiliate Agreements	Section 2.14(a)
Affiliate Agreement Default	Section 2.14(c)
Affiliate Agreement Default Notice	Section 2.14(c)
Agreement	Preamble
Blocker Seller	Section 6.7
Board	Section 2.1
Board Observer	Section 2.13
Call Consummation Period	Section 5.1(e)
Call Exercise Price	Section 5.1(e)
Call Notice	Section 5.1(e)
Call Right	Section 5.1(e)
Capital Request Funding Date	Section 5.1(a)
Capital Request Notice	Section 5.1(a)
Company	Preamble
Company Business	Section 1.3(a)
Confidential Information	Section 9.6(a)
Contributing Member	Section 5.1(b)(ii)
Contribution Unfunded Amount Notice	Section 5.1(b)
Corporate Opportunity	Section 9.3(b)
Cure Period	Section 5.1(e)
Defaulting Member	Section 4.2
Designated Alternate	Section 2.2(e)
Directors	Section 2.1
Drag-Along Buyer	Section 6.5(a)
Drag-Along Notice	Section 6.5(b)
Drag-Along Right	Section 6.5(a)
Drag-Along Sale	Section 6.5(a)
Event of Default	Section 4.1
Event of Dissolution	Section 4.3(a)
Excess Contribution	Section 5.1(b)(i)
Fund Indemnities	Section 11.7
Fund Indemnitors	Section 11.7
Independent Evaluator	Section 13.15
Investor Directors	Section 2.2(b)
Investor Member	Preamble
Investor Return Thresholds	Section 6.5(h)
Lock-Up Period	Section 6.1(b)
Mandatory Capital Contribution	Section 5.1(a)
Measurement Period	Schedule 2
MOIC Return Threshold	Section 6.5(h)

NIPSCO	Section 2.14(b)
NiSource Directors	Section 2.2(d)
NiSource Member	Preamble
NiSource Notes	Section 2.14(b)
Non-Transferring Member	Section 6.3(a)
Over-Contributing Member	Section 5.1(b)(i)
Parent	Preamble
Partnership Representative	Section 10.2
Party	Preamble
Preemptive Right	Section 7.1
Preemptive Right Notice Period	Section 7.1
Preemptive Right Participation Notice	Section 7.1
Pro Rata Request Amount	Section 5.1(a)
Regulatory Allocations	Section 5.7(h)
Response To Capital Call	Section 5.1(a)
Sale Notice	Section 6.3(a)(i)
Sale Period	Section 6.3(a)(ii)
Seller Model	Schedule 2
Senior Management Termination Event	Schedule 2
Senior Management Member	Schedule 2
Subject Membership Interests	Section 6.3(a)
Tag-Along Buyer	Section 6.4(a)
Tag-Along Notice	Section 6.4(a)
Tag-Along Offered Membership Interests	Section 6.4(a)
Tag-Along Sale	Section 6.4(a)
Total Number of Directors	Section 2.2(a)
Transferring Member	Section 6.3(a)
Unfunded Amount	Section 5.1(b)
Unfunded Amount Loan	Section 5.1(b)(ii)(A)

Section 13.18 Other Definitional Provisions. The following shall apply to this Agreement:

(a) Accounting terms which are not otherwise defined in this Agreement have the meanings given to them under GAAP. To the extent that the definition of an accounting term defined in this Agreement is inconsistent with the meaning of such term under GAAP, the definition set forth in this Agreement shall control.

(b) The terms “hereof,” “herein” and “hereunder” and terms of similar import are references to this Agreement as a whole and not to any particular provision of this Agreement. Section, clause, schedule and exhibit references contained in this Agreement are references to sections, clauses, schedules and exhibits in or to this Agreement, unless otherwise specified.

(c) Whenever the words “include,” “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation.” Where the context permits, the use of the term “or” shall be equivalent to the use of the term “and/or.”

(d) When calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period shall be excluded. If the last day of such period is a day other than a Business Day, the period in question shall end on the next succeeding Business Day. In addition, notwithstanding any deadline for payment, performance, notice or election under this Agreement, if such deadline falls on a date that is not a Business Day, then the deadline for such payment, performance, notice or election will be extended to the next succeeding Business Day.

(e) Words denoting any gender shall include all genders, including the neutral gender. Where a word is defined herein, references to the singular shall include references to the plural and vice versa.

(f) The word “will” will be construed to have the same meaning and effect as the word “shall”. The words “shall,” “will,” or “agree(s)” are mandatory, and “may” is permissive.

(g) All references to “\$” and dollars shall be deemed to refer to United States currency unless otherwise specifically provided.

(h) All references to a day or days shall be deemed to refer to a calendar day or calendar days, as applicable, unless otherwise specifically provided.

(i) Any reference to any Contract shall be a reference to such agreement or Contract, as amended, amended and restated, modified, supplemented or waived.

(j) Any reference to any particular Code section or any Law shall be interpreted to include any amendment to, revision of or successor to that section or Law regardless of how it is numbered or classified; provided, that, for the purposes of the representations and warranties contained herein, with respect to any violation of or non-compliance with, or alleged violation of or non-compliance, with any Code section or Law, the reference to such Code section or Law means such Code section or Law as in effect at the time of such violation or non-compliance or alleged violation or non-compliance.

(k) For all purposes of this Agreement (including the determination of a Member’s Percentage Interest and its entitlement, if applicable, to designate one or more Directors), such Member and its Permitted Transferees shall be deemed to be, and shall be treated as, one and the same Member.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the undersigned has duly executed this Agreement as of the date first written above.

The Company:

NIPSCO Holdings II LLC

By: /s/ Shawn Anderson

Name: Shawn Anderson

Title: President and Chief Financial Officer

[Signature Page to A&R LLCA NIPSCO Holdings II LLC]

IN WITNESS WHEREOF, the undersigned has duly executed this Agreement as of the date first written above.

NiSource Member:

NIPSCO Holdings I LLC

By: /s/ Shawn Anderson
Name: Shawn Anderson
Title: President and Chief Financial Officer

Solely with respect to Article VI:

Parent:

NiSource Inc.

By: /s/ Shawn Anderson
Name: Shawn Anderson
Title: Executive Vice President and Chief Financial
Officer

[Signature Page to A&R LLCA NIPSCO Holdings II LLC]

IN WITNESS WHEREOF, the undersigned has duly executed this Agreement as of the date first written above.

Investor Member:

BIP Blue Buyer L.L.C.

By: BIP Holdings Manager L.L.C., its managing member

By: /s/ Sebastien Sherman

Name: Sebastien Sherman

Title: Senior Managing Director

[Signature Page to A&R LLCA NIPSCO Holdings II LLC]

SCHEDULE 1
Schedule of Members

SCHEDULE 2

Senior Management Termination Event



FOR IMMEDIATE RELEASE:

January 2, 2024

NiSource Inc. Completes NIPSCO Minority Equity Interest Transaction

- Investment by Blackstone Infrastructure Partners affiliate (“Blackstone”) to acquire a 19.9% indirect non-controlling equity interest in NIPSCO for \$2.16 billion, with an additional equity commitment of \$250 million to fund ongoing capital requirements, strengthens NIPSCO’s financial foundation and supports sustainable long-term growth.
- Blackstone invests alongside NiSource in NIPSCO to fund the energy transition and to accelerate the reindustrialization of the Midwest.
- NiSource reaffirms commitment to Indiana and to its consolidated credit, earnings and growth commitments through 2028.

MERRILLVILLE, Ind. – NiSource Inc. (NYSE: NI) (“NiSource”) today announced that it has completed the issuance of a 19.9% indirect equity interest in the company’s Northern Indiana Public Service Company LLC (“NIPSCO”) subsidiary to an affiliate of Blackstone Infrastructure Partners (“Blackstone Infrastructure”), the dedicated infrastructure group of Blackstone Inc. (NYSE: BX). As previously announced, through the transaction the Blackstone affiliate has acquired a 19.9% non-controlling equity interest in NIPSCO Holdings II LLC, which owns all the equity interests of NIPSCO, and NiSource will own the remaining 80.1% of NIPSCO Holdings II LLC.

Blackstone Infrastructure is an active perpetual capital investor across the utility, energy transition, transportation, digital infrastructure, water and waste infrastructure sectors. Blackstone Infrastructure seeks to apply a long-term buy-and-hold approach to large-scale infrastructure assets and is focused on responsible stewardship and stakeholder engagement to create value for its investors and the communities it serves. Blackstone Infrastructure is committed to investing behind NIPSCO’s energy transition and decarbonization programs, as well as helping to increase gas and electric grid resiliency for the customers of Indiana.

NiSource intends to use the capital infusion to support its fastest growing utility and its ability to serve customers, strengthen its balance sheet and fund ongoing capital needs associated with the renewable generation transition underway. Since 2018, NIPSCO has been executing on one of the fastest transitions from coal-fired electricity in the U.S. utilities sector, targeting 0%

coal-fired generation mix by 2028 (compared to 75% coal generation mix in 2018). Through 2030, NIPSCO expects to make significant investments in its electric generation transition, primarily focused on installing new renewable generation to replace coal-fired generation retirements. NIPSCO also intends to support the continued growth and modernization of its gas and electric transmission and distribution systems, which will play critical roles in the energy transition as NIPSCO continues to deliver a reliable, diverse and sustainable energy mix, bringing customer, environmental and economic benefits.

“We are pleased to announce the completion of this transaction and are excited about the long-term partnership we have entered into with Blackstone,” said NiSource president and CEO, Lloyd Yates. “The transaction strengthens our balance sheet, supports our financing plan and provides greater flexibility to execute on high-quality capital investments that will enhance the safety, reliability and sustainability of our gas and electric systems for the benefit of our customers. It’s important to reinforce that our commitment to Indiana remains unchanged, and we will continue to drive sustainable growth for our stakeholders. This financing transaction will have no impact on NIPSCO’s current strategic direction or on our commitment to our gas and electric customers in Indiana.”

“We are incredibly excited to close this transaction and to begin our long-term partnership with NiSource and NIPSCO,” said Sebastien Sherman, Senior Managing Director, Blackstone Infrastructure. “This investment underscores Blackstone’s commitment to decarbonization to create value for our investors and our desire to help facilitate the reindustrialization of the Midwest. We are excited to invest behind NIPSCO, one of the fastest growing utilities in the country with one of the nation’s fastest decarbonization plans. Blackstone looks forward to supporting the vital role that NIPSCO plays in communities across Northern Indiana.”

NIPSCO is Indiana’s largest vertically integrated electric and gas distribution company, providing critical utility service to almost 1.3 million customers in an economically robust service territory, with a proven track record of providing value for its customers. NIPSCO is at the forefront of the energy transition and is developing one of the lowest-cost portfolios of renewable energy projects, the majority of which are utility-owned, and intends to retire all coal-fired generation by the end of 2028. These near-term renewable and generation transition investments add to a multi-decade capital plan with the goal to significantly grow NIPSCO’s rate base through investments across gas, electric transmission and distribution and electric generation, which should drive significant continued value for NIPSCO’s customers. NIPSCO operates in Indiana, one of the most constructive utility jurisdictions in the United States, with strong support for utility-owned generation and affordable energy, and a strong economic service territory benefitting from on-shoring and migration trends as well as robust development.

Advisors

Lazard Freres & Co. LLC served as lead financial advisor, Goldman Sachs & Co. LLC served as co-financial advisor and McGuireWoods LLP served as legal counsel to NiSource. Barclays served as financial advisor and Latham & Watkins LLP and Paul, Weiss, Rifkind, Wharton & Garrison LLP served as co-legal counsel to Blackstone. Sumitomo Mitsui Banking Corporation provided committed financing for the transaction.

About NiSource

NiSource Inc. (NYSE: NI) is one of the largest fully-regulated utility companies in the United States, serving approximately 3.3 million natural gas customers and 500,000 electric customers across six states through its local Columbia Gas and NIPSCO brands. The mission of our approximately 7,200 employees is to deliver safe, reliable energy that drives value to our customers. NiSource is a member of the Dow Jones Sustainability—North America Index, has been named as one of TIME Magazine’s World’s Best Companies and is on Forbes list of America’s Best Employers for Diversity. Learn more about NiSource’s record of leadership in sustainability, investments in the communities it serves and how we live our vision to be an innovative and trusted energy partner at www.NiSource.com.

About Blackstone Infrastructure Partners

Blackstone Infrastructure Partners is an active investor across energy, transportation, digital infrastructure and water and waste infrastructure sectors. We seek to apply a long-term buy-and-hold strategy to large-scale infrastructure assets with a focus on delivering stable, long-term capital appreciation together with a predictable annual cash flow yield. Our approach to infrastructure investing is one that focuses on responsible stewardship and stakeholder engagement to create value for our investors and the communities we serve.

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FOR ADDITIONAL INFORMATION

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Forward-Looking Statements

This press release 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”). Forward-looking statements in this press release include, but are not limited to, our business plans, strategies and objectives, including development of our renewable energy projects, the benefits of the issuance of the indirect, non-controlling minority equity interest, and any and all underlying assumptions and other statements that are other than statements of historical fact. 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. 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 press release include, but are not limited to, 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, or failures of, 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, diverse workforce and ability to maintain good labor relations; our ability to manage new initiatives and organizational changes; the actions of activist stockholders; the performance of third-party suppliers and service providers; potential cybersecurity attacks; increased requirements and costs related to cybersecurity; 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 physical impacts of climate change and the transition to a lower carbon future; our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals, including our Net Zero Goal; 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; inflation; recessions; 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; the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation; potential remaining liabilities related 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 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 fiscal year ended December 31, 2022,

and matters set forth in our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2023, June 30, 2023 and September 30, 2023, some 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 press release includes financial results and guidance for NiSource with respect to net operating earnings available to common shareholders, diluted earnings per share, and funds from operations/debt, which are non-GAAP financial measures as defined by the SEC's 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, it should be noted that there will likely be a difference between these measures and their GAAP equivalents due to various factors, including, but not limited to, fluctuations in weather, the impact of asset sales and impairments, and other unusual or infrequent items included in GAAP results. The company is not able to estimate the impact of such factors on their GAAP equivalents and, as such, is not providing such guidance on a GAAP basis. In addition, the company is not able to provide a reconciliation of its non-GAAP net operating earnings guidance or its funds from operations/debt guidance to their GAAP equivalent without unreasonable efforts.

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant To Section 13 OR 15(d)
of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): January 24, 2024

NiSource Inc.
(Exact name of registrant as specified in its charter)

DE
(State or other jurisdiction
of incorporation)

001-16189
Commission
File Number

35-2108964
(I.R.S. Employer
Identification No.)

801 East 86th Avenue
Merrillville, IN
(Address of principal executive offices)

46410
(Zip Code)

Registrant's telephone number, including area code (877) 647-5990

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions.

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	NI	NYSE
Depository Shares, each representing a 1/1,000th ownership interest in a share of 6.50% Series B Fixed-Rate Reset Cumulative Redeemable Perpetual Preferred Stock, par value \$0.01 per share, liquidation preference \$25,000 per share and a 1/1,000th ownership interest in a share of Series B-1 Preferred Stock, par value \$0.01 per share, liquidation preference \$0.01 per share	NI PR B	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensation and Arrangements of Certain Officers.

On January 25, 2024, based on the recommendation of the Compensation and Human Capital Committee (the “Committee”) of the Board of Directors (the “Board”) of NiSource Inc. (the “Company”), the independent members of the Board approved a total target direct compensation amount of \$10.645 million for Lloyd Yates, President and Chief Executive Officer. The increase consisted of a salary increase from \$1.05 million to \$1.15 million, an increase in his target short-term incentive opportunity from 115% to 130%, and an increase of his target long-term incentive opportunity, from \$5.0 million to \$8.0 million. The short-term incentive opportunity and a portion of the long-term incentive opportunity are subject to certain performance criteria, including satisfying financial, operational excellence, safety and other metrics. The Committee provided this increased compensation package to Mr. Yates in recognition of his outstanding transformative leadership since his appointment as President and Chief Executive Officer and to better align Mr. Yates with the market for our peer group.

The forms of award agreements for the CEO long-term incentive opportunity are attached hereto as Exhibit 10.1 and Exhibit 10.2.

On January 24, 2024, the Committee of the Board granted a one-time award to Shawn Anderson, Executive Vice President and Chief Financial Officer. Under such award, Mr. Anderson will receive an aggregate equity award valued at \$2 million on the date of grant, consisting of 79,428 restricted stock units, which will vest upon certain events. In general, the award will vest 33% on January 24, 2025, 33% on January 24, 2026 and 34% on January 24, 2027. The award also will vest in connection with certain separations from service.

The Form of award agreement for the grant is attached hereto as Exhibit 10.3.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
10.1	Form of 2024 CEO RSU Award Agreement
10.2	Form of 2024 CEO PSU Award Agreement
10.3	Form of RSU Award Agreement (for awards on or after 2024)
104	Cover page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NiSource Inc.

(Registrant)

Date: January 26, 2024

By: _____/s/ Kimberly S. Cuccia
Kimberly S. Cuccia
Senior Vice President, General Counsel and Corporate Secretary

**NiSource Inc.
2020 Omnibus Incentive Plan**

202[] Restricted Stock Unit Award Agreement

This Restricted Stock Unit Award Agreement (the “Agreement”), is made and entered into as of [DATE] (the “Grant Date”), by and between NiSource Inc., a Delaware corporation (the “Company”), and [NAME], an Employee of the Company or an Affiliate (the “Grantee”), pursuant to the terms of the NiSource Inc. 2020 Omnibus Incentive Plan, as amended (the “Plan”). Any term capitalized but not defined in this Agreement shall have the meaning set forth in the Plan. In the event of any conflict between the Plan and this Agreement, the Plan shall control.

Section 1. Restricted Stock Unit Award. The Company hereby grants to the Grantee, on the terms and conditions hereinafter set forth, an Award of [insert number of units] Restricted Stock Units. The Restricted Stock Units shall be represented by a bookkeeping entry (the “RSU Account”) of the Company, and each Restricted Stock Unit shall be equivalent to one share of the Company’s common stock.

Section 2. Grantee Accounts. The number of Restricted Stock Units granted pursuant to this Agreement shall be credited to the Grantee’s RSU Account. Each RSU Account shall be maintained on the books of the Company until full payment of the balance thereof has been made to the Grantee (or the Grantee’s beneficiaries or estate if the Grantee is deceased) in accordance with Section 1 above. No funds shall be set aside or earmarked for any RSU Account, which shall be purely a bookkeeping device.

Section 3. Vesting and Lapse of Restrictions.

- (a) **Vesting.** Subject to the forfeiture conditions described later in this Agreement, the Restricted Stock Units shall vest on [insert date with three-year cliff vesting] (the “Vesting Date”), at which date they shall become 100% vested, provided that the Grantee is continuously employed by the Company through and including the Vesting Date.
- (b) **Pro Rata or Accelerated Vesting.** If the Grantee’s Service is terminated for any reason (other than for Cause) prior to the Vesting Date, the restrictions set forth in subsection (a) above shall lapse and the Grantee shall vest in a *pro rata* or accelerated portion of such Restricted Share Units on the date of termination of Service for any reason in accordance with the attached Vesting Schedule. If subject to *pro rata* vesting, the lapse of restrictions shall be determined using a fraction, where the numerator shall be the number of calendar months (whether full or partial months) elapsed between the Grant Date and the date the Grantee terminates Service for any reason (other than for Cause), and the denominator shall be the number of calendar months (whether full or partial months) elapsed between the Grant Date and Vesting Date.

- (c) Change in Control; Good Reason. Notwithstanding the foregoing provisions, in the event of a Change in Control, the Restricted Stock Units under this Agreement shall be subject to the Change in Control provisions set forth in the Plan. Notwithstanding the foregoing or anything herein to the contrary, in the event the Restricted Stock Units do not become Alternative Awards under the Plan, then the Restricted Stock Units shall be settled within 60 days following the Change in Control; provided, however, in the event the Restricted Stock Units constitute nonqualified deferred compensation subject to Code Section 409A and the Change in Control is not a “change in control event” within the meaning of Code Section 409A, then, to the extent required to comply with Code Section 409A, the vested Restricted Stock Units shall be settled within 60 days following the Vesting Date or, if earlier and subject to Section 4, upon Grantee’s termination of Service. Notwithstanding any other agreement between the Company and the Grantee, the “Good Reason” definition set forth in the Plan shall govern this award.

Section 4. Delivery of Shares. Once Restricted Stock Units have vested under this Agreement, the Company shall convert the Restricted Stock Units in the Grantee’s RSU Account into Shares and issue or deliver the total number of Shares due to the Grantee within 60 days following the Vesting Date or, if earlier, Grantee’s termination of Service in accordance with Section 3(b). Notwithstanding the foregoing, to the extent any portion of the Restricted Stock Units are subject to Code Section 409A, if any Restricted Stock Units vest prior to the Vesting Date in connection with a Grantee’s “separation from service” within the meaning of Code Section 409A and the Grantee is a “specified employee” within the meaning of Code Section 409A at the time of such separation from service, the Shares represented by the vested Restricted Stock Units shall be issued and delivered on the first business day after the date that is six (6) months following the date of the Grantee’s separation from service (or if earlier, the Grantee’s date of death). The delivery of the Shares shall be subject to payment of the applicable withholding tax liability and the forfeiture provisions of this Agreement. If the Grantee dies before the Company has distributed any portion of the vested Restricted Stock Units, the Company shall transfer any Shares payable with respect to the vested Restricted Stock Units in accordance with the Grantee’s written beneficiary designation or to the Grantee’s estate if no written beneficiary designation is provided.

Section 5. Withholding of Taxes. As a condition precedent to the delivery to Grantee of any Shares upon vesting of the Restricted Stock Units or the payment of any cash pursuant to Section 9 hereof, Grantee shall, upon request by the Company, pay to the Company such amount of cash as the Company may be required, under all applicable federal, state, local or other laws or regulations, to withhold and pay over as income or other withholding taxes (the “Required Tax Payments”) with respect to the Restricted Stock Units and any such cash payments. If Grantee shall fail to advance the Required Tax Payments after request by the Company, the Company may, in its discretion, deduct any Required Tax Payments from any amount then or thereafter payable by the Company to Grantee or withhold Shares. Grantee may elect to satisfy his or her obligation to advance the Required Tax Payments with respect to any Restricted Stock Units by any of the following means: (a) a cash payment to the Company; (b) delivery to the Company (either actual delivery or by attestation procedures established by the Company) of previously owned whole Shares having a Fair Market Value, determined as of the date the obligation to withhold or pay taxes first arises in connection with the Restricted Stock Units (the “Tax Date”), equal to the Required Tax Payments; (c) authorizing the Company to withhold from the Shares otherwise to be delivered to Grantee upon the vesting of the Restricted Stock Units, a number of whole Shares having a Fair Market Value, determined as of the Tax Date, equal to the Required Tax Payments; or (d) any combination of (a), (b) and (c). Shares to be delivered or withheld may not have a Fair Market Value in excess of the minimum amount of the Required Tax Payments. Any fraction of a Share which would be required to satisfy such an obligation shall be disregarded and the remaining amount due shall be paid in cash by Grantee. No Shares shall be delivered until the Required Tax Payments have been satisfied in full. For any cash payments made pursuant to Section 9 hereof, the Company shall withhold from such cash payments the Required Tax Payments.

Section 6. Compliance with Applicable Law. Notwithstanding anything contained herein to the contrary, the Company's obligation to issue or deliver certificates evidencing the Restricted Stock Units shall be subject to all applicable laws, rules and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required. The delivery of all or any Shares that relate to the Restricted Stock Units shall be effective only at such time that the issuance of such Shares shall not violate any state or federal securities or other laws. The Company is under no obligation to effect any registration of Shares under the Securities Act of 1933 or to effect any state registration or qualification of the Shares that may be issued under this Agreement. Subject to Code Section 409A, the Company may, in its sole discretion, delay the delivery of Shares or place restrictive legends on Shares in order to ensure that the issuance of any Shares shall be in compliance with federal or state securities laws and the rules of any exchange upon which the Company's Shares are traded. If the Company delays the delivery of Shares in order to ensure compliance with any state or federal securities or other laws, the Company shall deliver the Shares at the earliest date at which the Company reasonably believes that such delivery shall not cause such violation, or at such later date that may be permitted under Code Section 409A.

Section 7. Restriction on Transferability. Except as otherwise provided under the Plan, until the Restricted Stock Units have vested under this Agreement, the Restricted Stock Units granted herein and the rights and privileges conferred hereby may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated (by operation of law or otherwise), other than by will or the laws of descent and distribution. Any attempted transfer in violation of the provisions of this paragraph shall be void, and the purported transferee shall obtain no rights with respect to such Restricted Stock Units.

Section 8. Grantee's Rights Unsecured. The right of the Grantee or his or her beneficiary to receive a distribution hereunder shall be an unsecured claim against the general assets of the Company, and neither the Grantee nor his or her beneficiary shall have any rights in or against any amounts credited to the Grantee's RSU Account or any other specific assets of the Company. All amounts credited to the Grantee's RSU Account shall constitute general assets of the Company and may be disposed of by the Company at such time and for such purposes, as it may deem appropriate.

Section 9. No Rights as Stockholder or Employee; Dividend Equivalent Cash Payments.

- (a) Unless and until Shares have been issued to the Grantee, the Grantee shall not have any privileges of a stockholder of the Company with respect to any Restricted Stock Units subject to this Agreement, nor shall the Company have any obligation to issue any dividends or otherwise afford any rights to which Shares are entitled with respect to any such Restricted Stock Units. Notwithstanding the foregoing, in the event that the Company declares a cash dividend or cash distribution on Shares, on the payment date of the dividend or distribution, the Grantee will be entitled to receive a cash payment equal to the amount of the cash dividend or distribution per Share multiplied by the number of Restricted Stock Units granted by this Agreement and held by the Grantee on the dividend's or distribution's record date (as adjusted for any proration). The cash payable to the Grantee under the preceding sentence, less any taxes required to be withheld under Section 5 hereof, will be distributed to the Grantee as soon as practicable after the date on which the respective cash dividend or distribution is paid to holders of Shares.

- (b) Nothing in this Agreement or the Award shall confer upon the Grantee any right to continue as an Employee of the Company or any Affiliate or to interfere in any way with the right of the Company or any Affiliate to terminate the Grantee's Service at any time.

Section 10. Adjustments. If at any time while the Award is outstanding, the number of outstanding Restricted Stock Units is changed by reason of a reorganization, recapitalization, stock split or any of the other events described in the Plan, the number and kind of Restricted Stock Units shall be adjusted in accordance with the provisions of the Plan. In the event of certain corporate events specified in the Change in Control provisions of the Plan, any Restricted Stock Units may be replaced by Alternative Awards or forfeited in exchange for payment of cash in accordance with the Change in Control procedures and provisions of the Plan.

Section 11. Notices. Any notice hereunder by the Grantee shall be given to the Company in writing and such notice shall be deemed duly given only upon receipt thereof at the following address: Corporate Secretary, NiSource Inc., 801 East 86th Avenue, Merrillville, IN 46410-6271, or at such other address as the Company may designate by notice to the Grantee. Any notice hereunder by the Company shall be given to the Grantee in writing and such notice shall be deemed duly given only upon receipt thereof at such address as the Grantee may have on file with the Company.

Section 12. Administration. The administration of this Agreement, including the interpretation and amendment or termination of this Agreement, shall be performed in accordance with the Plan. All determinations and decisions made by the Committee, the Board, or any delegate of the Committee as to the provisions of this Agreement shall be conclusive, final, and binding on all persons. Notwithstanding the foregoing, if subsequent guidance is issued under Code Section 409A that would impose additional taxes, penalties, or interest to either the Company or the Grantee, the Company may administer this Agreement in accordance with such guidance and amend this Agreement without the consent of the Grantee to the extent such actions, in the reasonable judgment of the Company, are considered necessary to avoid the imposition of such additional taxes, penalties, or interest.

Section 13. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Indiana, without giving effect to the choice of law principles thereof.

Section 14. Entire Agreement; Agreement Subject to Plan. This Agreement and the Plan contain all of the terms and conditions with respect to the subject matter hereof and supersede any previous agreements, written or oral, relating to the subject matter hereof. This Agreement at all times shall be governed by the Plan, which is incorporated in this Agreement by reference, and in no way alter or modify the Plan. To the extent a conflict exists between this Agreement and the Plan, the provisions of the Plan shall govern. This Agreement is pursuant to the terms of the Plan.

Section 15. Code Section 409A Compliance. This Agreement shall be interpreted in accordance with Code Section 409A including the rules related to payment timing for “specified employees” within the meaning of Code Section 409A. This Agreement shall be deemed to be modified to the maximum extent necessary to be in compliance with Code Section 409A’s rules. If the Grantee is unexpectedly required to include in the Grantee’s current year’s income any amount of compensation relating to the Restricted Stock Units because of a failure to meet the requirements of Code Section 409A, then to the extent permitted by Code Section 409A, the Grantee may receive a distribution of cash or Shares in an amount not to exceed the amount required to be included in income as a result of the failure to comply with Code Section 409A.

Section 16. Restrictive Covenant.

- (a) The Grantee understands the nature of the Company’s business and the significant time and expense the Company and its Affiliates (collectively referred to in this Section as “NiSource”) have expended and continue to expend in attracting, developing, recruiting and training employees and that the loss of employees would cause significant and irreparable harm to NiSource. Accordingly, the Grantee agrees that the scope and duration of the restriction described in this Section 16 is reasonable and necessary to protect the legitimate business interests of NiSource. The Grantee agrees that during the period of the Grantee’s Service and for a period of one (1) year following the Grantee’s separation from Service, the Grantee shall not, without the express written approval of NiSource’s Chief Human Resources Officer, directly or indirectly solicit, hire, recruit, or attempt to solicit, hire, or recruit, any then-current employee of NiSource or any employee who has been employed by NiSource in the six (6) months preceding such solicitation, hiring, or recruitment (“Covered Employee”). Soliciting, recruiting, or hiring Covered Employees with whom Grantee did not work or have direct contact while at NiSource to work as an employee, contractor, consultant or otherwise, shall not be considered a violation of this Section 16(a), provided, however, that Grantee does not solicit, employ or hire such employee with an intent to compete with NiSource in violation of this Section 16(a). Notwithstanding the foregoing, nothing in this Section shall restrict or preclude the Grantee from soliciting or hiring any employee who responds to a general employment solicitation or advertisement or contact by a recruiter that is not specifically focused or targeted on employees or former employees of NiSource, provided that the Grantee has not encouraged or advised such.
- (b) If the final judgment of a court of competent jurisdiction declares that any term or provision of this Section is invalid or unenforceable, the parties agree that (a) the court making the determination of invalidity or unenforceability shall have the power to reduce the scope, duration, or geographic area of the term or provision, to delete specific words or phrases, or to replace any invalid or unenforceable term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision, (b) the parties shall request that the court exercise that power, and (c) this Agreement in its revised form shall be enforceable.
- (c) Grantee agrees that in the event of a breach or threatened breach of the covenants contained in Section 16(a), in addition to any other damages or restrictions that may apply under any employment agreement, state law, or otherwise, the Grantee shall forfeit, upon written notice to such effect from the Company, any and all Awards granted to the Grantee under this Agreement, including vested Awards and including any proceeds thereof. The forfeiture provisions of this Section shall continue to apply, in accordance with their terms,

after the provisions of any employment or other agreement between the Company and the Grantee have lapsed. Grantee expressly acknowledges that any breach or threatened breach of any of the terms and/or conditions of this Section 16 may result in substantial, continuing, and irreparable injury to NiSource, and therefore agrees that, in addition to any other remedy that may be available to NiSource, NiSource shall be entitled to seek injunctive relief, specific performance, or other equitable relief (without the requirement to post bond) by a court of appropriate jurisdiction in the event of any breach or threatened breach of the terms of this Section 16 without the necessity of proving irreparable harm or injury as a result of such breach or threatened breach. Grantee expressly acknowledges that Grantee's violation of this Section 16 will entitle NiSource to other equitable and legal remedies, including damages, attorney's fees, and costs, as allowed by law. The provisions of this Section 16 shall continue to apply, in accordance with their terms, after the Grantee's Service has terminated and regardless of whether the provisions of any employment or other agreement between the Company and the Grantee have lapsed.

- (d) In the event the Grantee is required to forfeit outstanding vested Shares as a result of breaching the Grantee's obligations under this Section 16, the Grantee agrees to promptly execute such stock powers or other instruments of transfer in such forms as are acceptable to the Company without payment or other consideration therefor.

IN WITNESS WHEREOF, the Company has caused this Award to be granted, and the Grantee has accepted this Award, as of the date first above written.

NISOURCE INC.

By: _____
Melanie Berman
Its: Senior Vice President and Chief Human Resources Officer

VESTING SCHEDULE

[Awards granted in 2024:

- Termination at any time during 2024 or 2025, the award vests in pro rata.
- Termination at any time between January 1, 2026 and the Vesting Date, the award is accelerated and becomes fully vested.]

NiSource Inc.

2020 Omnibus Incentive Plan

202[] Performance Share Unit Award Agreement

This Performance Share Unit Award Agreement (the “Agreement”) is made and entered into as of [DATE] (the “Grant Date”), by and between NiSource Inc., a Delaware corporation (the “Company”), and [NAME], an Employee of the Company or an Affiliate (the “Grantee”), pursuant to the terms of the NiSource Inc. 2020 Omnibus Incentive Plan, as amended (the “Plan”). Any term capitalized but not defined in this Agreement shall have the meaning set forth in the Plan. In the event of any conflict between the Plan and this Agreement, the Plan shall control.

Section 1. Performance Share Unit Award. The Company hereby grants to the Grantee, on the terms and conditions hereinafter set forth, a target award of [insert number of units] Performance Share Units (the “Target Total Award” or “TTA”). The Performance Share Units shall be represented by a bookkeeping entry with respect to the Grantee (the “PSU Account”), and each Performance Share Unit shall be settled in one Share, to the extent provided under this Agreement and the Plan. This Agreement and the award shall be null and void unless the Grantee accepts this Agreement electronically within the Grantee’s stock plan account with the Company’s stock plan administrator according to the procedures then in effect.

Section 2. Performance-Based Vesting Conditions.

(a) **General.** Subject to the remainder of this Agreement, the TTA shall vest pursuant to the terms of this Agreement and the Plan based on the achievement of the performance goals set forth in this Section 2 over the performance period [insert three year performance period] (the “Performance Period”), with a vesting date of _ through [insert date after three year performance period] (the “Vesting Date”), provided that the Grantee remains in continuous Service through the Vesting Date. Attainment of the performance goals shall be determined and certified by the Compensation and Human Capital Committee of the Board of Directors of the Company (the “Committee”) prior to the settlement of the TTA.

(b) **[insert metric] Performance Goal.** Subject to the terms of this Agreement and the Plan, [insert number of performance share units for this metric] Performance Share Units ([] % of the TTA) shall be eligible to vest based on the Company’s achievement of [] during the Performance Period, as follows:

<u>Performance Level(1)</u>	<u>[Insert metric]</u>	Percentage <u> </u> of the TTA Eligible for Vesting
Trigger	[]	[]%
Target	[]	[]%
Stretch	[]	[]%

(1) The vesting percentage for performance between performance levels shall be determined based on linear interpolation.

(c) [insert metric] Performance Goals.

(1) Subject to the terms of this Agreement and the Plan, [insert number of performance share units for this metric] of the Performance Share Units ([] % of the TTA) shall be eligible to vest based on the Company’s achievement of [] goals during the Performance Period, as follows:

<u>LTI Metrics-Measure</u>	<u>TTA Weighting</u>	<u>Trigger</u>	<u>Target</u>	<u>Stretch</u>
	[insert metrics]			

(2) The total of the weighted levels of achievement for the performance measures described in Section 2(c)(1) above shall be aggregated and the percentage of Performance Share Units eligible to vest under Section 2(c) shall vest in the respective percentages set forth below, as applicable.

<u>Performance Levels(1)</u>	<u>Percentage of the TTA Vesting Based on Achievement</u>
Trigger	[]
Target	[]
Stretch	[]

(1) The vesting percentage for performance between performance levels shall be determined based on linear interpolation.

(d) Definitions.

[insert metric definitions.]

Section 3. Termination of Employment.

- (a) Vesting. Subject to the conditions described later in this Agreement, the Performance Share Units shall vest on [insert date following performance period] based on actual performance results, provided that the Grantee is continuously employed by the Company through the Vesting Date.
- (b) Pro Rata or Full Vesting Upon Termination of Service. If the Grantee's Service is terminated for any reason prior to the Vesting Date (other than for Cause, Disability or Death), then the Grantee shall vest in a *pro rata* or full portion of such Performance Share Units in accordance with the attached Vesting Schedule, based on the actual performance results for the Performance Period. If subject to *pro rata* vesting, the pro rata portion of the Performance Share Units shall be determined by multiplying the number of Performance Share Units earned based on actual performance by a fraction, where the numerator shall be the number of calendar months (whether full or partial months) elapsed between the Grant Date and the date the Grantee terminates Service for any reason (other than for Cause, Disability or Death), and the denominator shall be the number of calendar months (whether full or partial months) elapsed between the Grant Date and the Vesting Date. For the avoidance of doubt, the vesting date remains unchanged.
- (c) Effect of Termination of Service due to Disability or Death.
 - (1) Notwithstanding the foregoing, in the event that the Grantee's Service terminates on or prior to the Vesting Date as a result of the Grantee's Disability, or (ii) death and such death occurs with less than or equal to twelve months remaining in the Performance Period, then the Grantee (or the Grantee's beneficiary or estate in the case of the Grantee's death) shall vest in a *pro rata* portion of the Performance Share Units, based on the actual performance results for the Performance Period. Such *pro rata* portion of the Performance Share Units shall be determined by multiplying the number of Performance Share Units earned based on actual performance by a fraction, where the numerator shall equal the number of calendar months (including partial calendar months) that have elapsed from the Grant Date through the date of the Grantee's termination of Service, and the denominator shall be the number of calendar months (including partial calendar months) that have elapsed between the Grant Date and the Vesting Date.
 - (2) Notwithstanding the foregoing, in the event that the Grantee terminates Service due to death prior to the Vesting Date and with more than 12 months remaining in the Performance Period, then the Grantee's beneficiary or estate shall vest, on the date of termination of Service, in a *pro rata* portion of the target Performance Share Units. Such *pro rata* portion of the Performance Share Units shall be determined by multiplying the number of target Performance Share Units by a fraction, where the numerator shall equal the number of calendar months (including partial calendar months) that have elapsed from the Grant Date through the date of the Grantee's termination of Service, and the denominator shall be the number of calendar months (including partial calendar months) that have elapsed between the Grant Date and the Vesting Date.

- (d) Change in Control; Good Reason. Notwithstanding the foregoing provisions, in the event of a Change in Control, the Performance Share Units under this Agreement shall be subject to the Change in Control provisions set forth in the Plan. Notwithstanding any other agreement between the Company and the Grantee, the “Good Reason” definition set forth in the Plan shall govern this award.”

Section 4. Delivery of Shares. Subject to the terms of this Agreement and except as otherwise provided for herein, the Company shall convert the Performance Share Units in the Grantee’s PSU Account into Shares and issue or deliver the total number of Shares due to the Grantee within 60 days following the Vesting Date (but in any event no later than the March 15th immediately following the year in which the substantial risk of forfeiture with respect to the Performance Share Units lapses) or, if earlier, within 30 days following (a) the Grantee’s death in accordance with Section 3(c)(2), (b) Grantee’s termination of Service without Cause or due to Good Reason in accordance with the Change in Control provisions of the Plan or (c) a Change in Control in the event the Performance Share Units do not become Alternative Awards under the Plan. The delivery of the Shares shall be subject to payment of the applicable withholding tax liability and the forfeiture provisions of this Agreement. If the Grantee dies before the Company has issued or distributed the vested Performance Share Units, the Company shall transfer any Shares with respect to the vested Performance Share Units in accordance with the Grantee’s written beneficiary designation or to the Grantee’s estate if no written beneficiary designation is provided. The issuance or delivery of the Shares hereunder shall be evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company. The Company shall pay all original issue or transfer taxes and all fees and expenses incident to such issuance or delivery, except as otherwise provided in Section 5.

Section 5. Withholding of Taxes. As a condition precedent to the delivery to Grantee of any Shares upon vesting of the Performance Share Units, Grantee shall, upon request by the Company, pay to the Company such amount of cash as the Company may be required, under all applicable federal, state, local or other laws or regulations, to withhold and pay over as income or other withholding taxes (the “Required Tax Payments”) with respect to the Performance Share Units. If Grantee shall fail to advance the Required Tax Payments after request by the Company, the Company may, in its discretion, deduct any Required Tax Payments from any amount then or thereafter payable by the Company to Grantee or withhold Shares. Grantee may elect to satisfy his or her obligation to advance the Required Tax Payments by any of the following means: (a) a cash payment to the Company; (b) delivery to the Company (either actual delivery or by attestation procedures established by the Company) of previously owned whole Shares having a Fair Market Value, determined as of the date the obligation to withhold or pay taxes first arises in connection with the Performance Share Units (the “Tax Date”), equal to the Required Tax Payments; (c) authorizing the Company to withhold from the Shares otherwise to be delivered to Grantee upon the vesting of the Performance Share Units, a number of whole Shares having a Fair Market Value, determined as of the Tax Date, equal to the Required Tax Payments; or (d) any combination of (a), (b) and (c). Shares to be delivered or withheld may not have a Fair Market Value in excess of the minimum amount of the Required Tax Payments. Any fraction of a Share which would be required to satisfy such an obligation shall be disregarded and the remaining amount due shall be paid in cash by Grantee. No Shares shall be delivered until the Required Tax Payments have been satisfied in full.

Section 6. Compliance with Applicable Law. Notwithstanding anything contained herein to the contrary, the Company's obligation to issue or deliver certificates evidencing the Performance Share Units shall be subject to all applicable laws, rules and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required. The delivery of all or any Shares that relate to the Performance Share Units shall be effective only at such time that the issuance of such Shares shall not violate any state or federal securities or other laws. The Company is under no obligation to effect any registration of Shares under the Securities Act of 1933 or to effect any state registration or qualification of the Shares that may be issued under this Agreement. Subject to Code Section 409A, the Company may, in its sole discretion, delay the delivery of Shares or place restrictive legends on Shares in order to ensure that the issuance of any Shares shall be in compliance with federal or state securities laws and the rules of any exchange upon which the Company's Shares are traded. If the Company delays the delivery of Shares in order to ensure compliance with any state or federal securities or other laws, the Company shall deliver the Shares at the earliest date at which the Company reasonably believes that such delivery shall not cause such violation, or at such later date that may be permitted under Code Section 409A.

Section 7. Restriction on Transferability. Except as otherwise provided under the Plan, until the Performance Share Units have vested under this Agreement, the Performance Share Units granted herein and the rights and privileges conferred hereby may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated (by operation of law or otherwise), other than by will or the laws of descent and distribution. Any attempted transfer in violation of the provisions of this paragraph shall be void, and the purported transferee shall obtain no rights with respect to such Performance Share Units.

Section 8. Grantee's Rights Unsecured. The right of the Grantee or his or her beneficiary to receive a distribution hereunder shall be an unsecured claim against the general assets of the Company, and neither the Grantee nor his or her beneficiary shall have any rights in or against any amounts credited to the Grantee's PSU Account, any Shares or any other specific assets of the Company. All amounts credited to the Grantee's PSU Account shall constitute general assets of the Company and may be disposed of by the Company at such time and for such purposes as it may deem appropriate.

Section 9. No Rights as Stockholder or Employee; Dividend Equivalent Rights.

- (a) Unless and until Shares have been issued to the Grantee, the Grantee shall not have any privileges of a stockholder of the Company with respect to any Performance Share Units subject to this Agreement, nor shall the Company have any obligation to issue any dividend or otherwise afford any rights to which Shares are entitled with respect to any such Performance Share Units. Notwithstanding the foregoing, in the event that the Company declares a cash dividend or distribution on Shares, the Grantee will be credited with Dividend Equivalent Rights equal to the amount of the cash dividend or distribution per Share multiplied by the number of Performance Share Units granted by this Agreement and held by the Grantee on the dividend's or distribution's record date (as adjusted for any proration). The Dividend Equivalent Rights credited to the Grantee under the preceding sentence will be deemed to be reinvested in additional Performance Share Units, which will be subject to the same terms regarding vesting, forfeiture, and Dividend Equivalent Rights as Performance Share Units awarded to the Grantee under this Agreement. Following the Performance Period, the Grantee will be entitled to receive a cash payment equal to the value of the accrued Dividend Equivalent Rights (as adjusted for any proration) multiplied by the vested percentage of the TTA determined under Sections 2(b), 2(c), and 2(d) above.

- (b) Nothing in this Agreement or the Award shall confer upon the Grantee any right to continue as an Employee of the Company or any Affiliate or to interfere in any way with the right of the Company or any Affiliate to terminate the Grantee's Service at any time.

Section 10. Adjustments. If at any time while the Award is outstanding, the number of outstanding Performance Share Units is changed by reason of a reorganization, recapitalization, stock split or any of the other events described in the Plan (in each case as determined by the Committee), the number and kind of Performance Share Units and the performance goals, as applicable, shall be adjusted in accordance with the provisions of the Plan. In the event of certain corporate events specified in the Change in Control provisions of the Plan, any Performance Share Units may be replaced by Alternative Awards or forfeited in exchange for payment of cash in accordance with the Change in Control procedures and provisions of the Plan, as determined by the Committee.

Section 11. Notices. Any notice hereunder by the Grantee shall be given to the Company in writing, and such notice shall be deemed duly given only upon receipt thereof at the following address: Corporate Secretary, NiSource Inc., 801 East 86th Avenue, Merrillville, IN 46410-6271 (or at such other address as the Company may designate by notice to the Grantee). Any notice hereunder by the Company shall be given to the Grantee in writing, and such notice shall be deemed duly given only upon receipt thereof at such address as the Grantee may have on file with the Company.

Section 12. Administration. The administration of this Agreement, including the interpretation and amendment or termination of this Agreement, shall be performed in accordance with the Plan. All determinations and decisions made by the Committee, the Board, or any delegate of the Committee as to the provisions of this Agreement shall be conclusive, final, and binding on all persons. Notwithstanding the foregoing, if subsequent guidance is issued under Code Section 409A that would impose additional taxes, penalties, or interest to either the Company or the Grantee, the Company may administer this Agreement in accordance with such guidance and amend this Agreement without the consent of the Grantee to the extent such actions, in the reasonable judgment of the Company, are considered necessary to avoid the imposition of such additional taxes, penalties, or interest.

Section 13. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Indiana, without giving effect to the choice of law principles thereof.

Section 14. Entire Agreement; Agreement Subject to Plan. This Agreement and the Plan contain all of the terms and conditions with respect to the subject matter hereof and supersede any previous agreements, written or oral, relating to the subject matter hereof. This Agreement is subject to the provisions of the Plan and shall be interpreted in accordance therewith. In the event that the provisions of this Agreement and the Plan conflict, the Plan shall control. The Grantee hereby acknowledges receipt of a copy of the Plan.

Section 15. Code Section 409A Compliance. This Agreement and the Performance Share Units granted hereunder are intended to be exempt from Code Section 409A to the maximum extent possible, and shall be interpreted and construed accordingly.

Section 16. Restrictive Covenant.

- (a) The Grantee understands the nature of the Company's business and the significant time and expense the Company and its Affiliates (collectively referred to in this Section as "NiSource") have expended and continue to expend in attracting, developing, recruiting and training employees and that the loss of employees would cause significant and irreparable harm to NiSource. Accordingly, the Grantee agrees that the scope and duration of the restriction described in this Section 16 is reasonable and necessary to protect the legitimate business interests of NiSource. The Grantee agrees that during the period of the Grantee's Service and for a period of one (1) year following the Grantee's separation from Service, the Grantee shall not, without the express written approval of NiSource's Chief Human Resources Officer, directly or indirectly solicit, hire, recruit, or attempt to solicit, hire, or recruit, any then-current employee of NiSource or any employee who has been employed by NiSource in the six (6) months preceding such solicitation, hiring, or recruitment ("Covered Employee"). Soliciting, recruiting, or hiring Covered Employees with whom Grantee did not work or have direct contact while at NiSource to work as an employee, contractor, consultant or otherwise, shall not be considered a violation of this Section 16(a), provided, however, that Grantee does not solicit, employ or hire such employee with an intent to compete with NiSource in violation of this Section 16(a). Notwithstanding the foregoing, nothing in this Section shall restrict or preclude the Grantee from soliciting or hiring any employee who responds to a general employment solicitation or advertisement or contact by a recruiter that is not specifically focused or targeted on employees or former employees of NiSource, provided that the Grantee has not encouraged or advised such.
- (b) If the final judgment of a court of competent jurisdiction declares that any term or provision of this Section is invalid or unenforceable, the parties agree that (a) the court making the determination of invalidity or unenforceability shall have the power to reduce the scope, duration, or geographic area of the term or provision, to delete specific words or phrases, or to replace any invalid or unenforceable term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision, (b) the parties shall request that the court exercise that power, and (c) this Agreement in its revised form shall be enforceable.
- (c) Grantee agrees that in the event of a breach or threatened breach of the covenants contained in Section 16(a), in addition to any other damages or restrictions that may apply under any employment agreement, state law, or otherwise, the Grantee shall forfeit, upon written notice to such effect from the Company, any and all Awards granted to the Grantee under this Agreement, including vested Awards and including any proceeds thereof. The forfeiture provisions of this Section shall continue to apply, in accordance with their terms, after the provisions of any employment or other agreement between the Company and the Grantee have lapsed. Grantee expressly acknowledges that any breach or threatened breach of any of the terms and/or conditions of this Section 16 may result in substantial, continuing, and irreparable injury to NiSource, and therefore agrees that, in addition to any other remedy that may be available to NiSource, NiSource shall be entitled to seek injunctive relief, specific performance, or other equitable relief (without the

requirement to post bond) by a court of appropriate jurisdiction in the event of any breach or threatened breach of the terms of this Section 16 without the necessity of proving irreparable harm or injury as a result of such breach or threatened breach. Grantee expressly acknowledges that Grantee's violation of this Section 16 will entitle NiSource to other equitable and legal remedies, including damages, attorney's fees, and costs, as allowed by law. The provisions of this Section 16 shall continue to apply, in accordance with their terms, after the Grantee's Service has terminated and regardless of whether the provisions of any employment or other agreement between the Company and the Grantee have lapsed.

- (d) In the event the Grantee is required to forfeit outstanding vested Shares as a result of breaching the Grantee's obligations under this Section 16, the Grantee agrees to promptly execute such stock powers or other instruments of transfer in such forms as are acceptable to the Company without payment or other consideration therefor.

IN WITNESS WHEREOF, the Company has caused the Performance Share Units subject to this Agreement to be granted, and the Grantee has accepted the Performance Share Units subject to the terms of the Agreement, as of the date first above written.

NISOURCE INC.

By: _____
Its: Melanie Berman
Senior Vice President and Chief Human Resources Officer

VESTING SCHEDULE

[Awards granted in 2024, for the 2024-2026 Performance Period:

- Termination at any time during 2024 or 2025, the award vests in pro rata.
- Termination at any time between January 1, 2026 and the Vesting Date, the award becomes fully vested.]

**NiSource Inc.
2020 Omnibus Incentive Plan**

202[] [Special] Restricted Stock Unit Award Agreement

This [Special] Restricted Stock Unit Award Agreement (the “Agreement”), is made and entered into as of [DATE] (the “Grant Date”), by and between NiSource Inc., a Delaware corporation (the “Company”), and [NAME], an Employee of the Company or an Affiliate (the “Grantee”), pursuant to the terms of the NiSource Inc. 2020 Omnibus Incentive Plan, as amended (the “Plan”). Any term capitalized but not defined in this Agreement shall have the meaning set forth in the Plan. In the event of any conflict between the Plan and this Agreement, the Plan shall control.

Section 1. Restricted Stock Unit Award. The Company hereby grants to the Grantee, on the terms and conditions hereinafter set forth, an Award of [insert number of units] Restricted Stock Units. The Restricted Stock Units shall be represented by a bookkeeping entry (the “RSU Account”) of the Company, and each Restricted Stock Unit shall be equivalent to one share of the Company’s common stock.

Section 2. Grantee Accounts. The number of Restricted Stock Units granted pursuant to this Agreement shall be credited to the Grantee’s RSU Account. Each RSU Account shall be maintained on the books of the Company until full payment of the balance thereof has been made to the Grantee (or the Grantee’s beneficiaries or estate if the Grantee is deceased) in accordance with Section 1 above. No funds shall be set aside or earmarked for any RSU Account, which shall be purely a bookkeeping device.

Section 3. Vesting and Lapse of Restrictions.

- (a) **Vesting.** Subject to the forfeiture conditions described later in this Agreement, the Restricted Stock Units shall vest in accordance with the attached Vesting Schedule. Each date is a “Vesting Date” (the “Vesting Date”), at which date the Restricted Stock Units shall become vested, provided that the Grantee is continuously employed by the Company through and including the Vesting Date. Except as set forth in subsection (b) hereof, if Grantee’s Service is terminated for any reason prior to the Vesting Date, the unvested Restricted Stock Units subject to this Agreement shall immediately terminate and be automatically forfeited by Grantee.
- (b) **Effect of Termination of Service Prior to Vesting.** Notwithstanding the foregoing, in the event that the Grantee’s Service terminates prior to the Vesting Date as a result of (i) the Grantee’s Retirement, (ii) the Grantee’s death, or (iii) the Grantee’s Disability, the restrictions set forth in subsection (a) above shall lapse with respect to a *pro rata* portion of such Restricted Stock Units on the date of termination of Service. Such *pro rata* lapse of restrictions shall be determined using a fraction, where the numerator shall be the number of calendar months (whether full or partial months) elapsed between the Grant Date and the date the Grantee terminates Service, and the denominator shall be the number of calendar months (whether full or partial months) between the Grant Date and the Vesting Date. For purposes of this Agreement, “Retirement” means the Grantee’s termination from Service at or after attainment of age 55 and completion of at least 10 years of continuous Service measured from the Grantee’s most recent date of hire with the Company or an Affiliate.

- (c) Change in Control; Good Reason. Notwithstanding the foregoing provisions, in the event of a Change in Control, the Restricted Stock Units under this Agreement shall be subject to the Change in Control provisions set forth in the Plan. Notwithstanding the foregoing or anything herein to the contrary, in the event the Restricted Stock Units do not become Alternative Awards under the Plan, then the Restricted Stock Units shall be settled within 60 days following the Change in Control; provided, however, in the event the Restricted Stock Units constitute nonqualified deferred compensation subject to Code Section 409A and the Change in Control is not a "change in control event" within the meaning of Code Section 409A, then, to the extent required to comply with Code Section 409A, the vested Restricted Stock Units shall be settled within 60 days following the Vesting Date or, if earlier and subject to Section 4, upon Grantee's termination of Service. Notwithstanding any other agreement between the Company and the Grantee, the "Good Reason" definition set forth in the Plan shall govern this award.

Section 4. Delivery of Shares. Once Restricted Stock Units have vested under this Agreement, the Company shall convert the Restricted Stock Units in the Grantee's RSU Account into Shares and issue or deliver the total number of Shares due to the Grantee within 60 days following the Vesting Date or, if earlier, Grantee's termination of Service in accordance with Section 3(b). Notwithstanding the foregoing, to the extent any portion of the Restricted Stock Units are subject to Code Section 409A, if any Restricted Stock Units vest prior to the Vesting Date in connection with a Grantee's "separation from service" within the meaning of Code Section 409A and the Grantee is a "specified employee" within the meaning of Code Section 409A at the time of such separation from service, the Shares represented by the vested Restricted Stock Units shall be issued and delivered on the first business day after the date that is six (6) months following the date of the Grantee's separation from service (or if earlier, the Grantee's date of death). The delivery of the Shares shall be subject to payment of the applicable withholding tax liability and the forfeiture provisions of this Agreement. If the Grantee dies before the Company has distributed any portion of the vested Restricted Stock Units, the Company shall transfer any Shares payable with respect to the vested Restricted Stock Units in accordance with the Grantee's written beneficiary designation or to the Grantee's estate if no written beneficiary designation is provided.

Section 5. Withholding of Taxes. As a condition precedent to the delivery to Grantee of any Shares upon vesting of the Restricted Stock Units or the payment of any cash pursuant to Section 9 hereof, Grantee shall, upon request by the Company, pay to the Company such amount of cash as the Company may be required, under all applicable federal, state, local or other laws or regulations, to withhold and pay over as income or other withholding taxes (the "Required Tax Payments") with respect to the Restricted Stock Units and any such cash payments. If Grantee shall fail to advance the Required Tax Payments after request by the Company, the Company may, in its discretion, deduct any Required Tax Payments from any amount then or thereafter payable by the Company to Grantee or withhold Shares. Grantee may elect to satisfy his or her obligation to advance the Required Tax Payments with respect to Restricted Stock Units by any of the following means: (a) a cash payment to the Company; (b) delivery to the Company (either actual delivery or by attestation procedures established by the Company) of previously owned whole Shares having a Fair Market Value, determined as of the date the obligation to withhold or pay taxes first arises in connection with

the Restricted Stock Units (the "Tax Date"), equal to the Required Tax Payments; (c) authorizing the Company to withhold from the Shares or otherwise to be delivered to Grantee upon the vesting of the Restricted Stock Units, a number of whole Shares having a Fair Market Value, determined as of the Tax Date, equal to the Required Tax Payments; or (d) any combination of (a), (b) and (c). Shares to be delivered or withheld may not have a Fair Market Value in excess of the minimum amount of the Required Tax Payments. Any fraction of a Share which would be required to satisfy such an obligation shall be disregarded and the remaining amount due shall be paid in cash by Grantee. No Shares shall be delivered until the Required Tax Payments have been satisfied in full. For any cash payments made pursuant to Section 9 hereof, the Company shall withhold from such cash payments the Required Tax Payments.

Section 6. Compliance with Applicable Law. Notwithstanding anything contained herein to the contrary, the Company's obligation to issue or deliver certificates evidencing the Restricted Stock Units shall be subject to all applicable laws, rules and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required. The delivery of all or any Shares that relate to the Restricted Stock Units shall be effective only at such time that the issuance of such Shares shall not violate any state or federal securities or other laws. The Company is under no obligation to effect any registration of Shares under the Securities Act of 1933 or to effect any state registration or qualification of the Shares that may be issued under this Agreement. Subject to Code Section 409A, the Company may, in its sole discretion, delay the delivery of Shares or place restrictive legends on Shares in order to ensure that the issuance of any Shares shall be in compliance with federal or state securities laws and the rules of any exchange upon which the Company's Shares are traded. If the Company delays the delivery of Shares in order to ensure compliance with any state or federal securities or other laws, the Company shall deliver the Shares at the earliest date at which the Company reasonably believes that such delivery shall not cause such violation, or at such later date that may be permitted under Code Section 409A.

Section 7. Restriction on Transferability. Except as otherwise provided under the Plan, until the Restricted Stock Units have vested under this Agreement, the Restricted Stock Units granted herein and the rights and privileges conferred hereby may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated (by operation of law or otherwise), other than by will or the laws of descent and distribution. Any attempted transfer in violation of the provisions of this paragraph shall be void, and the purported transferee shall obtain no rights with respect to such Restricted Stock Units.

Section 8. Grantee's Rights Unsecured. The right of the Grantee or his or her beneficiary to receive a distribution hereunder shall be an unsecured claim against the general assets of the Company, and neither the Grantee nor his or her beneficiary shall have any rights in or against any amounts credited to the Grantee's RSU Account or any other specific assets of the Company. All amounts credited to the Grantee's RSU Account shall constitute general assets of the Company and may be disposed of by the Company at such time and for such purposes, as it may deem appropriate.

Section 9. No Rights as Stockholder or Employee; Dividend Equivalent Cash Payments.

- (a) Unless and until Shares have been issued to the Grantee, the Grantee shall not have any privileges of a stockholder of the Company with respect to any Restricted Stock Units subject to this Agreement, nor shall the Company have any obligation to issue any dividends or otherwise afford any rights to which Shares are entitled with respect to any such Restricted Stock Units. Notwithstanding the foregoing, in the event that the Company declares a cash dividend or cash distribution on Shares, on the payment date of the dividend or distribution, the Grantee will be entitled to receive a cash payment equal to the amount of the cash dividend or distribution per Share multiplied by the number of Restricted Stock Units granted by this Agreement and held by the Grantee on the dividend's or distribution's record date (as adjusted for any proration due to the Grantee's retirement, death, or disability). The cash payable to the Grantee under the preceding sentence, less any taxes required to be withheld under Section 5 hereof, will be distributed to the Grantee as soon as practicable after the date on which the respective cash dividend or distribution is paid to holders of Shares.
- (b) Nothing in this Agreement or the Award shall confer upon the Grantee any right to continue as an Employee of the Company or any Affiliate or to interfere in any way with the right of the Company or any Affiliate to terminate the Grantee's Service at any time.

Section 10. Adjustments. If at any time while the Award is outstanding, the number of outstanding Restricted Stock Units is changed by reason of a reorganization, recapitalization, stock split or any of the other events described in the Plan, the number and kind of Restricted Stock Units shall be adjusted in accordance with the provisions of the Plan. In the event of certain corporate events specified in the Change in Control provisions of the Plan, any Restricted Stock Units may be replaced by Alternative Awards or forfeited in exchange for payment of cash in accordance with the Change in Control procedures and provisions of the Plan.

Section 11. Notices. Any notice hereunder by the Grantee shall be given to the Company in writing and such notice shall be deemed duly given only upon receipt thereof at the following address: Corporate Secretary, NiSource Inc., 801 East 86th Avenue, Merrillville, IN 46410-6271, or at such other address as the Company may designate by notice to the Grantee. Any notice hereunder by the Company shall be given to the Grantee in writing and such notice shall be deemed duly given only upon receipt thereof at such address as the Grantee may have on file with the Company.

Section 12. Administration. The administration of this Agreement, including the interpretation and amendment or termination of this Agreement, shall be performed in accordance with the Plan. All determinations and decisions made by the Committee, the Board, or any delegate of the Committee as to the provisions of this Agreement shall be conclusive, final, and binding on all persons. Notwithstanding the foregoing, if subsequent guidance is issued under Code Section 409A that would impose additional taxes, penalties, or interest to either the Company or the Grantee, the Company may administer this Agreement in accordance with such guidance and amend this Agreement without the consent of the Grantee to the extent such actions, in the reasonable judgment of the Company, are considered necessary to avoid the imposition of such additional taxes, penalties, or interest.

Section 13. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Indiana, without giving effect to the choice of law principles thereof.

Section 14. Entire Agreement; Agreement Subject to Plan. This Agreement and the Plan contain all of the terms and conditions with respect to the subject matter hereof and supersede any previous agreements, written or oral, relating to the subject matter hereof. This Agreement at all times shall be governed by the Plan, which is incorporated in this Agreement by reference, and in no way alter or modify the Plan. To the extent a conflict exists between this Agreement and the Plan, the provisions of the Plan shall govern. This Agreement is pursuant to the terms of the Plan.

Section 15. Code Section 409A Compliance. This Agreement shall be interpreted in accordance with Code Section 409A including the rules related to payment timing for “specified employees” within the meaning of Code Section 409A. This Agreement shall be deemed to be modified to the maximum extent necessary to be in compliance with Code Section 409A’s rules. If the Grantee is unexpectedly required to include in the Grantee’s current year’s income any amount of compensation relating to the Restricted Stock Units because of a failure to meet the requirements of Code Section 409A, then to the extent permitted by Code Section 409A, the Grantee may receive a distribution of cash or Shares in an amount not to exceed the amount required to be included in income as a result of the failure to comply with Code Section 409A.

Section 16. Restrictive Covenant.

- (a) The Grantee understands the nature of the Company’s business and the significant time and expense the Company and its Affiliates (collectively referred to in this Section as “NiSource”) have expended and continue to expend in attracting, developing, recruiting and training employees and that the loss of employees would cause significant and irreparable harm to NiSource. Accordingly, the Grantee agrees that the scope and duration of the restriction described in this Section 16 is reasonable and necessary to protect the legitimate business interests of NiSource. The Grantee agrees that during the period of the Grantee’s Service and for a period of one (1) year following the Grantee’s separation from Service, the Grantee shall not, without the express written approval of NiSource’s Chief Human Resources Officer, directly or indirectly solicit, hire, recruit, or attempt to solicit, hire, or recruit, any then-current employee of NiSource or any employee who has been employed by NiSource in the six (6) months preceding such solicitation, hiring, or recruitment (“Covered Employee”). Soliciting, recruiting, or hiring Covered Employees with whom Grantee did not work or have direct contact while at NiSource to work as an employee, contractor, consultant or otherwise, shall not be considered a violation of this Section 16(a), provided, however, that Grantee does not solicit, employ or hire such employee with an intent to compete with NiSource in violation of this Section 16(a). Notwithstanding the foregoing, nothing in this Section shall restrict or preclude the Grantee from soliciting or hiring any employee who responds to a general employment solicitation or advertisement or contact by a recruiter that is not specifically focused or targeted on employees or former employees of NiSource, provided that the Grantee has not encouraged or advised such.
- (b) If the final judgment of a court of competent jurisdiction declares that any term or provision of this Section is invalid or unenforceable, the parties agree that (a) the court making the determination of invalidity or unenforceability shall have the power to reduce the scope, duration, or geographic area of the term or provision, to delete specific words or phrases, or to replace any invalid or unenforceable term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision, (b) the parties shall request that the court exercise that power, and (c) this Agreement in its revised form shall be enforceable.

- (c) Grantee agrees that in the event of a breach or threatened breach of the covenants contained in Section 16(a), in addition to any other damages or restrictions that may apply under any employment agreement, state law, or otherwise, the Grantee shall forfeit, upon written notice to such effect from the Company, any and all Awards granted to the Grantee under this Agreement, including vested Awards and including any proceeds thereof. The forfeiture provisions of this Section shall continue to apply, in accordance with their terms, after the provisions of any employment or other agreement between the Company and the Grantee have lapsed. Grantee expressly acknowledges that any breach or threatened breach of any of the terms and/or conditions of this Section 16 may result in substantial, continuing, and irreparable injury to NiSource, and therefore agrees that, in addition to any other remedy that may be available to NiSource, NiSource shall be entitled to seek injunctive relief, specific performance, or other equitable relief (without the requirement to post bond) by a court of appropriate jurisdiction in the event of any breach or threatened breach of the terms of this Section 16 without the necessity of proving irreparable harm or injury as a result of such breach or threatened breach. Grantee expressly acknowledges that Grantee's violation of this Section 16 will entitle NiSource to other equitable and legal remedies, including damages, attorney's fees, and costs, as allowed by law. The provisions of this Section 16 shall continue to apply, in accordance with their terms, after the Grantee's Service has terminated and regardless of whether the provisions of any employment or other agreement between the Company and the Grantee have lapsed.
- (d) In the event the Grantee is required to forfeit outstanding vested Shares as a result of breaching the Grantee's obligations under this Section 16, the Grantee agrees to promptly execute such stock powers or other instruments of transfer in such forms as are acceptable to the Company without payment or other consideration therefor.

IN WITNESS WHEREOF, the Company has caused this Award to be granted, and the Grantee has accepted this Award, as of the date first above written.

NISOURCE INC.

By: Melanie Berman

Its: Senior Vice President and Chief Human Resources Officer

VESTING SCHEDULE

[ANNUAL AWARD]

One hundred percent of the Restricted Stock Units shall vest on [insert three-year cliff vesting date] (the “Vesting Date”)]

Date	Quantity
[]	[]

[SPECIAL AWARD]

[Alternative 1: [insert number of shares] ([]%) of the Restricted Stock Units shall vest on the first anniversary of the Grant Date and [insert number of shares] ([]%) of the Restricted Stock Units hereunder shall vest on the second anniversary of the Grant Date (each a “Vesting Date”)]

[Alternative 2: [insert number of shares] ([]%) of the Restricted Stock Units shall vest on the first anniversary of the Grant Date, [insert number of shares] ([]%) of the Restricted Stock Units awarded hereunder shall vest on the second anniversary of the Grant Date and [insert number of shares] ([]%) of the Restricted Stock Units shall vest on the third anniversary of the Grant Date (each a “Vesting Date”)]

[Alternative 3: one hundred percent of the Restricted Stock Units shall vest on the [first/second/third/fourth] anniversary of the Grant Date (the “Vesting Date”)]

Date	Quantity
[]	[]

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): February 9, 2024

NiSource Inc.
(Exact Name of Registrant as Specified in Charter)

Delaware
(State or other jurisdiction
of incorporation)

001-16189
(Commission
file number)

35-2108964
(I.R.S. Employer
Identification No.)

**801 East 86th Avenue
Merrillville, Indiana**
(Address of Principal Executive Offices)

46410
(Zip Code)

Registrant's telephone number, including area code: (877) 647-5990

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	NI	New York Stock Exchange
Depository Shares, each representing a 1/1,000th ownership interest in a share of 6.50% Series B Fixed-Rate Reset Cumulative Redeemable Perpetual Preferred Stock, par value \$0.01 per share, liquidation preference \$25,000 per share and a 1/1,000th ownership interest in a share of Series B-1 Preferred Stock, par value \$0.01 per share, liquidation preference \$0.01 per share	NI PR B	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 8.01. Other Events.

On February 9, 2024, NiSource Inc. (the “Company”) issued a news release announcing that it will redeem on March 15, 2024 all outstanding shares of its 6.50% Series B Fixed-Rate Reset Cumulative Redeemable Perpetual Preferred Stock, par value \$0.01 per share, liquidation preference \$25,000 per share (the “Series B Preferred Stock”) and Series B-1 Preferred Stock, par value \$0.01 per share, liquidation preference \$0.01 per share (the “Series B-1 Preferred Stock”), and the corresponding depositary shares, each representing a 1/1,000th ownership interest in one share of the Series B Preferred Stock and a 1/1,000th ownership interest in one share of the Series B-1 Preferred Stock. The news release, a copy of which is attached as Exhibit 99.1 to this report, is incorporated by reference in this Item 8.01.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

The following exhibits are filed herewith:

<u>EXHIBIT NO.</u>	<u>DESCRIPTION OF EXHIBIT</u>
99.1	News Release, dated February 9, 2024, issued by NiSource Inc.
104	Cover Page Interactive Data File (embedded in the cover page formatted in Inline XBRL)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NISOURCE INC.

Date: February 9, 2024

By: /s/ Shawn Anderson

Shawn Anderson

Executive Vice President and Chief Financial Officer



FOR IMMEDIATE RELEASE:

February 9, 2024

NiSource Inc. Announces Redemption of All Depositary Shares Representing Interests in Its 6.50% Series B Fixed-Rate Reset Cumulative Redeemable Perpetual Preferred Stock and Series B-1 Preferred Stock

MERRILLVILLE, Ind. - NiSource Inc. (NYSE: NI) ("NiSource") announced today that it will redeem all outstanding shares of its 6.50% Series B Fixed-Rate Reset Cumulative Redeemable Perpetual Preferred Stock, par value \$0.01 per share, liquidation preference \$25,000 per share (the "Series B Preferred Stock") and Series B-1 Preferred Stock, par value \$0.01 per share, liquidation preference \$0.01 per share (the "Series B-1 Preferred Stock"), and the corresponding depositary shares representing interests in the outstanding shares of the Series B Preferred Stock and the Series B-1 Preferred Stock (the "Depositary Shares"), on March 15, 2024 (the "Redemption Date").

All 20,000,000 Depositary Shares (NYSE: NI PR B) (CUSIP No. 65473P 881), each representing a 1/1,000th ownership interest in one share of the Series B Preferred Stock and a 1/1,000th ownership interest in one share of the Series B-1 Preferred Stock, will be redeemed on the Redemption Date, simultaneously with the redemption of the Series B Preferred Stock and the Series B-1 Preferred Stock, at a redemption price of \$25.00001 per Depositary Share.

The previously declared dividends of \$406.25 per share of the Series B Preferred Stock (equal to \$0.40625 per Depositary Share) for the full regular quarterly dividend period from, and including, December 15, 2023 to, but excluding, March 15, 2024 will be paid separately on March 15, 2024 to holders of record on February 23, 2024 in the customary manner. Accordingly, the redemption price of \$25.00001 per Depositary Share does not include any accumulated and unpaid dividends. On and after the Redemption Date, dividends on the redeemed Series B Preferred Stock and the corresponding Depositary Shares will cease to accumulate.

The Depositary Shares are held through The Depositary Trust Company (DTC) and will be redeemed in accordance with the procedures of DTC. Payment to DTC for the Depositary Shares will be made by Computershare Inc. and Computershare Trust Company, N.A., collectively, as redemption agent, in accordance with the Deposit Agreement governing the Depositary Shares. The address for the redemption agent is as follows:

**Computershare Trust Company, N.A.
Attn: Corporate Actions
150 Royall St.
Canton, MA 02021**

About NiSource

References in this press release to “NiSource” refer to NiSource Inc. and “we,” “us” or “our” refer collectively to NiSource and its subsidiaries.

NiSource Inc. (NYSE: NI) is one of the largest fully-regulated utility companies in the United States, serving approximately 3.3 million natural gas customers and 486,000 electric customers across six states through its local Columbia Gas and NIPSCO brands. Based in Merrillville, Indiana, NiSource’s approximately 7,200 employees are focused on safely delivering reliable and affordable energy to our customers and communities we serve. NiSource is a member of the Dow Jones Sustainability Index—North America. NI-F

Forward-Looking Statements

This press release 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”). Forward-looking statements in this press release include, but are not limited to, statements concerning the redemption and payment of dividends and other statements that are other than statements of historical fact. 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. 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 press release include, but are not limited to, 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, or failures of, 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, diverse workforce and ability to maintain good labor relations; our ability to manage new initiatives and organizational changes; the actions of activist stockholders; the performance of third-party suppliers and service providers; potential cybersecurity attacks; increased requirements and costs related to cybersecurity; 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 physical impacts of climate change and the transition to a lower carbon future; our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals, including

our Net Zero Goal; 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; inflation; recessions; 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; the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation; potential remaining liabilities related 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 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 fiscal year ended December 31, 2022, and matters set forth in our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2023, June 30, 2023 and September 30, 2023, some 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.

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FOR ADDITIONAL INFORMATION

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Investors

Christopher Turnure
Investor Relations
(614) 404-9426
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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant To Section 13 OR 15(d)
of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 19, 2024

NiSource Inc.
(Exact name of registrant as specified in its charter)

DE
(State or other jurisdiction
of incorporation)

001-16189
Commission
File Number

35-2108964
(I.R.S. Employer
Identification No.)

801 East 86th Avenue
Merrillville, IN
(Address of principal executive offices)

46410
(Zip Code)

Registrant's telephone number, including area code (877) 647-5990

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions.

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	NI	NYSE
Depository Shares, each representing a 1/1,000th ownership interest in a share of 6.50% Series B Fixed-Rate Reset Cumulative Redeemable Perpetual Preferred Stock, par value \$0.01 per share, liquidation preference \$25,000 per share and a 1/1,000th ownership interest in a share of Series B-1 Preferred Stock, par value \$0.01 per share, liquidation preference \$0.01 per share	NI PR B	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensation and Arrangements of Certain Officers.

On February 19, 2024, Donald Brown informed NiSource Inc. (the “Company”) that he will depart the Company as Executive Vice President and Chief Innovation Officer effective on or before May 1, 2024 (the “Separation Date”). The Company will file subsequent disclosure when the terms of the respective separation are finalized.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
104	Cover page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NiSource Inc.

(Registrant)

Date: February 20, 2024

By:

Kimberly S. Cuccia

Kimberly S. Cuccia
Senior Vice President, General Counsel and
Corporate Secretary

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant To Section 13 OR 15(d) of The
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 21, 2024

NiSource Inc.

(Exact name of registrant as specified in its charter)

DE

(State or other jurisdiction
of incorporation or organization)

001-16189

Commission
file number

35-2108964

(I.R.S. Employer
Identification No.)

801 East 86th Avenue
Merrillville, IN

(Address of principal executive offices)

46410

(Zip Code)

Registrant's telephone number, including area code (877) 647-5990

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions.

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	NI	NYSE
Depository Shares, each representing a 1/1,000th ownership interest in a share of 6.50% Series B Fixed-Rate Reset Cumulative Redeemable Perpetual Preferred Stock, par value \$0.01 per share, liquidation preference \$25,000 per share and a 1/1,000th ownership interest in a share of Series B-1 Preferred Stock, par value \$0.01 per share, liquidation preference \$0.01 per share	NI PR B	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On February 21, 2024, NiSource Inc. (the “Company”) reported its financial results for the year ended December 31, 2023. The Company’s press release, dated February 21, 2024, is attached as Exhibit 99.1.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

Exhibit Number	Description
99.1	Press Release, dated February 21, 2024, issued by NiSource Inc.
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Schema Document
101.CAL	Inline XBRL Calculation Linkbase Document
101.LAB	Inline XBRL Labels Linkbase Document
101.PRE	Inline XBRL Presentation Linkbase Document
101.DEF	Inline XBRL Definition Linkbase Document
104	Cover page Interactive Data File (formatted as inline XBRL, and contained in Exhibit 101.)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: February 21, 2024

By:

NiSource Inc.

(Registrant)

/s/ Gunnar J. Gode

Gunnar J. Gode
Vice President, Chief Accounting Officer
(Principal Accounting Officer)



FOR IMMEDIATE RELEASE:
February 21, 2024

NiSource announces fourth quarter 2023 results

- Achieved 2023 non-GAAP NOEPS at top end of guidance range
- Raising 2024 non-GAAP NOEPS guidance to \$1.70-1.74 from \$1.68-1.72
- Reaffirming 6-8% annual 2023-2028 non-GAAP NOEPS growth
- Successfully closed NIPSCO minority interest transaction in December

MERRILLVILLE, Ind. - NiSource Inc. (NYSE: NI) today announced, on a GAAP basis, 2023 net income available to common shareholders of \$661.7 million, or \$1.48 diluted earnings per share, compared to net income available to common shareholders of \$749.0 million, or \$1.70 diluted earnings per share, for the same period of 2022.

NiSource also reported 2023 non-GAAP net operating earnings available to common shareholders of \$716.3 million, or \$1.60 diluted earnings per share, compared to non-GAAP net operating earnings available to common shareholders of \$648.2 million, or \$1.47 diluted earnings per share, for the same period of 2022. Schedule 1 of this press release contains a complete reconciliation of GAAP measures to non-GAAP measures.**

NiSource is raising 2024 non-GAAP NOEPS guidance to \$1.70-1.74 from \$1.68-1.72. The 5-year \$16 billion base capital expenditure plan drives 2023-2028 annual rate base growth* of 8-10% and annual non-GAAP NOEPS growth of 6-8%.

"Today's 2023 earnings achievement and increased 2024 NOEPS guidance range are a testament to the resiliency of our financial commitments and our superior regulatory and stakeholder foundation," said NiSource President and CEO, Lloyd Yates. "Meanwhile, the company's balance sheet is now strengthened and more flexible following the successful completion of the NIPSCO minority transaction in December. As we move through the winter season our more than 11,000 employees and contractors should be proud of their work providing safe and reliable service to our nearly four million customers."

*core business rate base growth; select years may exceed range

****Non-GAAP Disclosure Statement**

This press release includes financial results and guidance for NiSource with respect to net operating earnings available to common shareholders and diluted earnings per share (NOEPS), which is a non-GAAP financial measure as defined by the SEC. The company includes this measure 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 guidance on NOEPS, NiSource reminds investors that it does not provide a GAAP equivalent of its guidance on net operating earnings due to the impact of unpredictable factors such as fluctuations in weather, impact of asset sales and impairments and other unusual or infrequent items included in the comparable GAAP measures. The company is not able to estimate the impact of such factors on the comparable GAAP measures and, as such, is not providing guidance on a GAAP basis. In addition, the company is not able to provide a reconciliation of its non-GAAP NOEPS guidance to the comparable GAAP equivalents without unreasonable efforts.

Additional Information

Additional information for the quarter ended December 31, 2023, is available on the Investors section of www.nisource.com, including segment and financial information and a presentation, as well as NiSource's social media channels. The company alerts investors that it intends to use the Investors section of its website www.nisource.com and as well as the company's social media channels to disseminate important information about the company to its investors. Investors are advised to look at NiSource's website and its social media channels for future important information about the company.

About NiSource

NiSource Inc. (NYSE: NI) is one of the largest fully-regulated utility companies in the United States, serving approximately 3.3 million natural gas customers and 500,000 electric customers across six states through its local Columbia Gas and NIPSCO brands. The mission of our approximately 7,400 employees is to deliver safe, reliable energy that drives value to our customers. NiSource is a member of the Dow Jones Sustainability - North America Index and is on Forbes lists of America's Best Employers for Women and Diversity. Learn more about NiSource's record of leadership in sustainability, investments in the communities it serves and how we live our vision to be an innovative and trusted energy partner at www.NiSource.com. NI-F

The content of our website is not incorporated by reference into this document or any other report or document NiSource files with the Securities and Exchange Commission ("SEC").

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FOR ADDITIONAL INFORMATION

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Michael Weisenburger
Investor Relations
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mweisenburger@nisource.com

Forward-Looking Statements

This Press Release 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. Forward-looking statements in this press release include, but are not limited to, statements concerning our 2024 guidance on NOEPS, 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 Press Release 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 work successfully with our third-party investors; our ability to adapt to, and manage costs related to, advances in technology, including alternative energy sources and changes in laws and regulations; our increased dependency on 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 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 demand; our ability to attract, retain or re-skill a qualified, diverse workforce and maintain good labor relations; our ability to manage new initiatives and organizational changes; the actions of activist stockholders; the performance and quality of third-party suppliers and service providers; potential cybersecurity attacks or security breaches; increased requirements and costs related to cybersecurity; any damage to our reputation; the impacts of natural disasters, potential terrorist attacks or other catastrophic events; the physical impacts of climate change and the transition to a lower carbon future; our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals, including our Net Zero Goal; our debt obligations; any changes to our credit rating or the credit rating of certain of our subsidiaries; adverse economic and capital market conditions, including increases in inflation or interest rates, recession, or changes in investor sentiment; economic regulation and the impact of regulatory rate reviews; our ability to obtain expected financial or regulatory outcomes; 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; the outcome of legal and regulatory

proceedings, investigations, incidents, claims and litigation; compliance with changes in, or new interpretations of applicable laws, regulations and tariffs; the cost of compliance with environmental laws and regulations and the costs of associated liabilities; changes in tax laws or the interpretation thereof; and other matters set forth in 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 fiscal year ended December 31, 2023, some 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.

Schedule 1 - Reconciliation of Consolidated Net Income Available to Common Shareholders to Net Operating Earnings Available to Common Shareholders (Non-GAAP) (unaudited)

(in millions, except per share amounts)	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2023	2022	2021	2023	2022	2021
GAAP Net Income Available to Common Shareholders	\$ 225.6	\$ 230.8	\$ 152.2	\$ 661.7	\$ 749.0	\$ 529.8
Adjustments to Operating Income :						
Operating Revenues:						
Weather - compared to normal	13.4	(3.2)	13.7	60.6	(24.9)	1.2
FAC adjustment ⁽¹⁾	—	—	—	—	8.0	—
Greater Lawrence Incident	—	—	1.2	—	—	9.2
Plant retirement costs	—	—	1.9	—	—	14.1
Operating Expenses:						
NiSource Next initiative ⁽²⁾	—	—	2.6	—	3.3	24.7
Massachusetts Business related amounts ⁽³⁾	—	—	—	—	(105.0)	6.8
Total adjustments to operating income	13.4	(3.2)	19.4	60.6	(118.6)	56.0
Other Income (Deductions):						
Interest rate swap settlement gain	—	(10.0)	—	—	(10.0)	—
Income Taxes:						
Tax effect of above items ⁽⁴⁾	(3.3)	3.4	(4.9)	(15.8)	27.8	(14.6)
Preferred Dividends:						
Preferred dividends redemption premium ⁽⁵⁾	3.6	—	—	9.8	—	—
Total adjustments to net income (loss)	13.7	(9.8)	14.5	54.6	(100.8)	41.4
Net Operating Earnings Available to Common Shareholders (Non-GAAP)	\$ 239.3	\$ 221.0	\$ 166.7	\$ 716.3	\$ 648.2	\$ 571.2
Diluted Average Common Shares	449.3	445.9	428.8	447.9	442.7	417.3
GAAP Diluted Earnings Per Share⁽⁶⁾	\$ 0.50	\$ 0.52	\$ 0.36	\$ 1.48	\$ 1.70	\$ 1.27
Adjustments to diluted earnings (loss) per share	0.03	(0.02)	0.03	0.12	(0.23)	0.10
Non-GAAP Diluted Net Operating Earnings Per Share	\$ 0.53	\$ 0.50	\$ 0.39	\$ 1.60	\$ 1.47	\$ 1.37

⁽¹⁾Represents fuel costs deemed over-collected from customers through the FAC mechanism and ordered to be refunded to customers.

⁽²⁾Represents incremental severance and third-party consulting costs incurred in connection with the NiSource Next initiative.

⁽³⁾Represents proceeds from a property insurance settlement related to the Greater Lawrence Incident. 2021 primarily represents final net working capital adjustments to the purchase price for the loss incurred on the sale of the Massachusetts Business.

⁽⁴⁾Represents income tax expense calculated using the statutory tax rates for legal entity.

⁽⁵⁾Represents the difference between the carrying value on the redemption date of the Series A Preferred Stock and the total amount of consideration paid to redeem plus an excise tax liability incurred under the IRA, net of the fair value of common shares issued during 2023.

⁽⁶⁾The GAAP Diluted Earnings Per Share numerator is equal to Net Operating Earnings Available to Common Shareholders adjusted for income allocated to participating securities plus add-backs for interest expense incurred, net of tax, related to Series A Equity Unit purchase contracts.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 22, 2024

NiSource Inc.
(Exact Name of Registrant as Specified in Charter)

DE
(State or other jurisdiction
of incorporation)

001-16189
(Commission
file number)

35-2108964
(I.R.S. Employer
Identification No.)

801 East 86th Avenue
Merrillville, Indiana
(Address of Principal Executive Offices)

46410
(Zip Code)

Registrant's telephone number, including area code: (877) 647-5990

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	NI	NYSE
Depository Shares, each representing a 1/1,000th ownership interest in a share of 6.50% Series B Fixed-Rate Reset Cumulative Redeemable Perpetual Preferred Stock, par value \$0.01 per share, liquidation preference \$25,000 per share and a 1/1,000th ownership interest in a share of Series B-1 Preferred Stock, par value \$0.01 per share, liquidation preference \$0.01 per share	NI PR B	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 1.01 Entry into a Material Definitive Agreement

On February 22, 2024, NiSource Inc. (the “Company”) entered into eight separate equity distribution agreements, each dated February 22, 2024 (the “Equity Distribution Agreements”), (i) among the Company, Barclays Capital Inc., as sales agent and as forward seller, and Barclays Bank PLC, as forward purchaser, (ii) among the Company, BMO Capital Markets Corp., as sales agent and forward seller, and Bank of Montreal, as forward purchaser, (iii) among the Company, BofA Securities, Inc., as sales agent and forward seller, and Bank of America, N.A., as forward purchaser, (iv) between the Company and Goldman Sachs & Co. LLC, in its capacities as sales agent, forward seller and forward purchaser, (v) among the Company, J.P. Morgan Securities LLC, as sales agent and as forward seller, and JPMorgan Chase Bank, National Association, as forward purchaser, (vi) between the Company and Morgan Stanley & Co. LLC, in its capacities as sales agent, forward seller and forward purchaser, (vii) among the Company, MUFG Securities Americas Inc., as sales agent and forward seller, and MUFG Securities EMEA plc, as forward purchaser, and (viii) among the Company, Wells Fargo Securities, LLC, as sales agent (collectively with the other sales agents, the “Agents”) and as forward seller, and Wells Fargo Bank, National Association, as forward purchaser, relating to issuances, offers and sales of shares of the Company’s common stock, par value \$0.01 per share (the “Common Stock”) through December 31, 2025. In accordance with the terms of the Equity Distribution Agreements, the Company may offer and sell up to an aggregate gross sales price of \$900,000,000 of its Common Stock (including shares of Common Stock that may be sold pursuant to the forward sale agreements described below, the “Shares”) from time to time through any of the Agents, acting in their capacity as sales agents or as forward sellers, as described below. The Shares may be offered and sold by any method or payment permitted by law to be an “at the market offering” as defined in Rule 415 under the Securities Act of 1933, as amended (the “Securities Act”), including by means of ordinary brokers’ transactions on the New York Stock Exchange, the existing trading market for our shares of Common Stock, or otherwise at market prices prevailing at the time of sale, or sales made to or through a market maker or through an electronic communications network. The Shares may be offered and sold in amounts and at times to be determined by the Company from time to time, but the Company has no obligation to offer and sell any of the Shares. Actual sales will depend on a variety of factors to be determined by the Company from time to time, including (among others) market conditions, the trading price of the Common Stock and determinations by the Company of the appropriate sources of funding for the Company.

The Equity Distribution Agreements provide that, in addition to the issuance and sale of the Shares by the Company through the Agents in their capacity as Agents, the Company may enter into forward sale agreements with the Agents or certain of their respective affiliates (when acting in its capacity under such a forward sale agreement, a “Forward Purchaser”). Concurrently with, and pursuant to, the Equity Distribution Agreements, the Company entered into eight separate master forward sale confirmations (the “Master Forward Sale Confirmations”), each dated February 22, 2024, with Barclays Bank PLC, Bank of Montreal, Bank of America, N.A, Goldman Sachs & Co. LLC, JPMorgan Chase Bank, National Association, Morgan Stanley & Co. LLC, MUFG Securities EMEA plc and Wells Fargo Bank, National Association, respectively, as forward purchasers. In connection with each forward sale agreement under a Master Forward Sale Confirmation, the relevant Forward Purchaser will, at the Company’s request, attempt to borrow from third parties and, through the relevant Agent, sell a number of Shares equal to the number of Shares underlying the particular forward sale agreement to hedge the forward sale agreement (each Agent, when acting as agent for a Forward Purchaser, a “Forward Seller”).

The forward sale price per share under each forward sale agreement will initially equal the product of (1) an amount equal to one minus the applicable forward selling commission and (2) the volume-weighted average price per share at which the borrowed shares of Common Stock were sold pursuant to the particular equity distribution agreement by the relevant forward seller. Thereafter, the forward sale price will be subject to adjustment as described in the relevant forward sale agreement. The forward sale agreements will provide that the forward sale price, as well as the sales prices used to calculate the initial forward sale price, will be subject to increase or decrease based on a floating interest rate factor equal to the specified benchmark’s daily rate less a spread and subject to decrease by amounts related to expected dividends on the Common Stock during the term of the particular forward sale agreement. If the specified benchmark’s daily rate is less than the spread for a particular forward sale agreement on any day, the interest factor will result in a reduction of the applicable forward sale price for such day.

The Company will not initially receive any proceeds from the sale of borrowed Shares of the Company’s Common Stock by a Forward Seller. If the Company elects to physically settle any forward sale agreement by issuing and delivering shares of Common Stock, the Company will receive an amount of cash from the relevant forward purchaser equal to the product of the forward sale price per share under that particular forward sale agreement and the number of shares of Common Stock underlying the particular forward sale agreement. The Company expects to receive proceeds from the sale of Shares by a Forward Seller upon future physical settlement of the relevant forward sale agreement with the relevant Forward Purchaser on dates specified by the Company on or prior to the maturity date of the relevant forward sale agreement. Although the Company expects to settle any forward sale agreement with a full physical settlement, it may, except in limited circumstances

elect a cash or net share settlement for all or a portion of its obligations under such forward sale agreement. If the Company elects a cash or net share settle a forward sale agreement, the Company may not (in the case of cash settlement) or will not (in the case of net share settlement) receive any proceeds, and the Company may owe cash (in the case of cash settlement) or shares of Common Stock (in the case of net share settlement) to the relevant Forward Purchaser.

The Company will pay each Agent a commission of up to 2% of the sales price of all Shares issued by the Company and sold through the relevant Agent under the applicable Equity Distribution Agreement. The remaining sales proceeds, after deducting any expenses payable by the Company and any transaction fees imposed by any governmental, regulatory or self-regulatory organization in connection with the sales, will be the Company's net proceeds for the sale of the Shares. In connection with each forward sale agreement, the relevant Forward Seller will receive, in the form of a reduced initial forward sale price payable by the relevant Forward Purchaser under its forward sale agreement, a commission of up to 2% of the volume weighted average of the sales prices of all borrowed shares of Common Stock sold during the applicable period by it as a Forward Seller.

The Shares will be issued pursuant to the Company's automatic shelf registration statement filed with the Securities and Exchange Commission on November 1, 2022 (File No. 333-268084), a base prospectus, dated November 1, 2022, included as part of the registration statement, and a prospectus supplement, dated February 22, 2024, filed with the Securities and Exchange Commission pursuant to Rule 424(b) under the Securities Act of 1933, as amended.

The foregoing descriptions of the Equity Distribution Agreements and the Master Forward Sale Confirmations do not purport to be complete and are qualified in their entirety by reference to the terms and conditions of the forms of Equity Distribution Agreement and Master Forward Sale Confirmation, which are filed as Exhibits 1.1 and 1.2, respectively, and are incorporated by reference into this Item 1.01.

Item 8.01 Other Items.

On February 22, 2024, the Company issued a press release announcing the establishment of an "at-the-market" equity offering program. The Company's press release, dated February 22, 2024, is filed as Exhibit 99.1 and is incorporated by reference into this Item 8.01.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
1.1	Form of Equity Distribution Agreement
1.2	Form of Master Forward Sale Confirmation
5.1	Opinion of McGuireWoods LLP regarding the legality of the Shares
23.1	Consent of McGuireWoods LLP (included in Exhibit 5.1)
99.1	Press release, dated February 22, 2024, issued by NiSource Inc.
104	Cover page Interactive Data File (embedded within the Inline XBRL document)

Cautionary Statement Concerning Forward-Looking Statements

This current report on Form 8-K contains forward-looking statements that are not historical facts, including statements about the anticipated use of proceeds from any sales of Shares. These statements are based on current expectations and assumptions, which management believes are reasonable, and on information currently available to management, but are necessarily subject to various risks and uncertainties. In addition to the risk that these assumptions prove to be inaccurate, factors that could cause actual results to differ materially from those contemplated by the forward-looking statements include factors disclosed in the Company's Annual Report on Form 10-K for the year ended December 31, 2023, and its subsequent filings with the Securities and Exchange Commission ("SEC"), which are available on the Company's website at www.nisource.com and on the SEC's website at www.sec.gov. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether due to new information, future events or otherwise, except to the extent required by law.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NiSource Inc.

(Registrant)

Date: February 22, 2024

By:

/s/ Shawn Anderson

Shawn Anderson

Executive Vice President and Chief Financial Officer

NISOURCE INC.
COMMON STOCK, PAR VALUE \$0.01 PER SHARE
EQUITY DISTRIBUTION AGREEMENT

February 22, 2024

To: [•]

To the Addressees:

NiSource Inc., a Delaware corporation (the “**Company**”), proposes from time to time (i) to issue and sell shares (the “**Primary Shares**”) of the Company’s common stock, par value \$0.01 per share (the “**Common Stock**”), through [•] (the “**Manager**”), acting as sales agent, and (ii) in consultation with the Forward Purchaser (as defined below) and the Manager, to instruct borrowed shares (the “**Forward Hedge Shares**”), and together with the Primary Shares, the “**Shares**”) of Common Stock to be sold through the Manager, acting in its capacity as agent for the Forward Purchaser as forward seller (the “**Forward Seller**”) for [•] or one or more of its affiliates (the “**Forward Purchaser**”) in connection with one or more Confirmations (as defined below), in each case on the terms set forth in this equity distribution agreement (this “**Agreement**”).

The Company has also entered into Equity Distribution Agreements (collectively, the “**Alternative Equity Distribution Agreements**”), each dated as of even date herewith, with each of [•],[•], [•] and [•] (each, in its capacity as sales agent and as forward seller thereunder, an “**Alternative Manager**”) [and each of their related Alternative Forward Purchaser (as defined below)] for the issuance and/or sale from time to time through the Alternative Managers of Shares on the terms set forth in the Alternative Equity Distribution Agreements and also may enter into one or more forward stock purchase transactions (collectively, the “**Alternative Confirmations**”) with [•],[•],[•] or [•] as a forward purchaser thereunder (the “**Alternative Forward Purchasers**”). This Agreement and the Alternative Equity Distribution Agreements are collectively referred to herein as the “**Equity Distribution Agreements**.” The Company, the Manager, the Forward Seller and the Forward Purchaser understand that the aggregate gross sales price of Shares to be sold pursuant to the Equity Distribution Agreements shall not exceed \$900,000,000 in the aggregate (the “**Maximum Program Amount**”).

The Company may enter into one or more forward stock purchase transactions with the Forward Purchaser as set forth in the applicable Confirmations. In connection therewith, the Forward Purchaser, through the Forward Seller, will effect sales of Forward Hedge Shares on the terms set forth in Section 2 of this Agreement. “**Confirmation**” means, for each Forward Sale (as defined below), the contract evidencing such Forward Sale between the Company and the Forward Purchaser, which shall be comprised of the Master Confirmation for Forward Sale, dated as of the date hereof, by and between the Company and the Forward Purchaser, including all provisions incorporated by reference therein (the “**Master Forward Confirmation**”), and the related “**Supplemental Confirmation**” and “**Pricing Report**” (each, as defined in the Master Forward Confirmation).

The Company has filed with the Securities and Exchange Commission (the “**Commission**”) a registration statement (File No. 333-268084), including a prospectus, on Form S-3, relating to the securities (the “**Shelf Securities**”), including the Shares, to be issued from time to time by the Company and/or to be sold through the Manager, the Forward Seller or the Alternative Managers as forward sellers pursuant to the Equity Distribution Agreements. The registration statement as of its most recent effective date, including the information (if any) deemed to be part of the registration statement at the time of effectiveness pursuant to Rule 430A or Rule 430B under the Securities Act of 1933, as amended (the “**Securities Act**”), is hereinafter referred to as the “**Registration Statement**”, and the related prospectus covering the Shelf Securities and filed as part of the Registration Statement, together with any amendments or supplements thereto as of the most recent effective date of the Registration Statement, is hereinafter referred to as the “**Basic Prospectus**”. “**Prospectus Supplement**” means the final prospectus supplement, relating to the Shares, filed by the Company with the Commission pursuant to Rule 424(b) under the Securities Act on or before the second business day after the date hereof, in the form furnished by the Company to the Manager, the Forward Seller or the Forward Purchaser, as applicable, in connection with the offering of the Shares. Except where the context otherwise requires, “**Prospectus**” means the Basic Prospectus, as supplemented by the Prospectus Supplement and the most recent Interim Prospectus Supplement (as defined below), if any. Notwithstanding the foregoing, if any revised basic prospectus, prospectus supplement or prospectus shall be provided to the Manager, the Forward Seller or the Forward Purchaser, as applicable, by the Company for use in connection with the offering and sale of the Shares which differs from the Basic Prospectus, Prospectus Supplement or Prospectus, as the case may be (whether or not such revised basic prospectus, prospectus supplement or prospectus is required to be filed by the Company pursuant to Rule 424(b) under the Securities Act), the terms “**Basic Prospectus**,” “**Prospectus Supplement**” and “**Prospectus**” shall refer to such revised basic prospectus, prospectus supplement or prospectus, as the case may be, from and after the time it is first provided to the Manager, the Forward Seller or the Forward Purchaser, as applicable, for such use. For purposes of this Agreement, “**free writing prospectus**” has the meaning set forth in Rule 405 under the Securities Act. “**Permitted Free Writing Prospectuses**” means the documents listed on Schedule I hereto or otherwise approved in writing by the Manager, the Forward Seller or the Forward Purchaser, as applicable, in accordance with Section 6(b), and “**broadly available road show**” means a “bona fide electronic road show” as defined in Rule 433(h)(5) under the Securities Act that has been made available without restriction to any person. As used herein, the terms “Registration Statement”, “Basic Prospectus”, “Prospectus Supplement”, “Interim Prospectus Supplement” and “Prospectus” shall include the documents, if any, incorporated by reference therein as of the date hereof. The terms “**supplement**”, “**amendment**” and “**amend**” as used herein with respect to the Registration Statement, the Basic Prospectus, the Prospectus Supplement, any Interim Prospectus Supplement or the Prospectus shall include all documents subsequently filed by the Company with the Commission pursuant to the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), that are deemed to be incorporated by reference therein (the “**Incorporated Documents**”).

1. *Representations and Warranties.* The Company represents and warrants to and agrees with the Manager, the Forward Seller and the Forward Purchaser:

(a) The Registration Statement has become effective; no stop order suspending the effectiveness of the Registration Statement is in effect; and no proceedings for such purpose or pursuant to Section 8(A) of the Securities Act are pending before or threatened by the Commission. The Company is a well-known seasoned issuer (as defined in Rule 405 under the Securities Act) eligible to use the Registration Statement as an automatic shelf registration statement, and the Company has not received notice that the Commission objects to the use of the Registration Statement as an automatic shelf registration statement.

(b) (i) (A) At the respective times the Registration Statement and each amendment thereto became effective, (B) at each deemed effective date with respect to the Manager pursuant to Rule 430B(f)(2) under the Securities Act (each, a “**Deemed Effective Time**”), (C) as of each time Shares are sold pursuant to this Agreement (each, a “**Time of Sale**”), (D) at each Settlement Date (as defined below) and (E) at all times during which a prospectus is required by the Securities Act to be delivered (whether physically or through compliance with Rule 172 under the Securities Act or any similar rule) in connection with any sale of Shares (the “**Delivery Period**”), the Registration Statement complied and will comply in all material respects with the requirements of the Securities Act and the rules and regulations under the Securities Act; (ii) the Basic Prospectus complied, or will comply, at the time it was, or will be filed, with the Commission, complies as of the date hereof (if filed with the Commission on or prior to the date hereof) and, as of each Time of Sale and at all times during the Delivery Period, will comply in all material respects with the rules and regulations under the Securities Act; (iii) each of the Prospectus Supplement, any Interim Prospectus Supplement and the Prospectus will comply, as of the date that such document is filed with the Commission, as of each Time of Sale, as of each Settlement Date and at all times during the Delivery Period, in all material respects with the rules and regulations under the Securities Act; and (iv) the Incorporated Documents, when they were filed with the Commission, conformed in all material respects to the requirements of the Exchange Act and the rules and regulations of the Commission thereunder, and any further Incorporated Documents so filed and incorporated by reference, when they are filed with the Commission, will conform in all material respects to the requirements of the Exchange Act and the rules and regulations of the Commission thereunder.

(c) (i) As of the date hereof, at the respective times the Registration Statement and each amendment thereto became effective and at each Deemed Effective Time, the Registration Statement did not and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; (ii) as of each Time of Sale, the Prospectus (as amended and supplemented at such Time of Sale) and any Permitted Free Writing Prospectus then in use, considered together (collectively, the “**General Disclosure Package**”), did not contain any untrue

statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; (iii) as of its date, the Prospectus did not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and (iv) at any Settlement Date, the Prospectus (as amended and supplemented at such Settlement Date) did not and will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided, however*, that this representation and warranty shall not apply to any statement or omission made in reliance upon and in conformity with information furnished in writing to the Company by the Manager, the Forward Seller or the Forward Purchaser, as applicable, expressly for use in the Prospectus or in the General Disclosure Package. For purposes of this Agreement, the only information so furnished in the Registration Statement, the Prospectus, the Prospectus Supplement (including any Interim Prospectus Supplement), the General Disclosure Package, any Permitted Free Writing Prospectus, any free writing prospectus that the Company has filed, or is required to file, pursuant to Rule 433(d) under the Securities Act, or any amendment or supplement thereto, shall be the Manager's or the Forward Seller's, as applicable, name on the cover of the Prospectus (as applicable, the "**Manager Information**").

(d) Any free writing prospectus that the Company is required to file pursuant to Rule 433(d) under the Securities Act has been, or will be, filed with the Commission in accordance with the requirements of the Securities Act and the applicable rules and regulations of the Commission thereunder. Each free writing prospectus that the Company has filed, or is required to file, pursuant to Rule 433(d) under the Securities Act or that was prepared by or on behalf of or used or referred to by the Company complies or will comply in all material respects with the requirements of the Securities Act and the applicable rules and regulations of the Commission thereunder. Each free writing prospectus, as of its issue date and at all subsequent times through the completion of the public offer and sale of the Shares or until any earlier date that the Company notified or notifies the Manager, the Forward Seller or the Forward Purchaser, as applicable, did not, does not and will not include any material information that conflicted, conflicts or will conflict with the information contained in the Registration Statement or the Prospectus. Each broadly available road show, if any, when considered together with the General Disclosure Package, does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. Except for the Permitted Free Writing Prospectuses, if any, and electronic road shows, if any, furnished to and approved by the Manager, the Forward Seller or the Forward Purchaser, as applicable, in accordance with Section 6(b), the Company has not prepared, used or referred to, and will not, prepare, use or refer to, any free writing prospectus.

(e) (i) (A) At the time of filing the Registration Statement, (B) at the time of the most recent amendment thereto for the purpose of complying with Section 10(a)(3) of the Securities Act (whether such amendment was by post-effective amendment, incorporated report filed pursuant to Section 13 or 15(d) of the Exchange Act or form of prospectus) and (C) at the time the Company or any person acting on its behalf (within the meaning, for this clause only, of Rule 163(c) under the Securities Act) made any offer relating to the Shelf Securities in reliance on the exemption of Rule 163 under the Securities Act, the Company was not an “ineligible issuer” as defined in Rule 405 under the Securities Act; and (ii) (A) at the time of filing of the Registration Statement, (B) at the earliest time thereafter that the Company or another offering participant made a bona fide offer (within the meaning of Rule 164(h)(2) under the Securities Act) of the Shares and (C) at the date hereof, the Company was not and is not an “ineligible issuer” as defined in Rule 405 under the Securities Act.

(f) The Company has been duly incorporated and is a validly existing corporation in good standing under the laws of the State of Delaware, with power and authority (corporate and other) to own its properties and conduct its business as described in each of the Registration Statement, the Prospectus and the General Disclosure Package; and the Company is duly qualified to transact business as a foreign corporation in good standing in all other jurisdictions in which its ownership or lease of property or the conduct of its business requires such qualification, or is subject to no material liability or disability by reason of the failure to be so qualified in any such jurisdiction; all of the issued and outstanding capital stock of the Company has been duly authorized and validly issued and is fully paid and nonassessable.

(g) Each significant subsidiary (as defined in Rule 405 under the Securities Act) of the Company (each direct and indirect significant subsidiary of the Company being hereinafter referred to as a “**Significant Subsidiary**” and all such direct and indirect significant subsidiaries of the Company being hereinafter referred to collectively as the “**Significant Subsidiaries**”) has been duly incorporated or duly formed and is a validly existing corporation or limited liability company, as the case may be, in good standing under the laws of the jurisdiction of its incorporation or formation, with power and authority (corporate or limited liability, and other) to own its properties and conduct its business as described in each of the Registration Statement, the Prospectus and the General Disclosure Package; and each Significant Subsidiary is duly qualified to do business as a foreign corporation or limited liability company, as the case may be, in good standing in all other jurisdictions in which its ownership or lease of property or the conduct of its business requires such qualification, or is subject to no material liability or disability by reason of the failure to be so qualified in any such jurisdiction; all of the issued and outstanding capital stock or other equity interests of each Significant Subsidiary has been duly authorized and validly issued and is fully paid and, to the extent applicable, nonassessable; and except as otherwise disclosed in each of the Registration Statement, the Prospectus and the General Disclosure Package, all of the capital stock or other equity interests of each Significant Subsidiary is owned by the Company, directly or through subsidiaries, free from liens, encumbrances and defects.

(h) The Primary Shares, any shares of Common Stock to be delivered by the Company to the Forward Purchaser pursuant to any Confirmation or to any Alternative Forward Purchaser pursuant to any Alternative Confirmation (the “**Confirmation Shares**”) and all other outstanding shares of capital stock of the Company have been duly authorized; all outstanding shares of capital stock of the Company are, and, when the Primary Shares and any Confirmation Shares have been delivered and paid for in accordance with this Agreement or any Confirmation, such shares of Common Stock will have been validly issued, fully paid and nonassessable and will conform to the descriptions thereof contained in each of the Registration Statement, the Prospectus and the General Disclosure Package; and the stockholders of the Company have no preemptive rights with respect to such shares of Common Stock.

(i) Except for the discounts and commissions payable by the Company to the Manager, the Forward Seller, the Forward Purchaser, any Alternative Manager or any Alternative Forward Purchaser in connection with the offering of the Shares contemplated herein or in any Alternative Equity Distribution Agreement or as otherwise disclosed in each of the Registration Statement, the Prospectus and the General Disclosure Package, there are no contracts, agreements or understandings between the Company and any person that would give rise to a valid claim against the Company, the Forward Purchaser, the Forward Seller, or the Manager for a brokerage commission, finder’s fee or other like payment in connection with the sale of the Shares.

(j) There are no contracts, agreements or understandings between the Company and any person granting such person the right to require the Company to file a registration statement under the Securities Act with respect to any securities of the Company owned or to be owned by such person or to require the Company to include such securities with the securities registered pursuant to the Registration Statement or with any securities being registered pursuant to any other registration statement filed by the Company under the Securities Act.

(k) The outstanding shares of Common Stock are listed on The New York Stock Exchange LLC (the “**Exchange**”), and the Primary Shares and any Confirmation Shares have been approved for listing on the Exchange, subject to notice of issuance.

(l) No consent, approval, authorization, or order of, or filing with, any governmental agency or body or any court is required for the consummation of the transactions contemplated by this Agreement and each Confirmation, in connection with the issuance and sale of the Shares by the Company, except such as have been obtained and made under the Securities Act, and such as may be required under the Federal Power Act, the Exchange Act and state securities laws.

(m) The execution, delivery and performance of this Agreement, any Confirmation and the issuance and sale of the Shares will not result in a breach or violation of any of the terms and provisions of, or constitute a default under, (i) the charter or by-laws of the Company or any subsidiary of the Company (each direct and indirect subsidiary of the Company being hereinafter referred to as a “**Subsidiary**” and all such direct and indirect subsidiaries of the Company being hereinafter referred to collectively as the “**Subsidiaries**”), (ii) any statute or any rule, regulation or order of any governmental agency or body or any court, domestic or foreign, having jurisdiction over the Company or any Subsidiary or any of their properties, or (iii) any agreement or instrument to which the Company or any Subsidiary is a party or by which the Company or any Subsidiary is bound or to which any of the properties of the Company or any Subsidiary is subject, except in the case of clauses (ii) and (iii) where such violation, breach or default would not, individually or in the aggregate, have a material adverse effect on the condition (financial or other), business, properties, or results of operations of the Company and the Subsidiaries taken as a whole (“**Material Adverse Effect**”) and would not materially and adversely affect the ability of the Company to perform its obligations under this Agreement, any Confirmation, or which would otherwise be material in the context of the sale of the Shares; and the Company has full power and authority to authorize, issue and sell the Shares as contemplated by this Agreement or any Confirmation.

(n) This Agreement has been duly authorized, executed and delivered by the Company.

(o) Except as disclosed in each of the Registration Statement, the Prospectus and the General Disclosure Package, the Company and the Subsidiaries have good and marketable title to all real properties and all other properties and assets owned by them, in each case free from liens, encumbrances and defects that would materially interfere with the use made or to be made thereof by them or would, individually or in the aggregate, have a Material Adverse Effect; and except as disclosed in each of the Registration Statement, the Prospectus and the General Disclosure Package, the Company and the Subsidiaries hold any leased real or personal property under valid and enforceable leases with no exceptions that would materially interfere with the use made or to be made thereof by them or would, individually or in the aggregate, have a Material Adverse Effect.

(p) The Company and the Subsidiaries possess adequate certificates, authorities or permits issued by appropriate governmental agencies or bodies necessary to conduct the business now operated by them and have not received any notice of proceedings relating to the revocation or modification of any such certificate, authority or permit that, if determined adversely to the Company or any of the Subsidiaries would, individually or in the aggregate, have a Material Adverse Effect.

(q) Except as disclosed in each of the Registration Statement, the Prospectus and the General Disclosure Package, neither the Company nor any Significant Subsidiary has any material contingent liability.

(r) Except as disclosed in each of the Registration Statement, the Prospectus and the General Disclosure Package, there are no pending actions, suits, proceedings or investigations against or affecting the Company or any Subsidiary or any of their respective properties, assets or operations that could, individually or in the aggregate, be reasonably expected to have a Material Adverse Effect or to affect materially and adversely the ability of the Company to perform its obligations under this Agreement and each Confirmation, or which are otherwise material in the context of the sale of the Shares; and, to the knowledge of the Company, no such actions, suits, proceedings or investigations are threatened.

(s) The financial statements of the Company included or incorporated by reference in each of the Registration Statement, the Prospectus and the General Disclosure Package present fairly the financial position of the entity presented and its consolidated subsidiaries as of the dates shown and their results of operations and cash flows for the periods shown, and, except as otherwise disclosed in each of the Registration Statement, the Prospectus and the General Disclosure Package, such financial statements have been prepared in conformity with generally accepted accounting principles in the United States applied on a consistent basis with all other financial statements presented for such entity; and any schedules included or incorporated by reference in each of the Registration Statement, the Prospectus and the General Disclosure Package present fairly the information required to be stated therein. The interactive data in eXtensible Business Reporting Language included or incorporated by reference in each of the Registration Statement, the General Disclosure Package and the Prospectus fairly presents the information called for in all material respects and is prepared in accordance with the Commission's rules and guidelines applicable thereto.

(t) Except as disclosed in each of the Registration Statement, the Prospectus and the General Disclosure Package, since the date of the latest audited financial statements included or incorporated by reference in each of the Registration Statement, the Prospectus and the General Disclosure Package, there has been no material adverse change, nor any development or event involving a prospective material adverse change, in the condition (financial or other), business, properties or results of operations of the Company and the Subsidiaries taken as a whole, and, except as disclosed in or contemplated by each of the Registration Statement, the Prospectus and the General Disclosure Package, there has been no dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock.

(u) The Company is not, and after giving effect to the offering and sale of the Shares, the consummation of the transactions contemplated by any Confirmation or any Alternative Confirmation and the application of the proceeds thereof as described in each of the Registration Statement, the Prospectus and the General Disclosure Package will not be, an “investment company” as defined in the Investment Company Act of 1940, as amended.

(v) [Reserved].

(w) The Company maintains a system of “disclosure controls and procedures” (as defined in Rule 13a-15(e) under the Exchange Act) that is designed to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Commission’s rules and forms, including controls and procedures designed to ensure that such information is accumulated and communicated to the Company’s management as appropriate to allow timely decisions regarding required disclosure. The Company has carried out evaluations of the effectiveness of their disclosure controls and procedures as required by Rule 13a-15 under the Exchange Act.

(x) The Company maintains a system of “internal control over financial reporting” (as defined in Rule 13a-15(f) under the Exchange Act) that complies with the requirements of the Exchange Act and has been designed by, or under the supervision of, its principal executive and principal financial officers, or persons performing similar functions, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles, including, but not limited to, internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with the Company’s management’s general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management’s general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

(y) The Master Forward Confirmation has been duly authorized, executed and delivered by the Company and constitutes, and any Supplemental Confirmation will be duly authorized, executed and delivered by the Company and will constitute, a valid and binding agreement of the Company, enforceable against the Company in accordance with its terms, except as the enforcement thereof may be limited by bankruptcy, insolvency (including, without limitation, all laws relating to fraudulent transfers), reorganization, moratorium or similar laws affecting enforcement of creditors’ rights generally and except as enforcement thereof is subject to general principles of equity (regardless of whether enforcement is considered in a proceeding in equity or at law). The description of the Master Forward Confirmation set forth in the Prospectus and the General Disclosure Package is correct in all material respects.

(z) Assuming that the Forward Seller complies with Rule 173 under the Securities Act in connection with the sales of Shares in an amount not greater than the Number of Shares (as defined in each applicable Confirmation) and assuming that the Forward Seller complies with the requirements of the letter dated October 6, 2003 submitted on behalf of Goldman, Sachs & Co. to Paula Dubberly of the staff of the Securities and Exchange Commission (the "Staff"), to which the Staff responded in an interpretive letter dated October 9, 2003, in connection with closing out open borrowings of Common Stock created in the course of the hedging activities set forth below, (i) the issuance and sale by the Company of the Confirmation Shares to the Forward Purchaser in settlement of any Confirmation in accordance with the terms thereof and the delivery by the Forward Purchaser or its affiliate of the Confirmation Shares during the term of and at settlement of any Confirmation to close out open borrowings of Common Stock created in the course of the hedging activities created by the Forward Purchaser or its affiliate relating to its exposure under any Confirmation will not require registration under the Securities Act, (ii) the Company will not have an obligation to file a prospectus supplement pursuant to Rule 424(b) under the Securities Act regulations in connection with any Confirmation Shares delivered to the Forward Purchaser or its affiliate by the Company upon such settlement, and (iii) no prospectus supplement will be required to be filed under Rule 424(b) under the Securities Act in connection with any Confirmation Shares delivered by the Forward Purchaser or its affiliate to close out open borrowings created in the course of the hedging activities created by the Forward Purchaser or its affiliate relating to its exposure under any Confirmation. Except for the Alternative Equity Distribution Agreements and as otherwise disclosed in each of the Registration Statement, the Prospectus and the General Disclosure Package, the Company has not entered into any other sales agreements or other similar arrangements with any agent or any other representative in respect of at the market offerings of the Shares in accordance with Rule 415(a)(4) under the Securities Act.

(aa) (i) None of the Company or any of the Subsidiaries or any director or officer thereof, or, to the Company's knowledge, any employee, agent or representative thereof, has taken or will take any action in furtherance of an offer, payment, promise to pay, or authorization or approval of the payment, giving or receipt of money, property, gifts or anything else of value, directly or indirectly, to any government official (including any officer or employee of a government or government-owned or controlled entity or of a public international organization, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office) ("**Government Official**") in order to influence official action, or to any person in violation of any applicable anti-corruption laws; (ii) the Company and the Subsidiaries and affiliates have conducted their businesses in compliance with applicable anti-corruption laws and have instituted and maintained and will continue to maintain policies and procedures reasonably designed to promote and achieve compliance with such laws and with the representations and warranties contained herein; and (iii) neither the Company nor the Subsidiaries will use, directly or indirectly, the proceeds of the offering in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any person in violation of any applicable anti-corruption laws.

(bb) The operations of the Company and the Subsidiaries are and have been conducted at all times in material compliance with applicable financial recordkeeping and reporting requirements, including those of the Bank Secrecy Act, as amended by Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act), and the applicable anti-money laundering statutes of jurisdictions where the Company and the Subsidiaries conduct business, the rules and regulations thereunder and any applicable related or similar rules, regulations or guidelines issued, administered or enforced by any governmental agency (collectively, the “**Anti-Money Laundering Laws**”), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of the Subsidiaries with respect to the Anti-Money Laundering Laws is pending or, to the best knowledge of the Company, threatened.

(cc) (i) None of the Company or any Subsidiary or any director or officer thereof, or, to the Company’s knowledge, any employee, agent, affiliate or representative thereof, is an individual or entity (“**Person**”) that is, or is owned or controlled by one or more Persons that are:

(A) the subject of any sanctions administered or enforced by the U.S. Department of the Treasury’s Office of Foreign Assets Control, the United Nations Security Council, the European Union, His Majesty’s Treasury, or other relevant sanctions authority (collectively, “**Sanctions**”), or

(B) located, organized or resident in a country or territory that is the subject of Sanctions (including, without limitation, the Crimea region, Cuba, Iran, the so-called Donetsk People’s Republic, the so-called Luhansk People’s Republic, the non-governmental controlled areas of the Zaporizhzhia and Kherson regions of Ukraine, North Korea and Syria).

(ii) The Company will not, directly or indirectly, use the proceeds of the offering, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other Person:

(A) to fund or facilitate any activities or business of or with any Person or in any country or territory that, at the time of such funding or facilitation, is the subject of Sanctions; or

(B) in any other manner that will result in a violation of Sanctions by any Person (including any Person participating in the offering, whether as underwriter, advisor, investor or otherwise).

(iii) For the past 5 years, the Company and the Subsidiaries have not knowingly engaged in, are not now knowingly engaged in, and will not engage in, any dealings or transactions with any Person, or in any country or territory, that at the time of the dealing or transaction is or was the subject of Sanctions.

(dd) (i)(A) Except as disclosed in each of the Registration Statement, the Prospectus and the General Disclosure Package, there has been no security breach or other compromise of or relating to any of the Company's or any Subsidiary's information technology and computer systems, networks, hardware, software, data (including the data of their respective customers, employees, suppliers, vendors and any third-party data maintained by or on behalf of it), equipment or technology (collectively, "**IT Systems and Data**") and (B) the Company and the Subsidiaries have not been notified of, and have no knowledge of any event or condition that would reasonably be expected to result in, any security breach or other compromise to their IT Systems and Data, except as would not, in the case of this clause (i), individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; (ii) the Company and the Subsidiaries are presently in compliance with all applicable laws or statutes and all judgments, orders, rules and regulations of any court or arbitrator or governmental or regulatory authority, internal policies and contractual obligations relating to the privacy and security of IT Systems and Data and to the commercially reasonable protection of such IT Systems and Data from unauthorized use, access, misappropriation or modification, except as would not, in the case of this clause (ii), individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; and (iii) the Company and the Subsidiaries have implemented backup and disaster recovery technology reasonably consistent with industry standards and practices.

2. *Sale of Securities.* On the basis of the representations, warranties and agreements herein contained, but subject to the terms and conditions herein set forth, (x) the Company and the Manager agree that the Company may from time to time issue and sell Shares through the Manager, acting as sales agent (any such sale, a "**Direct Sale**") or (y) the Company may from time to time, in consultation with the Forward Purchaser and the Forward Seller, instruct Forward Hedge Shares to be sold through the Manager, acting as forward seller (any such sale, a "**Forward Sale**").

(a) If the Company wishes that the Manager or the Forward Seller, as applicable, sell Shares, then it shall instruct the Manager or the Forward Seller, as applicable, by email (including any price, time or size limits or other customary parameters or conditions) to sell such Shares on any Trading Day (as defined below) using a form substantially similar to that attached hereto as Exhibit A (the "**Transaction Confirmation**"). Such Transaction Confirmation shall also (i) specify whether such Shares will be sold through the Manager, acting as sales

agent in a Direct Sale, or through the Forward Seller in connection with a Forward Sale and (ii) if such Transaction Confirmation specifies that it relates to a Forward Sale, be accompanied by a duly executed Supplemental Confirmation, with terms corresponding to such Forward Sale. If the Manager, the Forward Seller or the Forward Purchaser, as applicable, wishes to accept the proposed terms included in the Transaction Confirmation and, if applicable, Supplemental Confirmation (which they may decline to do for any reason in their sole discretion) or, following discussion with the Company, wishes to accept amended terms, then the Manager, the Forward Seller or the Forward Purchaser, as applicable, will issue to the Company a notice by email (or other method mutually agreed to in writing by the parties hereto) setting forth the terms that the Manager, the Forward Seller and Forward Purchaser are willing to accept. Where the terms provided in the Transaction Confirmation and, if applicable, Supplemental Confirmation, are amended as provided for in the immediately preceding sentence, such terms will not be binding on the Company, the Manager or the Forward Seller and the Forward Purchaser, as applicable, until the Company confirms its acceptance of all of the terms of such Transaction Confirmation, as amended, by email or telephone, with confirmation to be provided promptly thereafter by email (or other method mutually agreed to in writing by the parties hereto), along with, to the extent necessary, a duly executed amended Supplemental Confirmation with terms corresponding to such amended Transaction Confirmation. Notwithstanding the foregoing, the Company and the Manager and/or Forward Seller may elect that, with respect to any Direct Sale or Forward Sale, the Manager shall deliver the applicable Transaction Confirmation and, if applicable, Supplemental Confirmation, to the Company, which may acknowledge and agree to such Transaction Confirmation and, if applicable, Supplemental Confirmation, in writing. No Transaction Confirmation may be delivered if an ex-dividend date or ex-date, as applicable for any dividend or distribution payable by the Company on the Common Stock, is scheduled to occur during the period from, and including, the first scheduled Trading Day of the related Forward Hedge Selling Period (as defined in the Transaction Confirmation) to, and including, the last scheduled Trading Day of such Forward Hedge Selling Period. No selling period for the Shares may overlap in whole or in part with any "Unwind Period" (as defined in the Transaction Confirmation) under any Confirmation or Alternative Confirmations. As used herein, "**Trading Day**" shall mean any trading day on the Exchange, other than a day on which the Exchange is scheduled to close prior to its regular closing time. The Company agrees that any offer to sell, any solicitation of an offer to buy, or any sales of Shares pursuant to this Agreement or the Alternative Equity Distribution Agreements shall be effected by or through only the Manager or the Forward Seller, as applicable, or an Alternative Manager under an Alternative Distribution Agreement, as applicable, on any single day, but in no event by more than one of them, and the Company shall in no event request that the Manager or the Forward Seller, as applicable, and the Alternative Managers sell Shares on the same day.

(b) Subject to the terms and conditions hereof and, with respect to a Forward Sale, the applicable Confirmation, the Manager or the Forward Seller, as applicable, shall use its commercially reasonable efforts to execute any Company order submitted to it hereunder to sell Shares with respect to which the Manager has agreed to act as sales agent, if a Direct Sale, or as the Forward Seller, if a Forward Sale, respectively. The Company acknowledges and agrees that (i) there can be no assurance that the Manager or the Forward Seller, as applicable, will be successful in selling the Shares; (ii) the Manager or the Forward Seller, as applicable, will incur no liability or obligation to the Company, the Forward Purchaser or any other person or entity if it does not sell Shares for any reason and (iii) the Manager or the Forward Seller, as applicable, shall be under no obligation to purchase Shares on a principal basis pursuant to this Agreement.

(c) The Company shall not authorize the issuance or sale of, and the Manager or the Forward Seller, as applicable, shall not sell, any Share at a price lower than the minimum price therefor designated by the Company pursuant to Section 2(a) of this Agreement. In addition, the Company, the Manager or the Forward Seller, as applicable, may, upon notice to the other party hereto by telephone (confirmed promptly by email), suspend an offering of the Shares pursuant to this Agreement; *provided, however*, that such suspension or termination shall not affect or impair the parties' respective obligations with respect to the Shares sold hereunder prior to the giving of such notice. Under no circumstances shall the aggregate offering price of Shares sold pursuant to this Agreement and the Alternative Equity Distribution Agreements exceed the Maximum Program Amount.

(d) The Manager or the Forward Seller, as applicable, shall provide written confirmation (which may be by email) to the Company following the close of trading on the Exchange each day in which Shares are sold under this Agreement setting forth (i) the amount of Shares sold on such day, (ii) the price or prices at which such Shares were sold on such day, (iii) the gross offering proceeds received from such sale, (iv) the aggregate Net Proceeds (as defined below) to the Company or the Forward Purchaser, as applicable, and (v) the commission payable by the Company to the Manager or the Forward Seller, as applicable, with respect to such sales, which shall be set forth and invoiced in periodic statements from the Manager to the Company, with payment to be made by the Company promptly after its receipt thereof.

(e) At each Time of Sale, Settlement Date and Representation Date (as defined below), the Company shall be deemed to have affirmed each representation and warranty contained in this Agreement. Any obligation of the Manager or the Forward Seller, as applicable, to use its commercially reasonable efforts to sell the Shares on behalf of the Company as sales agent or the Forward Seller, as applicable, shall be subject to the continuing accuracy of the representations and warranties of the Company herein, to the performance by the Company of its obligations hereunder and to the continuing satisfaction of the additional conditions specified in Section 5 of this Agreement.

(f) Notwithstanding any other provision of this Agreement, the Company, the Manager and the Forward Seller agree that no sales of Shares shall take place, the Company shall not request the sales of any Shares that would be sold, the Manager and the Forward Seller shall not be obligated to sell or offer to sell Shares, and the Company shall not request the amendment of the Transaction Confirmation and, if applicable, any Supplemental Confirmation, during (i) the period beginning on the first business day after the end of each calendar quarter through and including the end of the first business day following the date on which the Company files a Quarterly Report on Form 10-Q or an Annual Report on Form 10-K that includes consolidated financial statements as of and for the applicable fiscal periods to which such report relates or (ii) any other period in which the Company is in possession of material non-public information.

(g) Notwithstanding anything herein to the contrary, in the event that, in the Forward Purchaser's sole judgement, it (or its affiliate) (i) is unable, after using commercially reasonable efforts, to borrow and deliver for sale the full number of Forward Hedge Shares to be borrowed and sold pursuant to this Agreement or (ii) would incur a stock loan cost that is more than the rate set forth in the applicable Supplemental Confirmation, then the Forward Seller shall be required to sell on behalf of the Forward Purchaser (or its affiliate) only the aggregate number of Forward Hedge Shares that the Forward Purchaser (or its affiliate) is able to so borrow below such cost.

3. *Fee.* (a) (i) The compensation to the Manager for sales of the Primary Shares with respect to which the Manager acts as sales agent hereunder shall be an amount not to exceed 2.00% of the gross offering proceeds of the Shares sold pursuant to this Agreement and (ii) the compensation payable to the Forward Seller for sales of Forward Hedge Shares shall be an amount not to exceed 2.00% of the volume weighted average of the sales prices of all Forward Hedge Shares sold during the applicable period by the Forward Seller, unless the parties otherwise agree. The remaining proceeds shall constitute the net proceeds to the Company or the Forward Purchaser, as applicable, for such sales (the "**Net Proceeds**").

(b) If this Agreement is terminated by the Company prior to December 31, 2025 in accordance with the provisions of Section 10 of this Agreement and, at the time of the Company's notice of termination, the gross purchase price of the Shares sold pursuant to this Agreement is less than \$100,000,000, the Company shall reimburse the Manager or the Forward Seller, as applicable, for all of its reasonable out-of-pocket expenses, including the reasonable fees and disbursements of counsel for the Manager, the Forward Seller and the Forward Purchaser incurred by it in connection with the offering contemplated by this Agreement.

4. *Payment, Delivery and Other Obligations.* Settlement for sales of the Shares pursuant to this Agreement will occur on the second Trading Day (or such earlier day as is industry practice for regular-way trading) following the date on which such sales are made.

(a) On each date of settlement of any Direct Sale (each such day, a “**Direct Settlement Date**”), the Primary Shares sold through the Manager for settlement on such date shall be issued and delivered by the Company to the Manager against payment by the Manager of the Net Proceeds from the sale of such Primary Shares. Settlement for all such Primary Shares shall be effected by free delivery of the Primary Shares by the Company or its transfer agent to the Manager’s or its designee’s account (*provided* that the Manager shall have given the Company written notice of such designee prior to the Settlement Date) at The Depository Trust Company or by such other means of delivery as may be mutually agreed upon by the relevant parties hereto, which in all cases shall be freely tradable, transferable, registered shares in good deliverable form, in return for payment in same day funds delivered to the account designated by the Company. If the Company, or its transfer agent (if applicable), shall default on its obligation to deliver the Primary Shares on any Direct Settlement Date, the Company shall (i) hold the Manager harmless against any loss, claim, damage, or expense (including reasonable legal fees and expenses), as incurred, arising out of or in connection with such default by the Company and (ii) pay the Manager any commission, discount or other compensation to which it would otherwise be entitled absent such default.

(b) On each date of settlement for any Forward Sale (each such day, a “**Forward Settlement Date**”), the Forward Hedge Shares shall be delivered by the Forward Purchaser (or its affiliate) to the Forward Seller in book-entry form to the Forward Seller’s account at The Depository Trust Company against payment by the Forward Seller of the Net Proceeds from the sale of such Forward Hedge Shares in same day funds delivered to an account designated by the Forward Purchaser (or its affiliate), or by such other means of delivery as may be mutually agreed upon by the relevant parties hereto. For purposes of this Agreement, references to “**Settlement Date**” shall include any Direct Settlement Date and any Forward Settlement Date.

5. *Conditions to the Manager’s and Forward Seller’s Obligations.* The obligations of the Manager and the Forward Seller are subject to the following conditions:

(a) Since the later of (A) the date of this Agreement and (B) the immediately preceding Representation Date:

(i) there shall not have occurred any downgrading, nor shall any notice have been given of any intended or potential downgrading or of any review for a possible change that does not indicate the direction of the possible change, in the rating accorded any of the securities of the Company or any of the Subsidiaries by any “nationally recognized statistical rating organization”, as such term is defined in Section 3(a)(62) of the Exchange Act; and

(ii) there shall not have occurred any change, or any development involving a prospective change, in the condition, financial position, or in the earnings, business or operations of the Company and the Subsidiaries, taken as a whole, from the respective dates of the Registration Statement, the Prospectus and the General Disclosure Package that, in the Manager's or the Forward Seller's judgment, is material and adverse and that makes it, in the Manager's or the Forward Seller's judgment, impracticable to market the Shares on the terms and in the manner contemplated in the Prospectus.

(b) The Manager, the Forward Seller and the Forward Purchaser shall have received on each date specified in Section 6(l) of this Agreement a certificate, dated such date and signed by an executive officer or treasurer of the Company, to the effect set forth in Sections 5(a)(i) and 5(a)(ii) of this Agreement and to the effect that (i) the representations and warranties of the Company contained in this Agreement are true and correct as of such date; (ii) the Company has complied with all of the agreements and satisfied all of the conditions on its part to be performed or satisfied hereunder on or before such date; (iii) no stop order suspending the effectiveness of the Registration Statement has been issued and no proceeding for that purpose or pursuant to Section 8(A) of the Securities Act has been initiated or, to the knowledge of the Company, threatened by the Commission; (iv) the Prospectus Supplement, any Interim Prospectus Supplement and each Permitted Free Writing Prospectus have been timely filed with the Commission under the Securities Act (in the case of a Permitted Free Writing Prospectus, to the extent required by Rule 433 under the Securities Act), and all requests for additional information on the part of the Commission have been complied with or otherwise satisfied; (v) as of such date and as of each Time of Sale, if any, subsequent to the immediately preceding Representation Date, the Registration Statement did not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading; and (vi) as of such date and as of each Time of Sale, if any, subsequent to the immediately preceding Representation Date, the General Disclosure Package did not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided, however*, that no such certificate shall apply to any statements or omissions made in reliance upon and in conformity with the Manager Information.

The officer signing and delivering such certificate may rely upon the best of his or her knowledge as to proceedings threatened.

(c) (i) The Manager and, if applicable, the Forward Seller and the Forward Purchaser shall have received on each date specified in Section 6(m) of this Agreement, an opinion and negative assurance letter of outside counsel for the Company, dated such date, in form and substance reasonably satisfactory to the Manager and if applicable, the Forward Seller and the Forward Purchaser; and

(ii) The Manager and, if applicable, the Forward Seller and the Forward Purchaser shall have received on each date specified in Section 6(m) of this Agreement, an opinion of internal counsel for the Company, dated such date, in form and substance satisfactory to the Manager and, if applicable, the Forward Seller and the Forward Purchaser.

The opinions of counsel for the Company described in Sections 5(c)(i) and 5(c)(ii) of this Agreement shall be rendered to the Manager and, if applicable, the Forward Seller and the Forward Purchaser at the request of the Company and shall so state therein.

(d) The Manager, the Forward Seller and the Forward Purchaser shall have received on each date specified in Section 6(n) of this Agreement, an opinion and negative assurance letter of Hunton Andrews Kurth LLP, counsel for the Manager, the Forward Seller and the Forward Purchaser, dated such date, in form and substance reasonably satisfactory to the Manager.

(e) The Manager shall have received on each date specified in Section 6(o) of this Agreement, a letter dated such date in form and substance satisfactory to the Manager, from Deloitte & Touche LLP, independent public accountants for the Company, (i) confirming that they are an independent registered public accounting firm within the meaning of the Securities Act, the Exchange Act and the Public Company Accounting Oversight Board, (ii) stating, as of such date, the conclusions and findings of such firm with respect to the financial information and other matters ordinarily covered by accountants' "comfort letters" to underwriters in connection with registered public offerings (the first such letter, the "**Initial Comfort Letter**") and (iii) updating the Initial Comfort Letter with any information that would have been included in the Initial Comfort Letter had it been given on such date and modified as necessary to relate to the Registration Statement, the Prospectus Supplement, the Prospectus or any issuer free writing prospectus, as amended and supplemented to the date of such letter.

(f) All filings with the Commission required by Rule 424 under the Securities Act to have been filed by the Company by each Time of Sale or related Settlement Date shall have been made within the applicable time period prescribed for such filing by Rule 424 (without reliance on Rule 424(b)(8)).

(g) The Primary Shares and any Confirmation Shares shall have been approved for listing on the Exchange, subject only to a notice of issuance at or prior to the applicable Settlement Date.

(h) The Common Stock shall be an "actively-traded security" excepted from the requirements of Rule 101 of Regulation M under the Exchange Act by subsection (c)(1) of such rule.

6. *Covenants of the Company.* The Company covenants with the Manager, the Forward Seller and the Forward Purchaser as follows:

(a) To the extent not previously delivered or filed on the Commission's Electronic Data Gathering, Analysis and Retrieval system, to furnish to the Manager, the Forward Seller and the Forward Purchaser copies of the Registration Statement (excluding exhibits) and copies of the Prospectus (or the Prospectus as amended or supplemented) in such quantities as the Manager, the Forward Seller or the Forward Purchaser, as the case may be, may from time to time reasonably request, and, in case the Manager or the Forward Seller is required to deliver, under the Securities Act (whether physically or through compliance with Rule 172 under the Securities Act or any similar rule), a prospectus relating to the Shares after the nine-month period referred to in Section 10(a)(3) of the Securities Act, or after the time a post-effective amendment to the Registration Statement is required pursuant to Item 512(a) of Regulation S-K under the Securities Act, upon the request of the Manager, the Forward Seller or the Forward Purchaser, as the case may be, and at its own expense, the Company shall prepare and deliver to the Manager, the Forward Seller and the Forward Purchaser as many copies as the Manager, the Forward Seller or the Forward Purchaser may request of an amended Registration Statement or amended or supplemented prospectus complying with Item 512(a) of Regulation S-K or Section 10(a)(3) of the Securities Act, as the case may be.

(b) Before amending or supplementing the Registration Statement or the Prospectus, to furnish to the Manager a copy of each such proposed amendment or supplement and not to file any such proposed amendment or supplement to which the Manager, the Forward Seller and the Forward Purchaser reasonably object (other than (i) any prospectus supplement relating to the offering of Shelf Securities other than the Common Stock or (ii) by means of an Annual Report on Form 10-K, Quarterly Report on Form 10-Q, Current Report on Form 8-K or Registration Statement on Form 8-A or any amendments to any of the foregoing filed with the Commission under the Exchange Act and incorporated or deemed incorporated by reference into the Registration Statement or the Prospectus). To furnish to the Manager, the Forward Seller and the Forward Purchaser a copy of each proposed free writing prospectus relating to the Shares to be prepared by or on behalf of, used by, or referred to by the Company and not to use or refer to any proposed free writing prospectus to which the Manager, the Forward Seller and the Forward Purchaser reasonably object. Not to take any action that would result in the Manager, the Forward Seller or the Company being required to file with the Commission pursuant to Rule 433(d) under the Securities Act a free writing prospectus prepared by or on behalf of the Manager, the Forward Seller or the Forward Purchaser that the Manager, the Forward Seller or the Forward Purchaser otherwise would not have been required to file thereunder.

(c) To file promptly all reports and any definitive proxy or information statements required to be filed by the Company with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of the Prospectus Supplement and for the duration of the Delivery Period. For the duration of the Delivery Period, to include in its quarterly reports on Form 10-Q, and in its annual reports on Form 10-K, a summary detailing, for the relevant reporting period, (i) the number of Shares sold through the Manager and the

Forward Seller under this Agreement and through the Alternative Managers under the Alternative Equity Distribution Agreements during such fiscal quarterly period, (ii) the Net Proceeds received by the Company from such sales and (iii) the aggregate compensation deemed paid by the Company with respect to sales of Shares pursuant to this Agreement and the Alternative Equity Distribution Agreements, together with any other information that the Company reasonably believes is required to comply with the Exchange Act or any rules or regulations thereunder (or alternatively, to prepare a prospectus supplement (each, an **"Interim Prospectus Supplement"**) with such summary information and, at least once a quarter and subject to Section 6(b) of this Agreement, file such Interim Prospectus Supplement pursuant to Rule 424(b) under the Securities Act (and within the time periods required by Rule 424(b) and Rules 430A, 430B or 430C under the Securities Act)).

(d) To file any Permitted Free Writing Prospectus to the extent required by Rule 433 under the Securities Act and to provide copies of the Prospectus and such Prospectus Supplement and each Permitted Free Writing Prospectus (in each case, to the extent not previously delivered or filed on the Commission's Electronic Data Gathering, Analysis and Retrieval system or any successor system thereto) to the Manager, the Forward Seller and the Forward Purchaser via electronic mail in ".pdf" format on such filing date to the respective electronic mail accounts designated by the Manager, the Forward Seller and the Forward Purchaser and, at the Manager's, the Forward Seller's or the Forward Purchaser's request, to also furnish copies of the Prospectus and such Prospectus Supplement to the Exchange and each other exchange or market on which sales of the Shares were effected, in each case, as may be required by the rules or regulations of the Exchange or such other exchange or market.

(e) During the Delivery Period to advise the Manager, the Forward Seller and the Forward Purchaser, promptly after it receives notice thereof, of the issuance of any stop order by the Commission, of the suspension of the qualification of the Shares for offering or sale in any jurisdiction, of the initiation or threatening of any proceeding for any such purpose, or of any request by the Commission for the amending or supplementing of the Registration Statement, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus or for additional information; and, in the event of the issuance of any such stop order or of any order preventing or suspending the use of any prospectus relating to the Shares or suspending any such qualification, to promptly use its best efforts to obtain its withdrawal.

(f) If, after the date hereof and during the Delivery Period, either (i) any event shall occur or condition exist as a result of which the Prospectus would include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, or (ii) for any other reason it shall be necessary during such same period to amend or supplement the Prospectus or to file any document in order to comply with the Securities Act or

the Exchange Act, to promptly advise the Manager, the Forward Seller and the Forward Purchaser by telephone (with confirmation by writing or electronic mail) and to promptly prepare and file, subject to Section 6(b) of this Agreement, with the Commission an amendment or supplement to the Registration Statement or the Prospectus which will correct such statement or omission or effect such compliance and, to the extent not previously delivered or filed on the Commission's Electronic Data Gathering, Analysis and Retrieval system, to furnish to the Manager, the Forward Seller and the Forward Purchaser as many copies as the Manager, the Forward Seller and the Forward Purchaser may reasonably request of such amendment or supplement.

(g) To use commercially reasonable efforts, to qualify the Shares for offer and sale under the securities or Blue Sky laws of such jurisdictions as the Manager shall reasonably request and to continue such qualifications in effect so long as necessary under such laws for the distribution of the Shares.

(h) To make generally available to the Company's security holders and to the Manager and the Forward Seller as soon as practicable an earnings statement covering a period of at least 12 months beginning with the first fiscal quarter of the Company occurring after the date of this Agreement which shall satisfy the provisions of Section 11(a) of the Securities Act and the rules and regulations of the Commission thereunder.

(i) Whether or not the transactions contemplated in this Agreement are consummated or this Agreement is terminated, to pay or cause to be paid all expenses incident to the performance of its obligations under this Agreement, including: (i) the fees, disbursements and expenses of the Company's counsel and the Company's accountants in connection with the registration and delivery of the Shares under the Securities Act and all other fees or expenses in connection with the preparation and filing of the Registration Statement, any Prospectus Supplement, the Prospectus, any free writing prospectus prepared by or on behalf of, used by, or referred to by the Company and amendments and supplements to any of the foregoing, including the filing fees payable to the Commission relating to the Shares (within the time required by Rule 456(b)(1), if applicable), all printing costs associated therewith, and the mailing and delivering of copies thereof to the Manager, the Forward Seller and the Forward Purchaser, in the quantities hereinabove specified, (ii) all costs and expenses related to the transfer and delivery of the Shares, including any transfer or other taxes payable thereon, (iii) the cost of printing or producing any Blue Sky or Legal Investment memorandum in connection with the offer and sale of the Shares under state securities laws and all expenses in connection with the qualification of the Shares for offer and sale under state securities laws as provided in Section 6(g) of this Agreement, including filing fees and the reasonable fees and disbursements of counsel for the Manager, the Forward Seller and the Forward Purchaser in connection with such qualification and in connection with the Blue Sky or Legal Investment memorandum, (iv) all filing fees and the reasonable fees and disbursements of counsel to the Manager, the Forward Seller and the Forward

Purchaser incurred in connection with the initial documentation of the offering contemplated by this Agreement, including any review and qualification by the Financial Industry Regulatory Authority, Inc. (up to, together with the expenses and fees pursuant to Section 6(i) of the Alternative Equity Distribution Agreements, \$200,000 in the aggregate, subject to the terms of Section 3(b) of this Agreement), (v) all costs and expenses incident to listing the Shares on the Exchange, (vi) the costs and charges of any transfer agent, registrar or depository, and (vii) all other costs and expenses incident to the performance of the obligations of the Company hereunder for which provision is not otherwise made in this Section. It is understood, however, that except as provided in this Section 6, Section 3(b) and Section 8 of this Agreement, the Manager, the Forward Seller and the Forward Purchaser will pay all of its costs and expenses, including any advertising expenses connected with any offers the Manager, the Forward Seller and the Forward Purchaser may make.

(j) If the third anniversary of the initial effective date of the Registration Statement occurs before all the Shares have been sold, prior to such third anniversary, to file, subject to Section 6(b) of this Agreement, a new shelf registration statement and to take any other action necessary to permit the public offering of the Shares to continue without interruption (references herein to the Registration Statement shall include the new registration statement declared effective by the Commission).

(k) (i) To use its commercially reasonable efforts to cause the Primary Shares and any Confirmation Shares to be listed for trading on the Exchange; (ii) to reserve and keep available at all times, free of pre-emptive rights, Shares and any Confirmation Shares for the purpose of enabling the Company to satisfy its obligations under this Agreement and any Confirmation; and (iii) to engage and maintain, at its expense, a registrar and transfer agent for the Shares and any Confirmation Shares.

(l) Upon commencement of the offering of the Shares under this Agreement (and upon the recommencement of the offering of the Shares under this Agreement following the termination of a suspension of sales hereunder), and each time that (i) the Registration Statement or the Prospectus is amended or supplemented (other than a prospectus supplement relating solely to the offering of Shelf Securities other than the Shares), (ii) there is filed with the Commission any document incorporated by reference into the Prospectus (other than a Current Report on Form 8-K) or (iii) the Manager, the Forward Seller or the Forward Purchaser reasonably requests (such commencement date (and any such recommencement date, if applicable) and each such date referred to in (i), (ii) and (iii) above, a “**Representation Date**”), to furnish or cause to be furnished to the Manager, the Forward Seller and the Forward Purchaser forthwith a certificate dated and delivered as of such date, in form reasonably satisfactory to the Manager, the Forward Seller and the Forward Purchaser, to the effect that the statements contained in the certificate referred to in Section 5(b) of this Agreement are true and correct at the time of such commencement, recommencement, amendment, supplement or filing, as the case may be, as though made at and as of such time modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such certificate.

(m) On each Representation Date, the Company shall cause to be furnished to the Manager and, if such Representation Date relates to the execution of a Confirmation, the Forward Seller and the Forward Purchaser, dated as of such date, in form and substance satisfactory to the Manager, the Forward Seller and the Forward Purchaser, as applicable, a written opinion of the internal and outside counsel for the Company, each as described in Section 5(c) of this Agreement, modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such opinion.

(n) On each Representation Date, Hunton Andrews Kurth LLP, counsel to the Manager, the Forward Seller and the Forward Purchaser, shall furnish to the Manager, the Forward Seller and the Forward Purchaser a written opinion, dated as of such date in form and substance reasonably satisfactory to the Manager, the Forward Seller and the Forward Purchaser.

With respect to Sections 6(m) and 6(n) of this Agreement, in lieu of delivering such an opinion for dates subsequent to the commencement of the offering of the Shares under this Agreement such counsel may furnish the Manager, the Forward Seller and the Forward Purchaser with a letter (a “**Reliance Letter**”) to the effect that the Manager, the Forward Seller and the Forward Purchaser may rely on a prior opinion delivered under Section 6(m) or Section 6(n) of this Agreement, as the case may be, to the same extent as if it were dated the date of such letter (except that statements in such prior opinion shall be deemed to relate to the Registration Statement and the Prospectus as amended or supplemented as of such subsequent date).

(o) Upon commencement of the offering of the Shares under this Agreement (and upon the recommencement of the offering of the Shares under this Agreement following the termination of a suspension of sales hereunder), and each time that (i) the Registration Statement or the Prospectus is amended or supplemented to include additional financial information, (ii) the Company files an annual report on Form 10-K or quarterly report on Form 10-Q, (iii) there is furnished with the Commission by the Company any document which contains financial information, including any earnings release, or there is filed with the Commission any document (other than an annual report on Form 10-K or quarterly report on Form 10-Q) incorporated by reference into the Prospectus which contains additional or amended financial information or (iv) on such other dates as may be reasonably requested by the Manager, the Forward Seller and the Forward Purchaser, Deloitte & Touche LLP, independent public accountants of the Company, shall deliver to the Manager, the Forward Seller and the Forward Purchaser the comfort letter(s) described in Section 5(e) of this Agreement.

(p) To promptly reply to due diligence inquiries from the Manager, the Forward Seller or the Forward Purchaser and their respective representatives, including, without limitation, furnishing requested materials and making senior management and representatives of the Company's registered independent accounting firm available for due diligence conference calls, upon the reasonable request of the Manager, the Forward Seller or the Forward Purchaser.

(q) That it consents to the Manager or the Forward Seller trading in the Common Stock for the Manager's or the Forward Seller's own account and for the account of their respective clients at the same time as sales of the Shares occur pursuant to this Agreement.

(r) That each acceptance by the Company of an offer to purchase the Shares hereunder shall be deemed to be an affirmation to the Manager or the Forward Seller and the Forward Purchaser, as applicable, that the representations and warranties of the Company contained in or made pursuant to this Agreement are true and correct as of the date of such acceptance as though made at and as of such date, and an undertaking that such representations and warranties will be true and correct as of the Time of Sale and the Settlement Date for the Shares relating to such acceptance as though made at and as of each of such dates (except that (i) such representations and warranties shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented relating to such Shares and (ii) to the extent that such representations and warranties speak as of another date, such representations and warranties shall be true and correct as of such other date).

(s) Prior to instructing the Manager or the Forward Seller pursuant to Section 2 of this Agreement to make sales on any given day (or as otherwise agreed between the Company and the Manager or the Forward Seller), an authorized officer of the Company shall have approved the minimum price and maximum number of Shares to be sold on such day which minimum price shall not be less than the minimum consideration determined pursuant to the formula approved by the Board of Directors.

(t) Not to, or publicly disclose an intention to, sell, offer to sell, contract or agree to sell, hypothecate, pledge, grant any option to sell or otherwise dispose of or agree to dispose of, directly or indirectly, any shares of the Common Stock or securities convertible into or exchangeable or exercisable for the Common Stock or warrants or other rights to purchase the Common Stock or any other securities of the Company that are substantially similar to the Common Stock or permit the registration under the Securities Act of any shares of the Common Stock, except for (i) the registration of the Shares and the sales through the Manager or the Forward Seller pursuant to this Agreement or through the Alternative Managers pursuant to the Alternative Equity Distribution Agreements, (ii) any Confirmation Shares, (iii) any shares of Common Stock issued by the Company upon the exercise of an option or warrant or the conversion of a security outstanding on the date hereof and referred to in the Prospectus, (iv) any shares of

Common Stock or stock units issued or options to purchase Common Stock granted pursuant to existing employee benefit plans of the Company, including shares of Common Stock issued upon exercise of such options or (v) any shares of Common Stock or stock units issued pursuant to any non-employee director stock plan, dividend reinvestment plan or stock purchase plan of the Company, during the Delivery Period, without (A) giving the Manager or the Forward Seller at least three business days' prior written notice specifying the nature of the proposed sale and the date of such proposed sale and (B) the Manager or the Forward Seller suspending activity under this program for such period of time as requested by the Company.

7. *Covenants of the Manager and the Forward Seller.* The Manager and the Forward Seller covenant with the Company not to take any action that would result in the Company being required to file with the Commission under Rule 433(d) a free writing prospectus prepared by or on behalf of the Manager or the Forward Seller that otherwise would not be required to be filed by the Company thereunder, but for the action of the Manager or the Forward Seller.

8. *Indemnity and Contribution.* (a) The Company agrees to indemnify and hold harmless the Manager, the Forward Seller and the Forward Purchaser, their respective directors, officers, employees, agents and affiliates, and each person, if any, who controls the Manager, the Forward Seller or the Forward Purchaser within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act from and against any and all losses, claims, damages and liabilities (including, without limitation, any legal or other expenses reasonably incurred in connection with defending or investigating any such action or claim) caused by any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, the Prospectus, the Prospectus Supplement (including any Interim Prospectus Supplement), the General Disclosure Package, any free writing prospectus that the Company has filed, or is required to file, pursuant to Rule 433(d) under the Securities Act, or any amendment or supplement thereto, or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, except insofar as such losses, claims, damages or liabilities are caused by any such untrue statement or omission or alleged untrue statement or omission based upon the Manager Information.

(b) Each of the Manager, the Forward Seller and the Forward Purchaser agrees to indemnify and hold harmless the Company, its directors, its officers who sign the Registration Statement and each person, if any, who controls the Company within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act to the same extent as the foregoing indemnity from the Company to the Manager, but only with reference to information relating to the Manager, the Forward Seller or the Forward Purchaser furnished to the Company in writing by the Manager, the Forward Seller or the Forward Purchaser expressly for use in the Registration Statement, the Prospectus, the Prospectus Supplement (including any Interim Prospectus Supplement), the General Disclosure Package, any free writing prospectus that the Company has filed, or is required to file, pursuant to Rule 433(d) under the Securities Act, or any amendment or supplement thereto.

(c) In case any proceeding (including any governmental investigation) shall be instituted involving any person in respect of which indemnity may be sought pursuant to Section 8(a) or 8(b) of this Agreement, such person (the “**indemnified party**”) shall promptly notify the person against whom such indemnity may be sought (the “**indemnifying party**”) in writing (but failure to so notify an indemnifying party as provided in this Section 8(c) shall not relieve such indemnifying party from any liability hereunder to the extent it is not materially prejudiced (through the forfeiture of substantive rights and defenses) as a result thereof and in any event shall not relieve it from any liability which it may have otherwise than on account of this indemnity agreement), and the indemnifying party, upon request of the indemnified party, shall retain counsel reasonably satisfactory to the indemnified party to represent the indemnified party and any others the indemnifying party may designate in such proceeding and shall pay the fees and disbursements of such counsel related to such proceeding. In any such proceeding, any indemnified party shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such indemnified party unless (i) the indemnifying party and the indemnified party shall have mutually agreed to the retention of such counsel, (ii) the named parties to any such proceeding (including any impleaded parties) include both the indemnifying party and the indemnified party and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them or (iii) the named parties to any proceeding include the indemnified party and another party, and the indemnified party has legal defenses that the other party does not. It is understood that the indemnifying party shall not, in respect of the legal expenses of any indemnified party in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the fees and expenses of more than one separate firm (in addition to any local counsel) for all such indemnified parties and that all such fees and expenses shall be reimbursed as they are incurred. Such firm shall be designated in writing by the Manager, the Forward Seller or the Forward Purchaser, in the case of parties indemnified pursuant to Section 8(a) of this Agreement, and by the Company, in the case of parties indemnified pursuant to Section 8(b) of this Agreement. The indemnifying party shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent or if there be a final judgment for the plaintiff, the indemnifying party agrees to indemnify the indemnified party from and against any loss or liability by reason of such settlement or judgment. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second and third sentences of this paragraph, the indemnifying party agrees that it shall be liable for any settlement of any proceeding effected without its written consent if (i) such settlement is entered into more than 30 days after receipt by such indemnifying party of the aforesaid request and (ii) such indemnifying party shall not have reimbursed the indemnified party in accordance with such request prior

to the date of such settlement. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened proceeding in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement (i) includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such proceeding and (ii) does not include a statement as to or an admission of fault, culpability or failure to act by or on behalf of any indemnified party.

(d) To the extent the indemnification provided for in Section 8(a) or 8(b) of this Agreement is unavailable to an indemnified party or insufficient in respect of any losses, claims, damages or liabilities referred to therein, then each indemnifying party under such paragraph, in lieu of indemnifying such indemnified party thereunder, shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (i) in such proportion as is appropriate to reflect the relative benefits received by the each of Company, the Manager, the Forward Seller and the Forward Purchaser from the offering of the Shares or (ii) if the allocation provided by Section 8(d)(i) of this Agreement is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in Section 8(d)(i) of this Agreement but also the relative fault of each of the Company, the Manager, the Forward Seller and the Forward Purchaser in connection with the statements or omissions that resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefits received by each of the Company, the Manager, the Forward Seller and the Forward Purchaser in connection with the offering of the Shares pursuant to this Agreement shall be deemed to be in the same respective proportions as (i) in the case of the Company, (x) the net proceeds from the offering of the Primary Shares (before deducting expenses, if applicable, and, for the avoidance of doubt, without including proceeds from the offering of Primary Shares pursuant to the Alternative Equity Distribution Agreements) received by the Company, or (y) with respect to a Forward Sale, the proceeds that would be received by the Company upon physical settlement of each applicable Confirmation assuming that the aggregate amount payable by the Forward Purchaser under such Confirmation is equal to the aggregate amount of the net proceeds realized upon the sale of the Forward Hedge Shares with respect to such Forward Sale, (ii) in the case of the Manager, the total commissions received by the Manager in respect of the Primary Shares, (iii) in the case of the Forward Seller, the total commissions received by the Forward Seller in respect of the Forward Hedge Shares, and (iv) in the case of the Forward Purchaser, the Spread (as defined in the applicable Confirmation and net of any related stock borrow costs or other costs or expenses actually incurred) retained by the Forward Purchaser under such Confirmation. The relative fault of each of the Company, the Manager, the Forward Seller and the Forward Purchaser shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by each such party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(e) Each of the Company, the Manager, the Forward Seller and the Forward Purchaser agrees that it would not be personally liable if contribution pursuant to this Section 8 were determined by *pro rata* allocation or by any other method of allocation that does not take account of the equitable considerations referred to in Section 8(d) of this Agreement. The amount paid or payable by an indemnified party as a result of the losses, claims, damages and liabilities referred to in Section 8(d) shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 8, the Manager, the Forward Seller and the Forward Purchaser shall not be required to contribute any amount in excess of (i) the total compensation received by the Manager in connection with the sale of Shares on behalf of the Company, (ii) the total compensation received by the Forward Seller in connection with the sale of Shares on behalf of the Forward Purchaser and (iii) the Spread (as defined in the applicable Confirmation and net of any related stock borrow costs or other costs or expenses actually incurred) retained by the Forward Purchaser pursuant to the relevant Confirmation(s). No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The remedies provided for in this Section 8 are not exclusive and shall not limit any rights or remedies which may otherwise be available to any indemnified party at law or in equity.

(f) The indemnity and contribution provisions contained in this Section 8 and the representations, warranties and other statements of the Company contained in this Agreement shall remain operative and in full force and effect regardless of (i) any termination of this Agreement, (ii) any investigation made by or on behalf of the Manager, the Forward Seller, the Forward Purchaser, any person controlling the Manager, the Forward Seller or the Forward Purchaser or any affiliate of the Manager, the Forward Seller or the Forward Purchaser or by or on behalf of the Company, its officers or directors or any person controlling the Company and (iii) acceptance of and payment for any of the Shares.

9. *Effectiveness.* This Agreement shall become effective upon the execution and delivery hereof by the parties hereto.

10. *Termination.* (a) The Company shall have the right, by giving written notice as hereinafter specified, to terminate this Agreement in its sole discretion at any time. Any such termination shall be without liability of any party to any other party, except that (i) with respect to any pending Direct Sale or Forward Sale through the Manager or the Forward Seller, respectively, the obligations of the Company, including, but not limited to, its obligations under Section 4 of this Agreement, shall remain in full force and effect notwithstanding such termination; and (ii) the provisions of Section 1, Section 3(b) and Section 8 of this Agreement shall remain in full force and effect notwithstanding such termination.

(b) The Manager, the Forward Seller and the Forward Purchaser shall have the right, by giving written notice as hereafter specified, to terminate this Agreement in its sole discretion at any time. Any such termination shall be without liability of any party to any other party except that (i) with respect to any pending Direct Sale or Forward Sale through the Manager or the Forward Seller, respectively, the obligations of the Company, including, but not limited to, its obligations under Section 4 of this Agreement, shall remain in full force and effect notwithstanding such termination; and (ii) the provisions of Section 1, Section 3(b) and Section 8 of this Agreement shall remain in full force and effect notwithstanding such termination.

(c) Unless earlier terminated pursuant to this Section 10, this Agreement shall automatically terminate on the earlier of (i) the date that the aggregate offering price of the Shares sold pursuant to this Agreement equals the Maximum Program Amount, or (ii) December 31, 2025; provided, however, that this Agreement will continue in effect for the duration of, and solely with respect to, any Confirmation entered into, but not yet settled, before December 31, 2025.

(d) This Agreement shall remain in full force and effect until and unless terminated pursuant to Section 10(a) Section 10(b) or Section 10(c) of this Agreement or otherwise by mutual agreement of the parties; *provided* that any such termination by mutual agreement or pursuant to this clause (d) shall in all cases be deemed to provide that Section 1, Section 3(b) and Section 8 of this Agreement shall remain in full force and effect.

(e) Subject to Section 10(c), any termination of this Agreement shall be effective on the date specified in such notice of termination; *provided* that such termination shall not be effective until the close of business on the date of receipt of such notice by the Manager, the Forward Seller and the Forward Purchaser or the Company, as the case may be. If such termination shall occur prior to the Settlement Date for any sale of Shares, such sale shall settle in accordance with the provisions of Section 4 of this Agreement.

11. *Entire Agreement.* (a) This Agreement represents the entire agreement among the Company, the Manager, the Forward Seller and the Forward Purchaser with respect to the preparation of any Registration Statement, Prospectus Supplement or the Prospectus, the conduct of the offering and the sale and distribution of the Shares.

(b) The Company acknowledges that in connection with the offering of the Shares: (i) the Manager, the Forward Seller and the Forward Purchaser have acted and will act at arm's length and neither is an agent of, or owes any fiduciary duties to, the Company or any other person, (ii) the Manager, the Forward Seller and the Forward Purchaser owe the Company only those duties and obligations set forth in this Agreement, any Confirmations and prior written

agreements (to the extent not superseded by this Agreement), if any, (iii) none of the activities of the Manager, the Forward Seller or the Forward Purchaser in connection with the transactions contemplated herein constitutes a recommendation, investment advice, or solicitation of any action by the Manager, the Forward Seller or the Forward Purchaser with respect to any entity or natural person, and (iv) the Manager, the Forward Seller and the Forward Purchaser may each have interests that differ from those of the Company. The Company waives to the full extent permitted by applicable law any claims it may have against the Manager, the Forward Seller or the Forward Purchaser arising from an alleged breach of fiduciary duty in connection with the sale and distribution of the Shares.

12. *Counterparts.* This Agreement may be signed in two or more counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. Counterparts may be delivered via facsimile, email, electronic mail (including any electronic signature covered by the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act, the Electronic Signatures and Records Act or other applicable law, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

13. *Applicable Law.* This Agreement and any claims, controversy or dispute relating to or arising out of this Agreement shall be governed by and construed in accordance with the internal laws of the State of New York.

14. *Headings.* The headings of the sections of this Agreement have been inserted for convenience of reference only and shall not be deemed a part of this Agreement.

15. *Notices.* All communications hereunder shall be in writing and effective only upon receipt and if to the Manager or the Forward Seller shall be delivered, mailed or sent to [•]; if to the Forward Purchaser shall be delivered, mailed or sent to [•]; and if to the Company shall be delivered, mailed or sent to 801 East 86th Avenue, Merrillville, Indiana 46410, Attention: Tchapo Napoe, with a copy to the outside counsel for the Company, McGuireWoods LLP, Gateway Plaza, 800 East Canal St, Richmond, Virginia 23219, Attention: Barlow Mann.

16. *No Assignment; Parties.* This Agreement and the rights, duties and obligations hereunder may not be assigned or delegated by the Company, the Manager, Forward Seller or the Forward Purchaser; *provided, however*, that if the Forward Purchaser assigns, transfers or sets over its rights, title and interest, powers, privileges and remedies pursuant to Section 20 of the Master Forward Confirmation, the Forward Purchaser may assign its rights and obligations under this Agreement to such successor Forward Purchaser. The Company shall have no obligation to release the Forward Purchaser from its obligations to the Company upon any such assignment or transfer, nor shall any such assignment or transfer relieve or otherwise discharge the Forward Purchaser from its obligations to the Company. This Agreement and the provisions hereof shall be binding upon and shall inure to the benefit of each of the parties and their respective successors and, to the extent provided in Section 8, the controlling persons, officers, directors, employees and agents and affiliates referred to in Section 8. This Agreement is not intended to confer any rights or benefits on any persons other than as set forth in Section 8 or elsewhere in this Agreement.

17. *Recognition of the U.S. Special Resolution Regimes.* (a) In the event that the Manager, the Forward Seller or the Forward Purchaser that is a Covered Entity (as defined below) becomes subject to a proceeding under a U.S. Special Resolution Regime (as defined below), the transfer from such Manager, Forward Seller or Forward Purchaser of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

(b) In the event that the Manager, the Forward Seller or the Forward Purchaser that is a Covered Entity or a BHC Act Affiliate (as defined below) of such Manager, Forward Seller or Forward Purchaser becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights (as defined below) under this Agreement that may be exercised against such Manager, Forward Seller or Forward Purchaser are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

As used in this Section 17:

“**BHC Act Affiliate**” has the meaning assigned to the term “affiliate” in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k).

“**Covered Entity**” means any of the following:

- (i) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);
- (ii) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or
- (iii) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

“**Default Right**” has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

“**U.S. Special Resolution Regime**” means each of (i) the Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd- Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

[Signature page follows]

Very truly yours,

NISOURCE INC.

By: _____
Name:
Title:

Accepted as of the date first written above

[•],
as Manager

By: _____
Name:
Title:

[•],
as Forward Seller

By: _____
Name:
Title:

[•],
as Forward Purchaser

By: _____
Name:
Title:

Permitted Free Writing Prospectuses

I-1

[[•] Letterhead]

_____, 20[•]

[]

[]

Attention: _____

VIA ELECTRONIC MAIL

TRANSACTION CONFIRMATION

Dear _____:

This Transaction Confirmation sets forth the terms of the agreement of [•] ([in its capacity as agent for the Company in connection with any Direct Sale of Primary Shares thereunder, the “**Manager**,”] [and] [in its capacity as agent for the Forward Purchaser in connection with any Forward Sale of Forward Hedge Shares thereunder, the “**Forward Seller**”]; [and [•] (as purchaser under any Forward Sale, the “**Forward Purchaser**”))] with NiSource Inc. (the “**Company**”) relating to the sale of shares of the Company’s common stock, par value \$0.01 per share, having an aggregate gross sales price of up to \$900,000,000 pursuant to the Equity Distribution Agreement among the Company, the Forward Purchaser and the Manager, dated February 22, 2024 (the “**Agreement**”). Unless otherwise defined below, capitalized terms defined in the Agreement shall have the same meanings when used herein.

This Transaction Confirmation relates to [a Direct Sale] [a Forward Sale].

By countersigning or otherwise indicating in writing the Company’s acceptance of this Transaction Confirmation (an “**Acceptance**”), the Company shall have agreed with the Manager or the Forward Seller, as applicable, to engage in the following transaction:

[Number of Shares to be sold][Aggregate Gross Price of Shares to be sold]:	_____
Minimum price at which Shares may be sold:	_____
Date(s) on which Shares may be sold:	_____
Compensation to Manager or Forward Seller, as applicable (if different than the Agreement):	_____

[To Add Other Applicable Terms for Forward Sale]	_____

The transaction set forth in this Transaction Confirmation will not be binding on the Company or the Manager or the Forward Seller, as applicable, unless and until (i) in the case of a Direct Sale, the Company delivers its Acceptance or (ii) in the case of a Forward Sale, the Company delivers its Acceptance and a duly executed Supplemental Confirmation; *provided, however*, that, in either case, neither the Company nor the Manager or the Forward Seller, as applicable, will be bound by the terms of this Transaction Confirmation unless the Company delivers its Acceptance by [•] a.m./p.m. (New York time) on [the date hereof _____, 20[•]].

The transaction, if it becomes binding on the parties, shall be subject to all of the representations, warranties, covenants and other terms and conditions of the Agreement, except to the extent amended or modified hereby, all of which are expressly incorporated herein by reference. Each of the representations and warranties set forth in the Agreement shall be deemed to have been made at and as of every Time of Sale, every Settlement Date and every Representation Date.

If the foregoing conforms to your understanding of our agreement, please so indicate your Acceptance by signing below.

Very truly yours,

[•],
As Manager

By: _____
Name:
Title:

[•],
As Forward Purchaser

By: _____
Name:
Title:

[•],

As Forward Seller

By: _____

Name:

Title:

ACCEPTED as of the date first above written

NISOURCE INC.

By: _____
Name:
Title:

[Note: The Company's Acceptance may also be evidenced by a separate written acceptance referencing this Transaction Confirmation and delivered in accordance with the Agreement]

To: NiSource Inc.
A/C: []
From: [Dealer]
Re: Issuer Share Forward Sale Transactions
Ref. No: []
Date: February 22, 2024

Ladies and Gentlemen:

The purpose of this communication (this “**Master Confirmation**”) is to set forth the terms and conditions of the transactions to be entered into from time to time between [] (“**Dealer**”), through its agent [] (the “**Agent**”), and NiSource Inc. (“**Counterparty**”) in accordance with the terms of the Equity Distribution Agreement, dated as of February 22, 2024 (the “**Equity Distribution Agreement**”), among [the Agent] [], as manager, Dealer, and Counterparty on the Trade Dates specified herein (collectively, the “**Transactions**,” and each, a “**Transaction**”). This communication constitutes a “**Confirmation**” as referred to in the Agreement specified below. Each Transaction will be evidenced by a supplemental confirmation (each, a “**Supplemental Confirmation**”) substantially in the form of Exhibit A hereto and a pricing report furnished by Dealer pursuant thereto (each, a “**Pricing Report**”) substantially in the form of Exhibit B hereto. Each such Supplemental Confirmation and Pricing Report, together with this Master Confirmation, will be a “**Confirmation**” for purposes of the Agreement specified below. Each Confirmation will be a confirmation for purposes of Rule 10b-10 promulgated under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”).

1. Each Confirmation is subject to, and incorporates, the 2002 ISDA Equity Derivatives Definitions (the “**Equity Definitions**”), as published by the International Swaps and Derivatives Association, Inc. (“**ISDA**”). For purposes of the Equity Definitions, each Transaction will be deemed to be a Share Forward Transaction.

Each Confirmation shall supplement, form a part of and be subject to an agreement (the “**Agreement**”) in the form of the 2002 ISDA Master Agreement (the “**ISDA Form**”), as published by ISDA, as if Dealer and Counterparty had executed the ISDA Form on the date hereof (but without any Schedule except for (i) the election of New York law (without regard to New York’s choice of laws doctrine other than Title 14 of Article 5 of the New York General Obligations Law (the “**General Obligations Law**”)) as the governing law and US Dollars (“**USD**”) as the Termination Currency and (ii) the election that the “Cross Default” provisions of Section 5(a)(vi) of the Agreement shall apply to Dealer and Counterparty with a “Threshold Amount” in respect of Dealer of 3% of the stockholders’ equity of [Dealer/Dealer’s Parent] and a “Threshold Amount” in respect of Counterparty of USD 50 million; *provided* that (x) the

words “, or becoming capable at such time of being declared,” shall be deleted from clause (1) thereof and (y) “Specified Indebtedness” has the meaning specified in Section 14 of the Agreement, except that such term shall not include obligations in respect of deposits received in the ordinary course of Dealer’s banking business and (z) the following language shall be added to the end of such Section 5(a)(vi): “Notwithstanding the foregoing, a default under subsection (2) hereof shall not constitute an Event of Default if (X) the default was caused solely by error or omission of an administrative or operational nature; (Y) funds were available to enable the party to make the payment when due; and (Z) the payment is made within two Local Business Days of such party’s receipt of written notice of its failure to pay;”).

All provisions contained in the Agreement are incorporated into and shall govern each Confirmation except as expressly modified below. Each Confirmation evidences a complete and binding agreement between Dealer and Counterparty as to the terms of the relevant Transaction and replaces any previous agreement between the parties with respect to the subject matter hereof.

The Transactions hereunder shall be the sole Transactions under the Agreement. If there exists any ISDA Master Agreement between Dealer or any of its Affiliates and Counterparty or any confirmation or other agreement between Dealer or any of its Affiliates and Counterparty pursuant to which an ISDA Master Agreement is deemed to exist between Dealer or any of its Affiliates and Counterparty, then notwithstanding anything to the contrary in such ISDA Master Agreement, such confirmation or agreement or any other agreement to which Dealer or such other Affiliates and Counterparty are parties, the Transactions shall not be considered Transactions under, or otherwise governed by, such existing or deemed ISDA Master Agreement. In the event of any inconsistency among the Agreement, this Master Confirmation, any Supplemental Confirmation, any applicable Pricing Report and the Equity Definitions, the following will prevail in the order of precedence indicated: (i) such Pricing Report, (ii) such Supplemental Confirmation; (iii) this Master Confirmation; (iv) the Equity Definitions; and (iv) the Agreement.

2. The terms of the particular Transactions to which this Master Confirmation relates are as follows:

General Terms:

Trade Date:	For each Transaction, as specified in the Supplemental Confirmation for such Transaction, to be, subject to the provisions opposite the caption “Early Valuation” below, the last Trading Day of the Forward Hedge Selling Period for such Transaction.
Effective Date:	For each Transaction, as specified in the Supplemental Confirmation for such Transaction, to be the date that is one Settlement Cycle following the Trade Date for such Transaction, or such later date on which the conditions set forth in Section 3 of this Master Confirmation shall have been satisfied.

Buyer:	Dealer
Seller:	Counterparty
Trading Day:	Any Scheduled Trading Day for the Exchange other than a day on which the Exchange is scheduled to close prior to its Scheduled Closing Time.
Forward Hedge Selling Period:	For each Transaction, as specified in the Supplemental Confirmation for such Transaction, to be a period of consecutive Trading Days following the date of such Supplemental Confirmation; <i>provided</i> that, if prior to the scheduled end of any Forward Hedge Selling Period (x) any event occurs that would permit the Dealer to designate a Scheduled Trading Day as an Early Valuation Date or (y) a Bankruptcy Termination Event occurs, then the Forward Hedge Selling Period shall immediately terminate at the first such occurrence.
Maturity Date:	For each Transaction, as specified in the Supplemental Confirmation for such Transaction (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day).
Shares:	The shares of common stock, par value USD 0.01 per Share, of Counterparty (Ticker: "NI")
Number of Shares:	For each Transaction, initially, as specified in the Supplemental Confirmation for such Transaction, to be the number of Shares equal to the Actual Sold Forward Amount for the Forward Hedge Selling Period for such Transaction, as reduced on each Relevant Settlement Date (as defined under "Settlement Terms" below) by the number of Settlement Shares to which the related Valuation Date relates.
Actual Sold Forward Amount:	For each Transaction and the related Forward Hedge Selling Period, the number of Forward Hedge Shares that the Dealer (or its agent or affiliate) sold pursuant to the Equity Distribution Agreement during such Forward Hedge Selling Period.

Forward Hedge Share:	For each Transaction, any Share borrowed by the Dealer (or its agent or affiliate) and sold pursuant to the Equity Distribution Agreement by the Dealer (or its agent or affiliate) in connection with such Transaction.
Settlement Currency:	USD
Exchange:	The New York Stock Exchange
Related Exchange:	All Exchanges
Prepayment:	Not Applicable
Variable Obligation:	Not Applicable
Forward Price:	For each Transaction, on the Effective Date for such Transaction, the Initial Forward Price for such Transaction, and on any calendar day thereafter, the product of the Forward Price for such Transaction on the immediately preceding calendar day and $1 + \text{the Daily Rate} * (1/365)$; <i>provided</i> that the Forward Price for such Transaction on each Forward Price Reduction Date for such Transaction shall be the Forward Price for such Transaction otherwise in effect on such date <i>minus</i> the Forward Price Reduction Amount for such Forward Price Reduction Date. Notwithstanding the foregoing, to the extent Counterparty delivers Shares hereunder on or after a Forward Price Reduction Date and at or before the record date for an ordinary cash dividend with an ex-dividend date corresponding to such Forward Price Reduction Date (and, for the avoidance of doubt, the related dividend will be paid on such Shares), the Calculation Agent shall adjust the Forward Price to the extent it determines that such an adjustment is appropriate and necessary to preserve the economic intent of the parties by offsetting the economic effect of Dealer having received the benefit of both (i) the Forward Price Reduction Amount and (ii) the ordinary cash dividend with an ex-dividend date corresponding to such Forward Price Reduction Amount (taking into account Dealer's commercially reasonable hedge positions in respect of the Transaction).

Initial Forward Price:	For each Transaction, as specified in the Supplemental Confirmation for such Transaction, to be the product of (i) an amount equal to 1 <i>minus</i> the Forward Hedge Selling Commission Rate applicable to such Transaction; and (ii) the Volume-Weighted Hedge Price, subject to adjustment as set forth herein.
Forward Hedge Selling Commission Rate:	For each Transaction, as specified in the Supplemental Confirmation for such Transaction, to be a rate mutually agreed between the Dealer and the Counterparty but not in excess of 2%.
Volume-Weighted Hedge Price:	For each Transaction, as specified in the Supplemental Confirmation for such Transaction, to be the volume-weighted average of the Sales Prices per Share of the Forward Hedge Shares sold on each Trading Day of the Forward Hedge Selling Period for such Transaction, as determined by the Calculation Agent; <i>provided</i> that, solely for the purposes of calculating the Initial Forward Price, each such Sales Price (other than the Sales Price for the last day of the relevant Forward Hedge Selling Period) shall be subject to adjustment by the Calculation Agent in the same manner as the Forward Price pursuant to the definition thereof during the period from, and including, the date one Settlement Cycle immediately following the first Trading Day of the relevant Forward Hedge Selling Period on which the Forward Hedge Shares related to such Sales Price are sold to, and including, the Effective Date of such Transaction.
Sales Price:	For each Transaction and any related Forward Hedge Share, the actual sale execution price of such Forward Hedge Share sold by Dealer on the Exchange under the Equity Distribution Agreement.
Daily Rate:	For any day, the Overnight Bank Funding Rate (or if the Overnight Bank Funding Rate is no longer available, a successor rate selected by the Calculation Agent in its commercially reasonable discretion) <i>minus</i> the Spread.
Spread:	For each Transaction, as specified in the Supplemental Confirmation for such Transaction.
Overnight Bank Funding Rate:	For any day, the rate set forth for such day opposite the caption "Overnight bank funding rate" as displayed on the page "OBFR01 <Index> <GO>" on the BLOOMBERG Professional Service, or any successor page; <i>provided</i> that if no such rate appears for such day on such page, the Overnight Bank Funding Rate for such day shall be such rate for the immediately preceding day for which such a rate appears.

Forward Price Reduction Dates:	For each Transaction, as specified in Schedule I to the Supplemental Confirmation for such Transaction, to be each date set forth under the heading "Forward Price Reduction Date" in the Supplemental Confirmation for such Transaction.
Forward Price Reduction Amount:	For each Forward Price Reduction Date, the Forward Price Reduction Amount set forth opposite such date on Schedule I to the Supplemental Confirmation for such Transaction.
<u>Valuation:</u>	
Valuation Date:	For any Settlement (as defined below) with respect to any Transaction, if Physical Settlement is applicable, as designated in the relevant Settlement Notice (as defined below); or if Cash Settlement or Net Share Settlement is applicable, the last Unwind Date for such Settlement. Section 6.6 of the Equity Definitions shall not apply to any Valuation Date.
Unwind Dates:	For any Cash Settlement or Net Share Settlement with respect to any Settlement of any Transaction, each day on which Dealer (or its agent or affiliate) purchases Shares in the market in connection with unwinding its commercially reasonable hedge position in connection with such Settlement, starting on the First Unwind Date for such Settlement.
First Unwind Date:	For any Cash Settlement or Net Share Settlement with respect to any Settlement of any Transaction, as designated in the relevant Settlement Notice.
Unwind Period:	For any Cash Settlement or Net Share Settlement with respect to any Settlement of any Transaction, the period starting on the First Unwind Date for such Settlement and ending on the Valuation Date for such Settlement.
Cash Settlement Valuation Disruption:	If Cash Settlement is applicable with respect to any Transaction and any Unwind Date during the related Unwind Period is a Disrupted Day, the Calculation Agent shall determine whether (i) such Disrupted Day is a Disrupted Day in full, in which case the 10b-18 VWAP for such Disrupted Day shall not be included in the calculation of the Settlement Price, or (ii) such Disrupted

Day is a Disrupted Day only in part, in which case the 10b-18 VWAP for such Disrupted Day shall be determined by the Calculation Agent based on Rule 10b-18 eligible transactions (as defined below) in the Shares on such Disrupted Day, taking into account the nature and duration of the relevant Market Disruption Event, and the weightings of the 10b-18 VWAP and the Forward Prices, as applicable for each Unwind Date during such Unwind Period shall be adjusted in a commercially reasonable manner by the Calculation Agent for purposes of determining the Settlement Price and the Relevant Forward Price, as applicable, to account for the occurrence of such partially Disrupted Day, with such adjustments based on, among other factors, the duration of any Market Disruption Event and the volume, historical trading patterns and price of the Shares.

Market Disruption Event:

The definition of “Market Disruption Event” in Section 6.3(a) of the Equity Definitions is hereby amended by deleting the words “at any time during the one-hour period that ends at the relevant Valuation Time, Latest Exercise Time, Knock-in Valuation Time or Knock-out Valuation Time, as the case may be” and inserting the words “at any time on any Exchange Business Day during the Unwind Period” after the word “material,” in the third line thereof.

Early Closure:

Section 6.3(d) of the Equity Definitions is hereby amended by deleting the remainder of the provision following the term “Scheduled Closing Time” in the fourth line thereof.

Settlement Terms:

Settlement:

With respect to any Transaction, any Physical Settlement, Cash Settlement or Net Share Settlement of all or any portion of such Transaction.

Settlement Notice:

For any Transaction, subject to “Early Valuation” below, Counterparty may elect to effect a Settlement of all or any portion of such Transaction by designating one or more Scheduled Trading Days following the Effective Date for such Transaction and on or prior to the Maturity Date for such Transaction to be Valuation Dates (or, with respect to Cash Settlements or Net Share Settlements of such Transaction, First Unwind Dates, each of which First Unwind Dates shall occur no later than the 60th Scheduled

Trading Day immediately preceding the Maturity Date for such Transaction) in a written notice to Dealer (a "**Settlement Notice**") delivered no later than the applicable Settlement Method Election Date for such Transaction, which notice shall also specify (i) the number of Shares (the "**Settlement Shares**") for such Settlement (not to exceed the number of Undesignated Shares for such Transaction as of the date of such Settlement Notice) and (ii) the Settlement Method applicable to such Settlement; *provided that* (A) Counterparty may not designate a First Unwind Date for a Cash Settlement or a Net Share Settlement of any Transaction if, as of the date of such Settlement Notice, any Shares have been designated as Settlement Shares for a Cash Settlement or a Net Share Settlement of such Transaction for which the related Relevant Settlement Date has not occurred; and (B) if the number of Undesignated Shares as of the Maturity Date for such Transaction is not zero, then the Maturity Date for such Transaction shall be a Valuation Date for a Physical Settlement of such Transaction and the number of Settlement Shares for such Settlement shall be the number of Undesignated Shares for such Transaction as of the Maturity Date for such Transaction (*provided that* if such Maturity Date occurs during the period from the time any Settlement Notice is given for a Cash Settlement or Net Share Settlement of such Transaction until the related Relevant Settlement Date, inclusive, then the provisions set forth below opposite "Early Valuation" shall apply to such Transaction as if the Maturity Date for such Transaction were the Early Valuation Date for such Transaction).

Undesignated Shares:

For any Transaction, as of any date, the Number of Shares for such Transaction *minus* the number of Shares designated as Settlement Shares for Settlements of such Transaction for which the related Relevant Settlement Date has not occurred.

Settlement Method Election:

For any Transaction, applicable; *provided that*:

- (i) Net Share Settlement shall be deemed to be included as an additional settlement method under Section 7.1 of the Equity Definitions;

- (ii) Counterparty may elect Cash Settlement or Net Share Settlement for any Transaction only if Counterparty represents and warrants to Dealer in the Settlement Notice containing such election that, as of the date of such Settlement Notice, (A) Counterparty is not aware of any material nonpublic information concerning itself or the Shares, (B) Counterparty is electing the settlement method and designating the First Unwind Date specified in such Settlement Notice in good faith and not as part of a plan or scheme to evade compliance with Rule 10b-5 (“**Rule 10b-5**”) under the Exchange Act, or any other provision of the federal securities laws, (C) Counterparty is not “insolvent” (as such term is defined under Section 101(32) of the U.S. Bankruptcy Code (Title 11 of the United States Code) (the “**Bankruptcy Code**”)), (D) Counterparty would be able to purchase a number of Shares equal to the greater of (x) the number of Settlement Shares designated in such Settlement Notice and (y) a number of Shares with a value as of the date of such Settlement Notice equal to the product of (I) such number of Settlement Shares and (II) the applicable Forward Price on the date of such Settlement Notice in compliance with the laws of Counterparty’s jurisdiction of organization and (E) such election, and settlement in accordance therewith, does not and will not violate or conflict with any law or regulation applicable to Counterparty, or any order or judgment of any court or other agency of government applicable to it or any of its assets, and any governmental consents that are required to have been obtained by Counterparty with respect to such election or settlement have been obtained and are in full force and effect and all conditions of any such consents have been complied with; and

- (iii) Notwithstanding any election to the contrary in any Settlement Notice, Physical Settlement shall be applicable for any Settlement of any Transaction:
- (A) to all of the Settlement Shares designated in such Settlement Notice if, at any time from the date such Settlement Notice is received by Dealer until the related First Unwind Date, inclusive, (I) the trading price per Share on the Exchange (as determined by Dealer in a commercially reasonable manner) is below the Threshold Price or (II) Dealer determines, in its good faith and commercially reasonable judgment, that it would, after using commercially reasonable efforts, be unable to purchase a number of Shares in the market sufficient to unwind a commercially reasonable hedge position in respect of the portion of the Transaction represented by such Settlement Shares and satisfy its delivery obligation hereunder, if any, by the Maturity Date (x) in a manner that (A) would, if Dealer were Counterparty or an affiliated purchaser of Counterparty and taking into account any other Transactions hereunder or any other issuer forward or similar transactions with overlapping unwind periods, be in compliance with the safe harbor provided by Rule 10b-18(b) under the Exchange Act and (B) based on advice of counsel, would not raise material risks under applicable securities laws or (y) due to the lack of sufficient liquidity in the Shares (each, a “**Trading Condition**”); or
 - (B) to all or a portion of the Settlement Shares designated in such Settlement Notice if, on any day during the relevant Unwind Period, (I) the trading price per Share on the Exchange (as determined by Dealer in a commercially reasonable manner) is below the Threshold Price or (II) Dealer determines, in its good faith and commercially reasonable judgment or based on advice of counsel, as applicable, that a Trading Condition has occurred with respect to such Transaction, in which case the provisions set forth below in the fourth paragraph opposite “Early Valuation” shall apply as if such day were the Early Valuation Date for such Transaction and (x) for purposes of clause (i) of such paragraph, such day shall be the last

Unwind Date of such Unwind Period and the “Unwound Shares” shall be calculated to, and including, such day and (y) for purposes of clause (ii) of such paragraph, the “Remaining Shares” shall be equal to the number of Settlement Shares designated in such Settlement Notice *minus* the Unwound Shares determined in accordance with clause (x) of this sentence.

Threshold Price:	For each Transaction, as specified in the Supplemental Confirmation for such Transaction, to be 50% of the Initial Forward Price for such Transaction.
Electing Party:	Counterparty
Settlement Method Election Date:	With respect to any Settlement of any Transaction, (x) the second Scheduled Trading Day immediately preceding the Valuation Date for such Transaction, in the case of Physical Settlement, or (y) the fifth Scheduled Trading Day immediately preceding the First Unwind Date for such Transaction, in the case of Cash Settlement or Net Share Settlement.
Default Settlement Method:	Physical Settlement
Physical Settlement:	Notwithstanding Section 9.2(a)(i) of the Equity Definitions, on the Settlement Date for any Physical Settlement of any Transaction, Dealer shall pay to Counterparty an amount in USD equal to the Forward Price for such Transaction on the relevant Valuation Date <i>multiplied by</i> the number of Settlement Shares for such Settlement, and Counterparty shall deliver to Dealer such Settlement Shares. If, on any Settlement Date, the Settlement Shares to be delivered by Counterparty to Dealer hereunder are not so delivered (the “ Deferred Shares ”), and a Forward Price Reduction Date occurs during the period from, and including, such Settlement Date to, but excluding, the date such Settlement Shares are actually delivered to Dealer, then the portion of the amount payable by Dealer to Counterparty in respect of the Deferred Shares shall be reduced by an amount equal to the Forward Price Reduction Amount for such Forward Price Reduction Date, multiplied by the number of Deferred Shares.

Settlement Date:	For any Settlement of any Transaction to which Physical Settlement is applicable, the Valuation Date for such Settlement.
Net Share Settlement:	On the Net Share Settlement Date for any Settlement of any Transaction to which Net Share Settlement is applicable, if the Net Share Settlement Amount for such Settlement is greater than zero, Counterparty shall deliver a number of Shares equal to such Net Share Settlement Amount (rounded down to the nearest integer) to Dealer, and if such Net Share Settlement Amount is less than zero, Dealer shall deliver a number of Shares equal to the absolute value of such Net Share Settlement Amount (rounded down to the nearest integer) to Counterparty, in either case, in accordance with Section 9.4 of the Equity Definitions, with such Net Share Settlement Date deemed to be a "Settlement Date" for purposes of such Section 9.4, and, in either case, plus cash in lieu of any fractional Shares included in such Net Share Settlement Amount but not delivered due to rounding required hereby, valued at the relevant Settlement Price.
Net Share Settlement Date:	For any Settlement of any Transaction to which Net Share Settlement is applicable, the date that follows the Valuation Date for such Settlement by one Settlement Cycle.
Net Share Settlement Amount:	For any Settlement of any Transaction to which Net Share Settlement is applicable, an amount equal to the Forward Cash Settlement Amount for such Settlement <i>divided by</i> the Settlement Price for such Settlement.
Forward Cash Settlement Amount:	Notwithstanding Section 8.5(c) of the Equity Definitions, the Forward Cash Settlement Amount for any Cash Settlement or Net Share Settlement of any Transaction shall be equal to (i) the number of Settlement Shares for such Settlement <i>multiplied by</i> (ii) an amount equal to (A) the Settlement Price for such Settlement <i>minus</i> (B) the Relevant Forward Price for such Settlement.
Relevant Forward Price:	For any Cash Settlement of any Transaction, the arithmetic average of the Forward Prices for such Transaction on each Unwind Date relating to such Settlement.

For any Net Share Settlement of any Transaction, the weighted average of the Forward Prices for such Transaction on each Unwind Date relating to such Settlement (weighted based on the number of Shares purchased by Dealer or its agent or affiliate on each such Unwind Date in connection with unwinding its commercially reasonable hedge position in connection with such Settlement, as determined by the Calculation Agent).

Settlement Price:

For any Cash Settlement of any Transaction, the arithmetic average of the 10b-18 VWAP on each Unwind Date relating to such Settlement, *plus* a commercially reasonable amount determined by the Calculation Agent that in no event will exceed USD 0.02.

For any Net Share Settlement of any Transaction, the weighted average price of the purchases of Shares made by Dealer (or its agent or affiliate) during the Unwind Period for such Settlement in connection with unwinding its commercially reasonable hedge position relating to such Settlement (weighted based on the number of Shares purchased by Dealer or its agent or affiliate on each Unwind Date in connection with unwinding its commercially reasonable hedge position in connection with such Settlement, as determined by the Calculation Agent), *plus* a commercially reasonable amount determined by the Calculation Agent that in no event will exceed USD 0.02.

10b-18 VWAP:

For any Exchange Business Day, as determined by the Calculation Agent based on the 10b-18 Volume Weighted Average Price per Share as reported in the composite transactions for United States exchanges and quotation systems for the regular trading session (including any extensions thereof) of the Exchange on such Exchange Business Day (without regard to pre-open or after hours trading outside of such regular trading session for such Exchange Business Day), as published by Bloomberg at 4:15 p.m. New York City time (or 15 minutes following the end of any extension of the regular trading session) on such Exchange Business Day, on Bloomberg page “NI <Equity> AQR_SEC” (or any successor thereto), or if such price is not so reported on such Exchange Business Day for any reason or is, in the Calculation Agent’s reasonable determination, erroneous, such 10b-18 VWAP shall be as reasonably determined by the Calculation Agent. For purposes of calculating the 10b-18 VWAP for such Exchange Business Day, the Calculation Agent will include only those trades that are reported during the period of time during which Counterparty could purchase its own shares under Rule 10b-18(b)(2) and are effected pursuant to the conditions of Rule 10b-18(b)(3), each under the Exchange Act (such trades, “**Rule 10b-18 eligible transactions**”).

Unwind Activities:

The times and prices at which Dealer (or its agent or affiliate) purchases any Shares during any Unwind Period in connection with unwinding its commercially reasonable hedge position in respect of each Transaction shall be determined by Dealer in a commercially reasonable manner. Without limiting the generality of the foregoing, in the event that Dealer concludes, in its reasonable discretion based on advice of counsel, that it is appropriate with respect to any legal, regulatory or self-regulatory requirements or related policies and procedures (whether or not such requirements, policies or procedures are imposed by law or have been voluntarily adopted by Dealer) (a “**Regulatory Disruption**”), for it to refrain from purchasing Shares in connection with unwinding its commercially reasonable hedge position in respect of such Transaction on any Scheduled Trading Day that would have been an Unwind Date but for the occurrence of a Regulatory Disruption, Dealer will notify Counterparty in writing that a Regulatory Disruption has occurred on such Scheduled Trading Day with respect to such Transaction, in which case Dealer shall, to the extent practicable in its good faith discretion, specify the nature of such Regulatory Disruption, and, for the avoidance of doubt, such Scheduled Trading Day shall not be an Unwind Date for such Transaction and such Regulatory Disruption shall be deemed to be a Market Disruption Event; *provided* that Dealer may exercise its right to suspend under this sentence only in good faith in relation to events or circumstances that are not the result of actions of it or any of its Affiliates that are taken with the intent to avoid its obligations under the Transactions.

Relevant Settlement Date:

For any Settlement of any Transaction, the Settlement Date, Cash Settlement Payment Date or Net Share Settlement Date for such Settlement, as the case may be.

Other Applicable Provisions:

To the extent Dealer is obligated to deliver Shares under any Transaction, the provisions of Sections 9.2 (last sentence only), 9.8, 9.9, 9.10, 9.11 and 9.12 of the Equity Definitions will be applicable as if “Physical Settlement” applied to such Transaction; *provided* that the Representation and Agreement contained in Section 9.11 of the Equity Definitions shall be modified by excluding any representations therein relating to restrictions, obligations, limitations or requirements under applicable securities laws that exist as a result of the fact that Counterparty is the issuer of the Shares.

Share Adjustments:

Potential Adjustment Events:	Notwithstanding anything to the contrary in the Equity Definitions, none of (i) an Extraordinary Dividend, (ii) the issuance of stock-based awards in the ordinary course pursuant to the Counterparty's employee and director's benefit plans or (iii) the issuance of stock in the ordinary course under the Counterparty's employee stock purchase plan shall constitute a Potential Adjustment Event. For the avoidance of doubt, a cash dividend on the Shares that differs from expected dividends as of the first Trading Day of the Forward Hedge Selling Period for such Transaction shall not be a Potential Adjustment Event under Section 11.2(e)(vii) of the Equity Definitions with respect to such Transaction.
Extraordinary Dividend:	For any Transaction, any dividend or distribution on the Shares with an ex-dividend date occurring on any day following the first Trading Day of the Forward Hedge Selling Period for such Transaction (other than (i) any dividend or distribution of the type described in Section 11.2(e)(i) or Section 11.2(e)(ii) (A) of the Equity Definitions or (ii) a regular, quarterly cash dividend in an amount equal to or less than the Regular Dividend Amount for such calendar quarter for such Transaction that has an ex-dividend date no earlier than the Forward Price Reduction Date occurring in the relevant quarter for such Transaction).
Regular Dividend Amount:	For each Transaction and each calendar quarter, the amount set forth under the heading "Regular Dividend Amount" in the Supplemental Confirmation for such Transaction and such calendar quarter, as specified in Schedule I to the Supplemental Confirmation for such Transaction.
Method of Adjustment:	Calculation Agent Adjustment.

Extraordinary Events:

Extraordinary Events: The consequences that would otherwise apply under Article 12 of the Equity Definitions to any applicable Extraordinary Event (excluding any Change in Law, Failure to Deliver, Hedging Disruption, Increased Cost of Hedging, Increased Cost of Stock Borrow, Loss of Stock Borrow or any Extraordinary Event that also constitutes a Bankruptcy Termination Event, but including, for the avoidance of doubt, any other applicable Additional Disruption Event) shall not apply.

Tender Offer: Applicable; *provided* that Section 12.1(d) of the Equity Definitions shall be amended by replacing the reference therein to “10%” with a reference to “20%”.

Delisting: In addition to the provisions of Section 12.6(a)(iii) of the Equity Definitions, it shall also constitute a Delisting if the Exchange is located in the United States and the Shares are not immediately re-listed, re-traded or re-quoted on any of the New York Stock Exchange, the NASDAQ Global Select Market or the NASDAQ Global Market (or their respective successors); if the Shares are immediately re-listed, re-traded or re-quoted on any such exchange or quotation system, such exchange or quotation system shall be deemed to be the Exchange.

Additional Disruption Events:

Change in Law: Applicable; *provided* that (A) any determination as to whether (i) the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law) or (ii) the promulgation of or any change in or public announcement of the formal or informal interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), in each case, constitutes a “Change in Law” shall be made without regard to Section 739 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 or any similar legal certainty provision in any legislation enacted, or rule or regulation promulgated, on or after the Trade Date, (B) Section 12.9(a)(ii) of the Equity Definitions is hereby amended (i) by adding the words “(including, for the avoidance of doubt and without limitation, adoption or promulgation of new regulations authorized or mandated by existing statute)” after the

word “regulation” in the second line thereof and (ii) by replacing the words “the interpretation” with the words “or public announcement of any formal or informal interpretation” in the third line thereof and (C) the words “, unless the illegality is due to an act or omission of the party seeking to elect termination of the Transaction with the intent to avoid its obligations under the terms of the Transaction” are added immediately following the word “Transaction” in the fifth line thereof; and *provided further* that Section 12.9(a)(ii) of the Equity Definitions is hereby amended by adding the phrase “and/or Hedge Position” after the word “Shares” in clause (X) thereof and (iii) by immediately following the word “Transaction” in clause (X) thereof, adding the phrase “in the manner contemplated by the Hedging Party on the Trade Date”.

Failure to Deliver:	Applicable with respect to a Transaction if Dealer is required to deliver Shares under such Transaction; otherwise, Not Applicable.
Hedging Disruption:	Applicable
Increased Cost of Hedging:	Applicable; <i>provided</i> that Section 12.9(b)(vi) of the Equity Definitions shall be amended by (i) adding “or” before clause (B) of the second sentence thereof, (ii) deleting clause (C) of the second sentence thereof and (iii) deleting the third and fourth sentences thereof.
Increased Cost of Stock Borrow:	Applicable; <i>provided</i> that Section 12.9(b)(v) of the Equity Definitions shall be amended by (i) adding “or” before clause (B) of the second sentence thereof, (ii) deleting clause (C) of the second sentence thereof and (iii) deleting the third, fourth and fifth sentences thereof. For the avoidance of doubt, upon the announcement of any event that, if consummated, would result in a Merger Event or Tender Offer, the term “rate to borrow Shares” as used in Section 12.9(a)(viii) of the Equity Definitions shall include any commercially reasonable cost borne or amount payable by the Hedging Party in respect of maintaining or reestablishing its hedge position with respect to the relevant Transaction, including, but not limited to, any assessment or other amount payable by the Hedging Party to a lender of Shares in respect of any merger or tender offer premium, as applicable.

Initial Stock Loan Rate:	For each Transaction, as specified in the Supplemental Confirmation for such Transaction.
Loss of Stock Borrow:	Applicable; <i>provided</i> that Section 12.9(b)(iv) of the Equity Definitions shall be amended by (i) deleting clause (A) of the first sentence thereof in its entirety and (ii) replacing the words “neither the Non-Hedging Party nor the Lending Party lends” with “the Lending Party does not lend” in the second sentence thereof.
Maximum Stock Loan Rate:	For each Transaction, as specified in the Supplemental Confirmation for such Transaction.
Hedging Party:	For all applicable Additional Disruption Events, Dealer
Determining Party:	For all applicable Extraordinary Events, Dealer
<u>Early Valuation:</u>	
Early Valuation:	For any Transaction, notwithstanding anything to the contrary herein, in the Agreement, in any Supplemental Confirmation or in the Equity Definitions, at any time (x) following the occurrence of a Hedging Event with respect to such Transaction, the declaration by Issuer of an Extraordinary Dividend, or an ISDA Event with respect to such Transaction or (y) if an Excess Section 13 Ownership Position, an Excess NYSE Ownership Position or an Excess Regulatory Ownership Position exists, Dealer (or, in the case of such an ISDA Event that is an Event of Default or Termination Event, the party entitled to designate an Early Termination Date in respect of such event pursuant to Section 6 of the Agreement) shall have the right to designate any Scheduled Trading Day to be the “Early Valuation Date” for such Transaction, in which case the provisions set forth in this “Early Valuation” Section shall apply to such Transaction, in the case of an Event of Default or Termination Event, in lieu of Section 6 of the Agreement. For the avoidance of doubt, any amount calculated pursuant to this “Early Valuation” Section as a result of an Extraordinary Dividend shall not be adjusted by the value associated with such Extraordinary Dividend. Dealer covenants and agrees with Counterparty that Dealer will not knowingly cause the occurrence of an Excess Section 13 Ownership Position, an Excess NYSE Ownership Position or an Excess Regulatory Ownership Position on any day during the term of any Transaction for the purpose, in whole or in part, of causing the occurrence of an Early Valuation Date.

If an Early Valuation Date for a Transaction occurs on a date that is not during an Unwind Period for such Transaction, then such Early Valuation Date shall be a Valuation Date for a Physical Settlement of such Transaction, and the number of Settlement Shares for such Settlement shall be the Number of Shares on such Early Valuation Date; *provided* that Dealer may in its sole discretion permit Counterparty to elect Cash Settlement or Net Share Settlement in respect of such Transaction. Notwithstanding anything to the contrary in this Master Confirmation, any Supplemental Confirmation, the Agreement or the Equity Definitions, if Dealer designates an Early Valuation Date with respect to a Transaction following the occurrence of an ISDA Event and such Early Valuation Date is to occur before the date that is one Settlement Cycle after the last day of the Forward Hedge Selling Period for such Transaction, then, for purposes of such Early Valuation Date, (i) a Supplemental Confirmation relating to such Transaction shall, notwithstanding the provisions under Section 3 of this Master Confirmation, be deemed to be effective; and (ii) the Forward Price shall be deemed to be the Initial Forward Price (calculated assuming that the last Trading Day of such Forward Hedge Selling Period were the day immediately following the date Dealer so notifies Counterparty of such designation of an Early Valuation Date for purposes of such Early Valuation Date).

If an Early Valuation Date for a Transaction occurs during an Unwind Period for such Transaction, then (i) (A) the last Unwind Date of such Unwind Period shall be deemed to be such Early Valuation Date, (B) a Settlement shall occur in respect of such Unwind Period, and the Settlement Method elected by Counterparty in respect of such Settlement shall apply, and (C) the number of Settlement Shares for such Settlement shall be the number of Unwound Shares for such Unwind Period on such Early Valuation Date, and (ii) (A) such Early Valuation Date shall be a Valuation Date for an additional Physical Settlement of such Transaction (*provided* that Dealer may in its sole discretion elect that the Settlement Method elected by Counterparty for the Settlement described in clause (i) of this sentence shall apply) and (B) the number of Settlement Shares for such additional Settlement shall be the number of Remaining Shares on such Early Valuation Date.

Notwithstanding the foregoing, in the case of a Nationalization or Merger Event, if at the time of the related Relevant Settlement Date the Shares have changed into cash or any other property or the right to receive cash or any other property, the Calculation Agent shall adjust the nature of the Shares as it determines appropriate to account for such change such that the nature of the Shares is consistent with what shareholders receive in such event.

ISDA Event:

(i) Any Event of Default or Termination Event, other than an Event of Default or Termination Event that also constitutes a Bankruptcy Termination Event, that gives rise to the right of either party to designate an Early Termination Date pursuant to Section 6 of the Agreement or (ii) the announcement of any event or transaction on or after the first Trading Day of the Forward Hedge Selling Period for such Transaction that, if consummated, would result in a Merger Event, Tender Offer, Nationalization, Delisting or Change in Law, in each case, as determined by the Calculation Agent.

Amendment to Merger Event:

Section 12.1(b) of the Equity Definitions is hereby amended by deleting the remainder of such Section beginning with the words “in each case if the Merger Date is on or before” in the fourth to last line thereof.

Hedging Event:

In respect of any Transaction, the occurrence of any of the following events on or following the first Trading Day of the Forward Hedge Selling Period: (i) (x) a Loss of Stock Borrow in connection with which Counterparty does not refer the Hedging Party to a satisfactory Lending Party within the required time period as provided in Section 12.9(b)(iv) of the Equity Definitions or (y) a Hedging Disruption, (ii) (A) an Increased Cost of Stock Borrow or (B) an Increased Cost of Hedging in connection with which, in the case of sub-clause (A) or (B), Counterparty does not elect, and so notify the Hedging Party of its election, in each case, within the required time period to either amend such Transaction pursuant to Section 12.9(b)(v)(A) or Section 12.9(b)(vi)(A) of the Equity Definitions, as applicable, or pay an amount determined by the

Calculation Agent that corresponds to the relevant Price Adjustment pursuant to Section 12.9(d)(v)(B) or Section 12.9(b)(vi)(B) of the Equity Definitions, as applicable, or (iii) the occurrence of a Market Disruption Event during an Unwind Period for such Transaction and the continuance of such Market Disruption Event for at least eight Scheduled Trading Days. In respect of any Transaction, if a Hedging Event occurs with respect to such Transaction on or after the first Trading Day of the Forward Hedge Selling Period for such Transaction and prior to the Trade Date for such Transaction, the Calculation Agent may reduce the Initial Forward Price to account for such Hedging Event and any costs or expenses reasonably incurred by Dealer as a result of such Hedging Event.

Remaining Shares:

For any Transaction, on any day, the Number of Shares for such Transaction as of such day (or, if such day occurs during an Unwind Period for such Transaction, the Number of Shares for such Transaction as of such day *minus* the Unwound Shares for such Transaction for such Unwind Period on such day).

Unwound Shares:

For any Transaction, for any Unwind Period in respect of such Transaction on any day, the aggregate number of Shares with respect to which Dealer has unwound its commercially reasonable hedge position in respect of such Transaction in connection with the related Settlement as of such day.

Acknowledgements:

Non-Reliance:

Applicable

Agreements and Acknowledgements
Regarding Hedging Activities:

Applicable

Additional Acknowledgements:

Applicable

Calculation Agent:

Dealer; *provided* that, following the occurrence and during the continuation of an Event of Default pursuant to Section 5(a)(vii) of the Agreement with respect to which Dealer is the sole Defaulting Party, Counterparty shall have the right to select a leading dealer in the market for U.S. corporate equity derivatives reasonably acceptable to Dealer to replace Dealer as the Calculation Agent, and the parties shall work in good faith to execute any appropriate

documentation required by such replacement Calculation Agent. Following an determination or calculation by the Calculation Agent hereunder, upon a written request by Counterparty, the Calculation Agent will, within a commercially reasonable period of time following such request, provide to Counterparty by e-mail to the e-mail address provided by Counterparty in such written request a report (in a commonly used file format for the storage and manipulation of financial data) displaying in reasonable detail the basis for such determination or calculation, as the case may be; *provided* that Dealer shall not be required to disclose any proprietary or confidential models of Dealer or any information that is proprietary or subject to contractual, legal or regulatory obligations to not disclose such information.

Payments and Deliveries:

Counterparty Payment and Delivery Instructions: To be provided by Counterparty

Dealer Payment and Delivery Instructions: To be provided by Dealer

Contact Details:

Counterparty's Contact Details for Purpose of Giving Notice: To be provided by Counterparty

Dealer's Contact Details for Purpose of Giving Notice: To be provided by Dealer

Dealer's Contact Details for Trade Affirmations and Settlements: To be provided by Dealer

Dealer's Contact Details for Trade Confirmations: To be provided by Dealer

Offices:

Office of Counterparty: Not Applicable; Counterparty is not a Multibranch Party.

Office of Dealer: For each Transaction, as specified in the Supplemental Confirmation for such Transaction.

3. Effectiveness.

The effectiveness of each Supplemental Confirmation and the related Transaction on the Effective Date for such Supplemental Confirmation shall be subject to the following conditions except to the extent previously waived by Dealer in writing:

(a) the representations and warranties of Counterparty contained in the Equity Distribution Agreement, and any certificate delivered pursuant thereto by Counterparty shall be true and correct on such Effective Date as if made as of such Effective Date;

(b) Counterparty shall have performed all of the obligations required to be performed by it under the Equity Distribution Agreement on or prior to such Effective Date;

(c) all of the conditions set forth in Section 5 of the Equity Distribution Agreement shall have been satisfied;

(d) such Supplemental Confirmation shall be dated during the period commencing on the date of the Equity Distribution Agreement and expiring on the earlier to occur of (i) the date on which the gross sale price of Shares sold pursuant to the Equity Distribution Agreement and any similar agreement or agreements with one or more other dealers and dated the date thereof is equal to or exceeds USD 900 million and (ii) the date on which the Equity Distribution Agreement is terminated;

(e) all of the representations and warranties of Counterparty hereunder and under the Agreement shall be true and correct on such Effective Date as if made as of such Effective Date; and

(f) Counterparty shall have performed all of the obligations required to be performed by it hereunder and under the Agreement on or prior to such Effective Date, including without limitation its obligations under Section 5 and Section 6 of this Master Confirmation.

(g) Counterparty shall have delivered to Dealer an opinion of counsel in form and substance reasonably satisfactory to Dealer, with respect to the matters set forth in Section 3(a) of the Agreement and that the maximum number of Shares initially issuable under such Transaction have been duly authorized and, upon issuance pursuant to the terms of such Transaction, will be validly issued, fully paid and nonassessable.

Notwithstanding the foregoing or any other provision of this Master Confirmation or any Supplemental Confirmation, if in respect of any Transaction on or prior to 9:00 a.m., New York City time, on any Forward Hedge Settlement Date, in connection with establishing its commercially reasonable hedge position in respect of such Transaction Dealer, in its sole judgment, it (or its affiliate) (x) is unable, after using commercially reasonable efforts, to borrow and deliver for sale the full number of Shares to be borrowed and sold pursuant to the Equity Distribution Agreement on such Forward Hedge Settlement Date or (y) would incur a stock loan cost of more than a rate equal to the Maximum Stock Loan Rate for such Transaction with respect to all or any portion of such full number of Shares, then the effectiveness of the related Supplemental Confirmation and such Transaction shall be limited to the number of Shares Dealer is so able to borrow in connection with establishing its commercially reasonable hedge

position of such Transaction at a cost of not more than a rate equal to the Maximum Stock Loan Rate for such Transaction, which, in the absence of doubt, may be zero. “**Forward Hedge Settlement Date**” will mean a Trading Day that is one Settlement Cycle immediately following the Trading Day on which the sale of any Forward Hedge Shares occurs pursuant to the Equity Distribution Agreement.

4. **Additional Mutual Representations and Warranties.** In addition to the representations and warranties in the Agreement, each party represents and warrants to the other party that it is an “eligible contract participant”, as defined in the U.S. Commodity Exchange Act (as amended), and an “accredited investor” as defined in Section 2(a)(15)(ii) of the Securities Act of 1933 (as amended) (the “**Securities Act**”), and is entering into each Transaction hereunder as principal and not for the benefit of any third party.

5. **Additional Representations, Warranties and Agreements of Counterparty.** Counterparty represents and warrants to Dealer that the representations and warranties of Counterparty which are set forth in Section 1 of the Equity Distribution Agreement are true and correct as of the date hereof and, except to the extent previously waived by Dealer in writing, will be deemed to have represented and warranted to Dealer that such representations and warranties are true and correct as of the date of each Supplemental Confirmation, each Trade Date for any Transaction and each Forward Hedge Settlement Date for any Transaction. Such representations and warranties hereby are deemed to be repeated to Dealer on the date hereof and on each such other date as if set forth herein. In addition to the representations and warranties in Section 1 of the Equity Distribution Agreement, the Agreement and those contained elsewhere herein, Counterparty represents and warrants to Dealer, and agrees with Dealer, that:

(a) without limiting the generality of Section 13.1 of the Equity Definitions, it acknowledges that Dealer is not making any representations or warranties with respect to the treatment of any Transaction, including without limitation ASC Topic 260, *Earnings Per Share*, ASC Topic 815, *Derivatives and Hedging*, ASC Topic 480, *Distinguishing Liabilities from Equity*, ASC 815-40, *Derivatives and Hedging — Contracts in Entity’s Own Equity* (or any successor issue statements) or under the Financial Accounting Standards Board’s Liabilities & Equity Project;

(b) it shall not take any action to reduce or decrease the number of authorized and unissued Shares below the sum of (i) the aggregate Number of Shares across all Transactions hereunder *plus* (ii) the total number of Shares issuable upon settlement (whether by physical settlement, net share settlement or otherwise) of any other transaction or agreement to which it is a party;

(c) it will not repurchase any Shares if, immediately following such repurchase, the aggregate Number of Shares across all Transactions hereunder would be equal to or greater than [4.5%] [8.5%] of the number of then-outstanding Shares and it will notify Dealer promptly upon the announcement or consummation of any repurchase of Shares in an amount that, taken together with the amount of all repurchases since the date of the last such notice (or, if no such notice has been given, since the Trade Date), exceeds 0.5% of the number of then-outstanding Shares;

(d) it is not entering into this Master Confirmation or any Supplemental Confirmation to create actual or apparent trading activity in the Shares (or any security convertible into or exchangeable for Shares), or to raise or depress or otherwise manipulate the price of the Shares (or any security convertible into or exchangeable for Shares) for the purpose of inducing the purchase or sale of the Shares (or any security convertible into or exchangeable for Shares) by others;

(e) it is not aware of any material non-public information regarding itself or the Shares; it is entering into this Master Confirmation and each Supplemental Confirmation and will provide any Settlement Notice in good faith and not as part of a plan or scheme to evade compliance with Rule 10b-5 or any other provision of the federal securities laws; it has not entered into or altered any hedging transaction relating to the Shares corresponding to or offsetting any Transaction; and it has consulted with its own advisors as to the legal aspects of its adoption and implementation of this Master Confirmation and each Supplemental Confirmation under Rule 10b5-1 under the Exchange Act ("**Rule 10b5-1**");

(f) as of the date hereof and the Trade Date for each Transaction no state or local (including non-U.S. jurisdictions) law, rule, regulation or regulatory order applicable to the Shares would give rise to any reporting, consent, registration or other requirement (including without limitation a requirement to obtain prior approval from any person or entity) as a result of Dealer or its affiliates owning or holding (however defined) Shares; *provided* that Counterparty makes no such representation or warranty regarding any such requirement that is applicable generally to the ownership of equity securities by Dealer;

(g) as of the date hereof, the Trade Date for each Transaction and the date of any payment or delivery by Counterparty or Dealer under any Transaction, it is not and will not be "insolvent" (as such term is defined under Section 101(32) of the Bankruptcy Code);

(h) it is not as of the date hereof, and on the Trade Date for each Transaction and after giving effect to the transactions contemplated hereby and by each Supplemental Confirmation will not be, required to register as an "investment company" as such term is defined in the Investment Company Act of 1940, as amended;

(i) as of the date hereof and the Trade Date for each Transaction it: (i) is an "institutional account" as defined in FINRA Rule 4512(c); and (ii) is capable of evaluating investment risks independently, both in general and with regard to all transactions and investment strategies involving a security or securities, and will exercise independent judgment in evaluating any recommendations of Dealer or its associated persons; and

(j) IT UNDERSTANDS AS OF THE DATE HEREOF AND AS OF THE TRADE DATE FOR EACH TRANSACTION THAT EACH TRANSACTION IS SUBJECT TO COMPLEX RISKS WHICH MAY ARISE WITHOUT WARNING AND MAY AT TIMES BE VOLATILE AND THAT LOSSES MAY OCCUR QUICKLY AND IN UNANTICIPATED MAGNITUDE AND IS WILLING TO ACCEPT SUCH TERMS AND CONDITIONS AND ASSUME (FINANCIALLY AND OTHERWISE) SUCH RISKS.

6. Additional Covenants of Counterparty.

(a) Counterparty acknowledges and agrees that any Shares delivered by Counterparty to Dealer on any Settlement Date or Net Share Settlement Date for any Transaction will be (i) newly issued, (ii) approved for listing or quotation on the Exchange, subject to official notice of issuance, and (iii) registered under the Exchange Act, and, when delivered by Dealer (or an affiliate of Dealer) to securities lenders from whom Dealer (or an affiliate of Dealer) borrowed Shares in connection with hedging its exposure to such Transaction, will be freely saleable without further registration or other restrictions under the Securities Act in the hands of those securities lenders, irrespective of whether any such stock loan is effected by Dealer or an affiliate of Dealer (provided that such Shares may be subject to resale restrictions if the status of any such securities lender would cause any such resale restrictions to apply by virtue of its share ownership in Counterparty, status as an “affiliate” of Counterparty or otherwise). Accordingly, Counterparty agrees that any Shares so delivered will not bear a restrictive legend and will be deposited in, and the delivery thereof shall be effected through the facilities of, the Clearance System. In addition, Counterparty represents and agrees that any such Shares shall be, upon such delivery, duly and validly authorized, issued and outstanding, fully paid and nonassessable, free of any lien, charge, claim or other encumbrance.

(b) Counterparty agrees that Counterparty shall not enter into or alter any hedging transaction relating to the Shares corresponding to or offsetting any Transaction. Without limiting the generality of the provisions set forth opposite the caption “Unwind Activities” in Section 2 of this Master Confirmation, Counterparty acknowledges that it has no right to, and agrees that it will not seek to, control or influence Dealer’s decision to make any “purchases or sales” (within the meaning of Rule 10b5-1(c)(1)(i)(B)(3)) under or in connection with any Transaction, including, without limitation, Dealer’s decision to enter into any hedging transactions.

(c) Counterparty acknowledges and agrees that any amendment, modification, waiver or termination of this Master Confirmation or any Supplemental Confirmation must be effected in accordance with the requirements for the amendment or termination of a “plan” as defined in Rule 10b5-1(c). Without limiting the generality of the foregoing, any such amendment, modification, waiver or termination shall be made in good faith and not as part of a plan or scheme to evade the prohibitions of Rule 10b-5, and no such amendment, modification or waiver shall be made at any time at which Counterparty or any officer, director, manager or similar person of Counterparty is aware of any material non-public information regarding Counterparty or the Shares.

(d) Counterparty shall promptly provide notice thereof to Dealer (i) upon the occurrence of any event that would constitute an Event of Default or a Termination Event in respect of which Counterparty is a Defaulting Party or an Affected Party, as the case may be, and (ii) upon announcement of any event that, if consummated, would constitute an Extraordinary Event or Potential Adjustment Event.

(e) Neither Counterparty nor any of its “affiliated purchasers” (as defined by Rule 10b-18 under the Exchange Act (“**Rule 10b-18**”)) shall take any action that would cause any purchases of Shares by Dealer or any of its Affiliates in connection with any Cash Settlement or Net Share Settlement of any Transaction or any corresponding settlement of any other issuer forward sale or similar transaction with Dealer not to meet the requirements of

the safe harbor provided by Rule 10b-18 if such purchases were made by Counterparty. Without limiting the generality of the foregoing, during any Unwind Period for any Transaction, except with the prior written consent of Dealer, Counterparty will not, and will cause its affiliated purchasers (as defined in Rule 10b-18) not to, directly or indirectly (including by means of a derivative instrument) purchase, offer to purchase, place any bid or limit order that would effect a purchase of, or announce or commence any tender offer relating to, any Shares (or equivalent interest, including a unit of beneficial interest in a trust or limited partnership or a depository share) or any security convertible into or exchangeable for the Shares. However, the foregoing shall not (i) limit Counterparty's ability, pursuant to any issuer "plan" (as defined in Rule 10b-18), to re-acquire Shares from employees in connection with such plan or program, (ii) limit Counterparty's ability to withhold Shares to cover tax liabilities associated with such a plan, (iii) prohibit any purchases effected by or for an issuer "plan" by an "agent independent of the issuer" (each as defined in Rule 10b-18), (iv) otherwise restrict Counterparty's or any of its affiliates' ability to repurchase Shares under privately negotiated, off-exchange transactions with any of its employees, officers, directors, affiliates or any third party that are not expected to result in market transactions or (v) limit Counterparty's ability to grant stock and options to "affiliated purchasers" (as defined in Rule 10b-18) or the ability of such affiliated purchasers to acquire such stock or options in connection with any issuer "plan" (as defined in Rule 10b-18) for directors, officers and employees or any agreements with respect to any such plan for directors, officers or employees of any entities that are acquisition targets of Counterparty, and in connection with any such purchase under (i) through (v) above, Counterparty will be deemed to represent to Dealer that such purchase does not constitute a "Rule 10b-18 purchase" (as defined in Rule 10b-18).

(f) Counterparty will not take, or permit to be taken, any action to cause any "restricted period" (as such term is defined in Regulation M promulgated under the Exchange Act ("**Regulation M**")) to occur in respect of Shares or any security with respect to which the Shares are a "reference security" (as such term is defined in Regulation M) during any Unwind Period for any Transaction.

(g) Counterparty shall: (i) prior to the opening of trading in the Shares on any day on which Counterparty makes, or expects to be made, any public announcement (as defined in Rule 165(f) under the Securities Act) of any Merger Transaction during any Unwind Period, notify Dealer of such public announcement; (ii) promptly notify Dealer following any such announcement that such announcement has been made; (iii) promptly (but in any event prior to the next opening of the regular trading session on the Exchange) provide Dealer with written notice specifying (A) Counterparty's average daily Rule 10b-18 purchases (as defined in Rule 10b-18) during the three full calendar months immediately preceding the announcement date for the Merger Transaction that were not effected through Dealer or its affiliates and (B) the number of Shares purchased pursuant to the proviso in Rule 10b-18(b)(4) under the Exchange Act for the three full calendar months preceding such announcement date. Such written notice shall be deemed to be a certification by Counterparty to Dealer that such information is true and correct. In addition, Counterparty shall promptly notify Dealer of the earlier to occur of the completion of such transaction and the completion of the vote by target shareholders. Counterparty acknowledges that any such notice may result in a Regulatory Disruption, a Trading Condition or, if such notice relates to an event that is also an ISDA Event, an Early Valuation, or may affect the length of any ongoing Unwind Period; accordingly,

Counterparty acknowledges that its delivery of such notice must comply with the standards set forth in Section 6(c) of this Master Confirmation.

“Merger Transaction” means any merger, acquisition or similar transaction involving a recapitalization as contemplated by Rule 10b-18(a)(13)(iv) under the Exchange Act. For the avoidance of doubt, a Merger Transaction or the announcement thereof shall not give either party the right to designate an Early Valuation Date for any Transaction and/or to accelerate or preclude an election by Counterparty of Physical Settlement for any Settlement of any Transaction, unless such Merger Transaction or the announcement thereof is also an ISDA Event.

7. Termination on Bankruptcy. The parties hereto agree that, notwithstanding anything to the contrary in the Agreement or the Equity Definitions, each Transaction constitutes a contract to issue a security of Counterparty as contemplated by Section 365(c)(2) of the Bankruptcy Code and that a Transaction and the obligations and rights of Counterparty and Dealer (except for any liability as a result of breach of any of the representations or warranties provided by Counterparty in Section 4 or Section 5 of this Master Confirmation) shall immediately terminate, without the necessity of any notice, payment (whether directly, by netting or otherwise) or other action by Counterparty or Dealer, if, on or prior to the final Settlement Date, Cash Settlement Payment Date or Net Share Settlement Date, as the case may be, for such Transaction an Insolvency Filing occurs or any other proceeding commences with respect to Counterparty under the Bankruptcy Code (a **“Bankruptcy Termination Event”**).

8. Additional Provisions.

(a) Dealer acknowledges and agrees that Counterparty’s obligations under the Transactions are not secured by any collateral and that neither this Master Confirmation nor any Supplemental Confirmation is intended to convey to Dealer rights with respect to the transactions contemplated hereby and by any Supplemental Confirmation that are senior to the claims of common stockholders in any U.S. bankruptcy proceedings of Counterparty; *provided* that nothing herein shall limit or shall be deemed to limit Dealer’s right to pursue remedies in the event of a breach by Counterparty of its obligations and agreements with respect to this Master Confirmation, any Supplemental Confirmation or the Agreement; *provided further* that nothing herein shall limit or shall be deemed to limit Dealer’s rights in respect of any transaction other than the Transactions.

(b) *[Reserved]*

(c) The parties hereto intend for:

(i) each Transaction to be a “securities contract” as defined in Section 741(7) of the Bankruptcy Code, and the parties hereto to be entitled to the protections afforded by, among other Sections, Sections 362(b)(6), 362(b)(27), 362(o), 546(e), 546(j), 555 and 561 of the Bankruptcy Code;

(ii) the rights given to Dealer pursuant to “Early Valuation” in Section 2 of this Master Confirmation to constitute “contractual rights” to cause the liquidation of a “securities contract” and to set off mutual debts and claims in connection with a “securities contract”, as such terms are used in Sections 555 and 362(b)(6) of the Bankruptcy Code;

(iii) any cash, securities or other property provided as performance assurance, credit support or collateral with respect to the Transactions to constitute “margin payments” and “transfers” under a “securities contract” as defined in the Bankruptcy Code;

(iv) all payments for, under or in connection with the Transactions, all payments for Shares and the transfer of Shares to constitute “settlement payments” and “transfers” under a “securities contract” as defined in the Bankruptcy Code; and

(v) any or all obligations that either party has with respect to this Master Confirmation, any Supplemental Confirmation or the Agreement to constitute property held by or due from such party to margin, guaranty or settle obligations of the other party with respect to the transactions under the Agreement (including the Transactions) or any other agreement between such parties.

(d) Notwithstanding any other provision of the Agreement, this Master Confirmation or any Supplemental Confirmation, in no event will Counterparty be required to deliver in the aggregate in respect of all Settlement Dates, Net Share Settlement Dates or other dates on which Shares are delivered in respect of any amount owed under any Transaction a number of Shares greater than two times the Number of Shares for such Transaction as of the Trade Date for such Transaction (the “**Capped Number**”). The Capped Number shall be subject to adjustment only on account of (x) Potential Adjustment Events of the type specified in (1) Sections 11.2(e)(i) through (vi) of the Equity Definitions or (2) Section 11.2(e)(vii) of the Equity Definitions so long as, in the case of this sub-clause (2), such event is within Issuer’s control, and (y) Merger Events requiring corporate action of Issuer (or any surviving entity of the Issuer hereunder in connection with any such Merger Event). Counterparty represents and warrants to Dealer (which representation and warranty shall be deemed to be repeated for all Transactions on each day that any Transaction is outstanding) that the aggregate Capped Number across all Transactions hereunder is equal to or less than the number of authorized but unissued Shares that are not reserved for future issuance in connection with transactions in the Shares (other than the Transactions) on the date of the determination of such aggregated Capped Number. In the event Counterparty shall not have delivered the full number of Shares otherwise deliverable under any Transaction as a result of this Section 8(d) (the resulting deficit for such Transaction, the “**Deficit Shares**”), Counterparty shall be continually obligated to deliver Shares, from time to time until the full number of Deficit Shares have been delivered pursuant to this paragraph, on a pro rata basis across all Transactions hereunder, when, and to the extent that, (A) Shares are repurchased, acquired or otherwise received by Counterparty or any of its subsidiaries after the date hereof (whether or not in exchange for cash, fair value or any other consideration), (B) authorized and unissued Shares reserved for issuance in respect of other transactions prior to such date which prior to the relevant date become no longer so reserved or (C) Counterparty additionally authorizes any unissued Shares that are not reserved for transactions other than the Transactions (such events as set forth in clauses (A), (B) and (C) above, collectively, the “**Share Issuance Events**”). Counterparty shall promptly notify Dealer of the occurrence of any of the Share Issuance Events (including the number of Shares subject to clause (A), (B) or (C) and the

corresponding number of Shares to be delivered for each Transaction) and, as promptly as reasonably practicable, deliver such Shares to Dealer. Counterparty shall not, until Counterparty's obligations under the Transactions have been satisfied in full, use any Shares that become available for potential delivery to Dealer as a result of any Share Issuance Event for the settlement or satisfaction of any transaction or obligation other than the Transactions or reserve any such Shares for future issuance for any purpose other than to satisfy Counterparty's obligations to Dealer under the Transactions.

(e) The parties intend for this Master Confirmation and each Supplemental Confirmation to constitute a "Contract" as described in the letter dated October 6, 2003 submitted on behalf of Goldman, Sachs & Co. to Paula Dubberly of the staff of the Securities and Exchange Commission (the "Staff") to which the Staff responded in an interpretive letter dated October 9, 2003.

(f) The parties intend for each Transaction (taking into account purchases of Shares in connection with any Cash Settlement or Net Share Settlement of any Transaction) to comply with the requirements of Rule 10b5-1(c)(1)(i)(A) under the Exchange Act and for this Master Confirmation and each Supplemental Confirmation to constitute a binding contract or instruction satisfying the requirements of 10b5-1(c) and to be interpreted to comply with the requirements of Rule 10b5-1(c).

(g) Notwithstanding any provisions of the Agreement, all communications relating to the Transactions or the Agreement shall be transmitted to Dealer exclusively in accordance with its contact details for purposes of giving notice in Section 2 of this Master Confirmation.

(h) Counterparty acknowledges that:

(i) during the term of the Transactions, Dealer and its affiliates may buy or sell Shares or other securities or buy or sell options or futures contracts or enter into swaps or other derivative securities in order to establish, adjust or unwind its hedge position with respect to the Transactions;

(ii) Dealer and its affiliates may also be active in the market for the Shares and derivatives linked to the Shares other than in connection with hedging activities in relation to the Transactions, including acting as agent or as principal and for its own account or on behalf of customers;

(iii) Dealer shall make its own determination as to whether, when or in what manner any hedging or market activities in Counterparty's securities shall be conducted and shall do so in a manner that it deems appropriate to hedge its price and market risk with respect to the Forward Price and the Settlement Price for each Transaction;

(iv) any market activities of Dealer and its affiliates with respect to the Shares may affect the market price and volatility of the Shares, as well as the Forward Price and the Settlement Price for each Transaction, each in a manner that may be adverse to Counterparty; and

(v) each Transaction is a derivatives transaction; Dealer may purchase or sell shares for its own account at an average price that may be greater than, or less than, the price received by Counterparty under the terms of the relevant Transaction.

(i) Counterparty and Dealer agree and acknowledge that (A) the Transactions contemplated by this Master Confirmation will be entered into in reliance on the fact that this Master Confirmation and each Supplemental Confirmation hereto form a single agreement between Counterparty and Dealer, and Dealer would not otherwise enter into such Transactions; (B) this Master Confirmation, together with each Supplemental Confirmation hereto, is a "qualified financial contract," as such term is defined in Section 5-701(b)(2) of the General Obligations Law; (C) each Supplemental Confirmation hereto, regardless of whether transmitted electronically or otherwise, constitutes a "confirmation in writing sufficient to indicate that a contract has been made between the parties" hereto, as set forth in Section 5-701(b)(3)(b) of the General Obligations Law; and (D) this Master Confirmation and each Supplemental Confirmation hereto constitute a prior "written contract," as set forth in Section 5-701(b)(1)(b) of the General Obligations Law, and each party hereto intends and agrees to be bound by this Master Confirmation and such Supplemental Confirmation.

(j) Counterparty and Dealer agree that, notwithstanding anything to the contrary herein, upon the execution and delivery of any Supplemental Confirmation relating to a Transaction by Counterparty, each of the representations, warranties, covenants, agreements and other provisions of this Master Confirmation and the Supplemental Confirmation for such Transaction (including, without limitation, Dealer's right to designate an Early Valuation Date in respect of such Transaction pursuant to the provisions opposite the caption "Early Valuation" in Section 2 of this Master Confirmation and the termination of such Transaction following a Bankruptcy Termination Event as described in Section 7 of this Master Confirmation) shall govern, and be applicable to, such Transaction as of the first Trading Day of the Forward Hedge Selling Period for such Transaction as if the Trade Date for such Transaction were such first Trading Day.

(k) Tax Matters.

(i) Payer Tax Representations. For the purpose of Section 3(e) of the Agreement, each of Dealer and Counterparty makes the following representation: It is not required by any applicable law, as modified by the practice of any relevant governmental revenue authority, of any Relevant Jurisdiction to make any deduction or withholding for or on account of any Tax from any payment (other than interest under Section 9(h) of the Agreement) to be made by it to the other party under the Agreement. In making this representation, it may rely on (i) the accuracy of any representations made by the other party pursuant to Section 3(f) of the Agreement, (ii) the satisfaction of the agreement contained in Section 4(a)(i) or Section 4(a)(iii) of the Agreement and the accuracy and effectiveness of any document provided by the other party pursuant to Section 4(a)(i) or Section 4(a)(iii) of the Agreement and (iii) the satisfaction of the agreement of the other party contained in Section 4(d) of the Agreement, except that it will not be a breach of this representation where reliance is placed on clause (ii) above and the other party does not deliver a form or document under Section 4(a)(iii) of the Agreement by reason of material prejudice to its legal or commercial position.

(ii) Change of Account. Section 2(b) of the Agreement is hereby amended by the addition of the following after the word "delivery" in the first line thereof: "to another account in the same legal and tax jurisdiction".

(iii) "Tax" as used in this clause (k) and "Indemnifiable Tax" as defined in Section 14 of the Agreement shall not include (A) any tax imposed or collected pursuant to Sections 1471 through 1474 of the Code, any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code (a "**FATCA Withholding Tax**") and (B) any tax imposed or collected pursuant to Section 871(m) of the Code or any current or future regulations or official interpretation thereof (a "**Section 871(m) Withholding Tax**"). For the avoidance of doubt, each of a FATCA Withholding Tax and a Section 871(m) Withholding Tax is a Tax the deduction or withholding of which is required by applicable law for purposes of Section 2(d) of the Agreement.

9. **Indemnification.** Counterparty agrees to indemnify and hold harmless Dealer, its affiliates and their respective directors, officers, employees, and controlling persons (Dealer and each such person being an "**Indemnified Party**") from and against any and all losses (excluding, for the avoidance of doubt, financial losses resulting from the economic terms of the Transactions), claims, damages and liabilities (or actions in respect thereof), joint or several, incurred by or asserted against such Indemnified Party which arise out of, are in connection with, or relate to any breach of any covenant or representation made by Counterparty in this Master Confirmation and any Supplemental Confirmation. In addition, Counterparty will reimburse any Indemnified Party for all reasonable expenses (including reasonable counsel fees and expenses) as they are incurred in connection with the investigation of, preparation for or defense or settlement of any pending or threatened claim covered by this Section 9 or any action, suit or proceeding arising therefrom, whether or not such Indemnified Party is a party thereto and whether or not such claim, action, suit or proceeding is initiated or brought by or on behalf of Counterparty. Counterparty will not be liable under the foregoing indemnification provision to the extent that any loss, claim, damage, liability or expense is found in a nonappealable judgment by a court of competent jurisdiction to have resulted from Dealer's breach of any covenant or representation, willful misconduct, gross negligence or bad faith in performing the services that are subject of the Transactions. If for any reason the foregoing indemnification is unavailable to any Indemnified Party or insufficient to hold harmless any Indemnified Party, then Counterparty shall contribute, to the maximum extent permitted by law, to the amount paid or payable by the Indemnified Party as a result of such loss, claim, damage or liability. Counterparty also agrees that no Indemnified Party shall have any liability to Counterparty or any person asserting claims on behalf of or in right of Counterparty in connection with or as a result of any matter referred to in this Master Confirmation and any Supplemental Confirmation except to the extent that any losses, claims, damages, liabilities or expenses incurred by Counterparty result from the gross negligence, willful misconduct or bad faith of the Indemnified Party. The provisions of this Section 9 shall survive the completion of the Transactions contemplated by this Master Confirmation and any Supplemental Confirmation and any assignment and/or delegation of the Transactions made pursuant to the Agreement, this Master Confirmation or any Supplemental Confirmation shall inure to the benefit of any permitted assignee of Dealer. For the avoidance of doubt, any payments due as a result of this provision may not be used to set off any obligation of Dealer upon settlement of the Transactions.

10. **Beneficial Ownership.** Notwithstanding anything to the contrary in the Agreement, this Master Confirmation or any Supplemental Confirmation, in no event shall Dealer be entitled to receive, or be deemed to receive, or have the “right to acquire” (within the meaning of NYSE Rule 312.04(g)) Shares to the extent that, upon such receipt of such Shares, (i) the “beneficial ownership” (within the meaning of Section 13 of the Exchange Act and the rules promulgated thereunder) of Shares by Dealer, any of its affiliates’ business units subject to aggregation with Dealer for purposes of the “beneficial ownership” test under Section 13 of the Exchange Act and all persons who may form a “group” (within the meaning of Rule 13d-5(b)(1) under the Exchange Act) with Dealer with respect to “beneficial ownership” of any Shares (collectively, “**Dealer Group**”) would be equal to or greater than the lesser of (x) 4.5% of the outstanding Shares (such condition, an “**Excess Section 13 Ownership Position**”), and (y) 4.9% of the outstanding Shares as of the Trade Date for any Transaction (such number of Shares, the “**Threshold Number of Shares**” and such condition, the “**Excess NYSE Ownership Position**”) or (ii) Dealer, Dealer Group or any person whose ownership position would be aggregated with that of Dealer or Dealer Group (Dealer, Dealer Group or any such person, a “**Dealer Person**”) under Section 203 of the Delaware General Corporation Law or any state or federal bank holding company or banking laws, or any federal, state or local laws, regulations or regulatory orders (including, without limitation, the Federal Power Act) applicable to ownership of Shares (“**Applicable Laws**”), would own, beneficially own, constructively own, control, hold the power to vote or otherwise meet a relevant definition of ownership in excess of a number of Shares equal to (x) the lesser of (A) the maximum number of Shares that would be permitted under Applicable Laws and (B) the number of Shares that would give rise to reporting or registration obligations or other requirements (including obtaining prior approval by a state or federal regulator) of a Dealer Person under Applicable Laws and with respect to which such requirements have not been met or the relevant approval has not been received or that would give rise to any consequences under the constitutive documents of Counterparty or any contract or agreement to which Counterparty is a party, in each case *minus* (y) 1% of the number of Shares outstanding on the date of determination (such condition described in clause (ii), an “**Excess Regulatory Ownership Position**”). Dealer shall notify Counterparty promptly if, at any time, an Excess Section 13 Ownership Position, an Excess NYSE Ownership Position or an Excess Regulatory Ownership Position has occurred or would occur as a result of a delivery by Counterparty to Dealer. If any delivery owed to Dealer under any Transaction is not made, in whole or in part, as a result of this provision, (i) Counterparty’s obligation to make such delivery shall not be extinguished and Counterparty shall make such delivery as promptly as practicable after, but in no event later than one Exchange Business Day after, Dealer gives notice to Counterparty that such delivery would not result in (x) Dealer Group directly or indirectly so beneficially owning in excess of the lesser of (A) 4.5% of the outstanding Shares and (B) the Threshold Number of Shares or (y) the occurrence of an Excess Regulatory Ownership Position and (ii) if such delivery relates to a Physical Settlement of any Transaction, notwithstanding anything to the contrary herein, Dealer shall not be obligated to satisfy the portion of its payment obligation with respect to such Transaction corresponding to any Shares required to be so delivered until the date Counterparty makes such delivery.

11. Non-Confidentiality. The parties hereby agree that (i) effective from the date of commencement of discussions concerning the Transactions, Counterparty and each of its employees, representatives, or other agents may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the Transactions and all materials of any kind, including opinions or other tax analyses, provided by Dealer and its affiliates to Counterparty relating to such tax treatment and tax structure; *provided* that the foregoing does not constitute an authorization to disclose the identity of Dealer or its affiliates, agents or advisers, or, except to the extent relating to such tax structure or tax treatment, any specific pricing terms or commercial or financial information, and (ii) Dealer does not assert any claim of proprietary ownership in respect of any description contained herein or therein relating to the use of any entities, plans or arrangements to give rise to a particular U.S. federal income tax treatment for Counterparty.

12. Restricted Shares. If Counterparty is unable to comply with the covenant of Counterparty contained in the portion of Section 6(a) of this Master Confirmation from and including clause (ii) to and including the penultimate sentence thereof or Dealer otherwise determines in its reasonable opinion that any Shares to be delivered to Dealer by Counterparty under any Transaction may not be freely returned by Dealer to securities lenders as described in the covenant of Counterparty contained in Section 6(a) of this Master Confirmation, then delivery of any such Settlement Shares (the “**Unregistered Settlement Shares**”) shall be effected pursuant to Annex A hereto, unless waived by Dealer.

13. Use of Shares. Dealer acknowledges and agrees that, except in the case of a Private Placement Settlement (as defined in Annex A hereto), Dealer shall use any Shares delivered by Counterparty to Dealer on any Settlement Date to return to securities lenders to close out borrowings created by Dealer in connection with its hedging activities related to exposure under the Transactions or otherwise in compliance with applicable law.

14. Rule 10b-18. In connection with bids and purchases of Shares in connection with any Net Share Settlement or Cash Settlement of any Transaction or any corresponding settlement of any other issuer forward or similar transaction with Dealer, Dealer shall use commercially reasonable efforts to conduct its activities, or cause its affiliates to conduct their activities, in a manner consistent with the requirements of the safe harbor provided by Rule 10b-18 under the Exchange Act, as if such provisions were applicable to such purchases and taking into account any applicable Securities and Exchange Commission no-action letters as appropriate, and subject to any delays between the execution and reporting of a trade of the Shares on the Exchange and other circumstances beyond Dealer’s control.

15. Governing Law. Notwithstanding anything to the contrary in the Agreement, the Agreement, this Master Confirmation, any Supplemental Confirmation, any Pricing Report and all matters arising in connection with the Agreement, this Master Confirmation, any Supplemental Confirmation or any Pricing Report, including any claim, controversy or dispute arising hereunder or thereunder or relating hereto or thereto, shall be governed by, and shall be construed and enforced in accordance with, the laws of the State of New York (without reference to its choice of laws doctrine other than Title 14 of Article 5 of the New York General Obligations Law).

16. Set-Off. Each party waives any and all rights it may have to set-off delivery or payment obligations it owes to the other party under any Transaction against any delivery or payment obligations owed to it by the other party, whether arising under the Agreement, under any other agreement between parties hereto, by operation of law or otherwise.

17. Staggered Settlement. Notwithstanding anything to the contrary herein, Dealer may, by prior notice to Counterparty, satisfy its obligation to deliver any Shares or other securities on any date due (an “**Original Delivery Date**”) by making separate deliveries of Shares or such securities, as the case may be, at more than one time on or prior to such Original Delivery Date, so long as the aggregate number of Shares and other securities so delivered on or prior to such Original Delivery Date is equal to the number required to be delivered on such Original Delivery Date.

18. Waiver of Trial by Jury. EACH OF COUNTERPARTY AND DEALER HEREBY IRREVOCABLY WAIVES (ON ITS OWN BEHALF AND, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ON BEHALF OF ITS STOCKHOLDERS) ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THE TRANSACTION OR THE ACTIONS OF DEALER OR ITS AFFILIATES IN THE NEGOTIATION, PERFORMANCE OR ENFORCEMENT HEREOF.

19. Jurisdiction. The parties hereto irrevocably submit to the exclusive jurisdiction of the courts of the State of New York and the United States District Court located in the Borough of Manhattan in New York City in connection with any suit, action, proceeding, dispute or other matter relating to the Agreement, this Master Confirmation, any Supplemental Confirmation or any Pricing Report and waive any objection to the laying of venue in, and any claim of inconvenient forum with respect to, these courts.

20. Transfer and Assignment; Designation by Dealer.

(a) Notwithstanding any provision of the Agreement to the contrary, Dealer may assign, transfer and set over all rights, title and interest, powers, privileges and remedies of Dealer under any Transaction, in whole or part, to an affiliate of Dealer without the consent of Counterparty; *provided* that (i) at the time of assignment or transfer, such affiliate or its guarantor, if any, has creditworthiness that is equivalent to or better than that of Dealer, (ii) no Event of Default, Potential Event of Default or Termination Event with respect to which Dealer or such affiliate is the Defaulting Party or an Affected Party, as the case may be, exists or would result therefrom, (iii) no event, circumstance or similar condition giving rise to a right or responsibility to designate an Early Valuation Date or otherwise terminate or cancel the Transaction or to make an adjustment to the terms of the Transaction would result therefrom, and (iv) Counterparty shall not, nor is there a material likelihood that it would, as a result of such assignment or transfer (A) be required to pay to Dealer or such affiliate an additional amount in respect of any Tax, (B) receive a payment from which an amount is required to be deducted or withheld for or on account of a Tax as to which no additional amount is required to be paid, (C) otherwise be subject to materially adverse tax consequences, (D) become subject to the jurisdiction of any state or country other than the United States of America or (E) become subject to any regulatory requirements with respect to clearing or margin for uncleared swaps.

(b) Notwithstanding any other provision in this Master Confirmation or any Supplemental Confirmation to the contrary, the following Dealer to purchase, sell, receive or deliver any Shares or other securities to or from Counterparty, Dealer may designate any of its affiliates to purchase, sell, receive or deliver such Shares or other securities and otherwise to perform Dealer's obligations in respect of any Transaction, and any such designee may assume such obligations. Dealer shall be discharged of its obligations to Counterparty only to the extent of any such performance.

21. Counterparts.

(a) This Master Confirmation may be executed in any number of counterparts, all of which shall constitute one and the same instrument, and any party hereto may execute this Master Confirmation by signing and delivering one or more counterparts. Counterparts may be delivered via facsimile, electronic mail (including any electronic signature covered by the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act, the Electronic Signatures and Records Act or other applicable law, e.g., DocuSign and AdobeSign (any such signature, an "Electronic Signature")) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. The words "execution," "signed," "signature" and words of like import in this Master Confirmation or in any other certificate, agreement or document related to this Master Confirmation shall include any Electronic Signature, except to the extent electronic notices are expressly prohibited under this Master Confirmation or the Agreement.

(b) Notwithstanding anything to the contrary in the Agreement, either party may deliver to the other party a notice relating to any Event of Default or Termination Event under this Master Confirmation by email.

22. Delivery of Cash. For the avoidance of doubt, nothing in this Master Confirmation or any Supplemental Confirmation shall be interpreted as requiring Counterparty to deliver cash or other assets in respect of the settlement of the Transactions, except in circumstances where the required cash or other asset settlement thereof is permitted for classification of the contract as equity by ASC 815-40, *Derivatives and Hedging — Contracts in Entity's Own Equity*, as in effect on the date hereof.

23. Adjustments. For the avoidance of doubt, whenever the Calculation Agent, the Hedging Party or the Determining Party is called upon to make an adjustment pursuant to the terms of this Master Confirmation, any Supplemental Confirmation or the Equity Definitions to take into account the effect of an event, the Calculation Agent, the Hedging Party or the Determining Party, as applicable, shall make such adjustment by reference to the effect of such event on the Hedging Party, assuming that the Hedging Party maintains a commercially reasonable hedge position at the time of the event.

24. Other Forward and Similar Dealer Transactions. Dealer acknowledges that Counterparty has entered or may enter in the future into one or more substantially similar forward transactions for the Shares (each, an “**Other Forward**” and collectively, the “**Other Forwards**”) with one or more dealers (each, an “**Other Dealer**” and collectively, the “**Other Dealers**”). Dealer and Counterparty agree that if Counterparty designates a “Settlement Date” with respect to one or more Other Forwards for which “Cash Settlement” or “Net Share Settlement” is applicable, and the resulting “Unwind Period” for such Other Forwards coincides for any period of time with an Unwind Period for the Transaction (the “**Overlap Unwind Period**”), Counterparty shall notify Dealer at least one Scheduled Trading Day prior to the commencement of such Overlap Unwind Period of the first Scheduled Trading Day and length of such Overlap Unwind Period, and Dealer shall be permitted to purchase Shares to unwind its hedge in respect of the Transaction only on alternating Scheduled Trading Days during such Overlap Unwind Period, commencing on the first, second, third or later Scheduled Trading Day of such Overlap Unwind Period, as notified to Dealer by Counterparty at least one Scheduled Trading Day prior to such Overlap Unwind Period (which alternating Scheduled Trading Days, for the avoidance of doubt, may be every other Scheduled Trading Day if there is only one Other Dealer, every third Scheduled Trading Day if there are two Other Dealers, etc.).

25. [No Insurance or Guaranty]. Counterparty understands, agrees and acknowledges that no obligations of Dealer to it hereunder shall be entitled to the benefit of deposit insurance and that such obligations shall not be guaranteed by any affiliate of Dealer or any governmental agency.]

26. [Wall Street Transparency and Accountability Act]. In connection with Section 739 of the Wall Street Transparency and Accountability Act of 2010 (“WSTAA”), the parties hereby agree that neither the enactment of WSTAA or any regulation under the WSTAA, nor any requirement under WSTAA or an amendment made by WSTAA, shall limit or otherwise impair either party’s otherwise applicable rights to terminate, renegotiate, modify, amend or supplement this Master Confirmation or the Agreement, as applicable, arising from a termination event, force majeure, illegality, increased costs, regulatory change or similar event under this Master Confirmation, the Equity Definitions incorporated herein or the Agreement (including, but not limited to, rights arising from an Increased Cost of Stock Borrow, any condition described in clause (i) of Section 10 of this Master Confirmation, an Excess Regulatory Ownership Position, an Illegality, or other event, circumstance or similar condition giving rise to a right or responsibility to designate an Early Valuation Date or otherwise terminate or cancel the Transaction or to make an adjustment to the terms of the Transaction (as defined in the Agreement)).]

27. [Payee Representations and Tax Documents to be Delivered].

(a) *Dealer*. For the purpose of Section 3(f) of the Agreement, Dealer makes the following representation: [to be provided by Dealer]. For the purpose of Section 4(a)(i) and 4(a)(ii) of the Agreement, Dealer agrees to deliver a completed and accurate U.S. Internal Revenue Service Form [to be provided by Dealer] (or successor form), completed in a manner reasonably acceptable to Counterparty, upon execution and delivery of this Master Confirmation, promptly upon reasonable demand by Counterparty and promptly upon learning that any such form previously delivered by Dealer has become [obsolete] [inaccurate] or incorrect.]

(b) *Counterparty*. For the purpose of Section 3(f) of the Agreement, Counterparty makes the following representation: Counterparty is a corporation established under the laws of the State of Delaware and is a “U.S. person” (as that term is used in Section 1.1441-4(a)(3)(ii) of the United States Treasury Regulations) for United States federal income tax purposes. For the purpose of Section 4(a)(i) and 4(a)(ii) of the Agreement, Counterparty agrees to deliver a completed and accurate U.S. Internal Revenue Service Form W-9 (or successor form) [, completed in a manner reasonably acceptable to Dealer,] upon execution and delivery of this Master Confirmation, promptly upon reasonable demand by Dealer and promptly upon learning that any such form previously delivered by Counterparty has become [obsolete] [inaccurate] or incorrect.

(c) For the purpose of Section 4(a)(i) and 4(a)(ii) of the Agreement, each of Dealer and Counterparty agree to deliver any other form or document that may be required by the other party in order to allow such party to make a payment under this Master Confirmation without any deduction or withholding for or on account of any tax or with such deduction or withholding at a reduced rate. In each case, such form or document shall be completed accurately and in a manner reasonably acceptable to the other party and shall be delivered promptly upon reasonable demand by the other party and promptly upon learning that any such form or document previously delivered by it has become [obsolete] [inaccurate] or incorrect.]

28. EMIR Portfolio Reconciliation and NFC Representation Protocols.

(a) *2013 EMIR Portfolio Reconciliation, Dispute Resolution and Disclosure Protocol*. The parties agree that the terms of the Attachment to the 2013 EMIR Portfolio Reconciliation, Dispute Resolution and Disclosure Protocol published by ISDA on July 19, 2013 (“Protocol”) apply to the Agreement as if the parties had adhered to the Protocol without amendment. In respect of the Attachment to the Protocol, (i) the definition of “Adherence Letter” shall be deemed to be deleted and references to “Adherence Letter” shall be deemed to be to this clause (a) (and references to “such party’s Adherence Letter” and “its Adherence Letter” shall be read accordingly), (ii) references to “adheres to the Protocol” shall be deemed to be “enters into the Agreement”, (iii) references to “Protocol Covered Agreement” shall be deemed to be references to the Agreement (and each “Protocol Covered Agreement” shall be read accordingly), and (iv) references to “Implementation Date” shall be deemed to be references to the date of this Master Confirmation. For the purposes of this clause (a):

(i) Dealer is a Portfolio Data Sending Entity and Counterparty is a Portfolio Data Receiving Entity.

(ii) Dealer and Counterparty may use a Third Party Service Provider, and each of Dealer and Counterparty consents to such use, including the communication of the relevant data in relation to Dealer and Counterparty to such Third Party Service Provider for the purposes of the reconciliation services provided by such entity.

(iii) The Local Business Days for such purposes in relation to Dealer are [to be provided by Dealer] and, in relation to Counterparty, are [to be provided by Counterparty].

(iv) The provisions in this paragraph shall survive the termination of this Master Confirmation.

(v) The following are the applicable email addresses:

Portfolio Data:

Dealer:

Counterparty:

Notice of discrepancy:

Dealer:

Counterparty:

Dispute Notice:

Dealer:

Counterparty:

(b) *NFC Representation Protocol*. The parties agree that the provisions set out in the Attachment to the ISDA 2013 EMIR NFC Representation Protocol published by ISDA on March 8, 2013 (the “NFC Representation Protocol”) shall apply to the Agreement as if each party were an Adhering Party under the terms of the NFC Representation Protocol. In respect of the Attachment to the Protocol, (i) the definition of “Adherence Letter” shall be deemed to be deleted and references to “Adherence Letter” shall be deemed to be to this clause (b) (and references to “the relevant Adherence Letter” and “its Adherence Letter” shall be read accordingly), (ii) references to “adheres to the Protocol” shall be “enters into the Agreement”, (iii) references to “Covered Master Agreement” shall be deemed to be references to the Agreement (and each “Covered Master Agreement” shall be read accordingly), and (iv) references to “Implementation Date” shall be deemed to be references to the date of this Master Confirmation. Counterparty confirms that it enters into this Master Confirmation as a party making the NFC Representation (as such term is defined in the NFC Representation Protocol). Counterparty shall promptly send any required notification under the NFC Representation Protocol to Dealer [(with a copy to [to be provided by Dealer]]].

29. [Transaction Reporting – Consent for Disclosure of Information].

Notwithstanding anything to the contrary herein or in the Agreement or any non-disclosure, confidentiality or other agreements entered into between the parties from time to time, each party hereby consents to the Disclosure of information (the “**Reporting Consent**”):

- (i) to the extent required by, or necessary in order to comply with, any applicable law, rule or regulation which mandates Disclosure of transaction and similar information or to the extent required by, or necessary in order to comply with, any order, request or directive regarding Disclosure of transaction and similar information issued by any relevant authority or body or agency (“**Reporting Requirements**”); or

- (ii) to and between the other party's head office, branches or affiliates; to any person, agent, third party or entity who provides services to such other party or its head office, branches or affiliates; to a Market; or to any trade data repository or any systems or services operated by any trade repository or Market, in each case, in connection with such Reporting Requirements.

"Disclosure" means disclosure, reporting, retention, or any action similar or analogous to any of the aforementioned.

"Market" means any exchange, regulated market, clearing house, central clearing counterparty or multilateral trading facility.

Disclosures made pursuant to this Reporting Consent may include, without limitation, Disclosure of information relating to disputes over transactions between the parties, a party's identity and certain transaction and pricing data and may result in certain anonymous information becoming available to the public or to recipients in a jurisdiction which may have a different level of protection for personal data from that of the relevant party's home jurisdiction.

This Reporting Consent shall be deemed to constitute an agreement between the parties with respect to Disclosure in general and shall survive the termination of this Master Confirmation. No amendment to or termination of this Reporting Consent shall be effective unless such amendment or termination is made in writing between the parties and specifically refers to this Reporting Consent.]

30. [Contractual Recognition of Bail-In (United Kingdom)].

(a) Notwithstanding anything to the contrary in the Agreement or in any other agreement, arrangement or understanding among the parties, each party acknowledges and accepts that liabilities arising under the Agreement (other than Excluded Liabilities) may be subject to the exercise of the UK Bail-in Power by the relevant resolution authority and agrees and consents to, and acknowledges and accepts to be bound by, any Bail-in Action and the effects thereof (including any variation, modification and/or amendment to the terms of the Agreement as may be necessary to give effect to any such Bail-in Action), which if the Bail-in Termination Amount is payable by the BRRD Party to the Creditor Counterparty may include, without limitation:

- (i) a reduction, in full or in part, of the Bail-in Termination Amount; and/or
- (ii) a conversion of all, or a portion of, the Bail-in Termination Amount into shares or other instruments of ownership, in which case the Creditor Counterparty acknowledges and accepts that any such shares or other instruments of ownership may be issued to or conferred upon it as a result of the Bail-in Action.

(b) Each party acknowledges and accepts that this provision is exhaustive on the matters described herein to the exclusion of any other agreements, arrangements or understanding between the parties relating to the subject matter of the Agreement and that no further notice shall be required between the parties pursuant to the Agreement in order to give effect to the matters described herein.

(c) The acknowledgements and acceptances contained in clauses (a) and (b) above will not apply if:

- (i) the relevant resolution authority determines that the liabilities arising under the Agreement may be subject to the exercise of the UK Bail-in Power pursuant to the law of a third country governing such liabilities or a binding agreement concluded with such third country and in either case the UK Regulations have been amended to reflect such determination; and/or
 - (ii) the UK Regulations have been repealed or amended in such a way as to remove the requirement for either party to give or obtain the acknowledgements and acceptances contained in paragraphs (a) and (b).
- (d) Definitions.

“Bail-in Action” means the exercise of the UK Bail-in Power by the relevant resolution authority in respect of any transaction under the Agreement.

“Bail-in Termination Amount” means the early termination amount or early termination amounts (howsoever described), together with any accrued but unpaid interest thereon, in respect of all transactions (or if the Bail-in Action is exercised only with respect to transactions in one or more netting sets, all transactions relating to such netting set(s), as applicable) under the Agreement (before, for the avoidance of doubt, any such amount is written down or converted by the relevant resolution authority).

“BRRD” means Article 55 of Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms.

“BRRD Party” means the party in respect of which the UK Bail-in Power has been exercised by the relevant resolution authority.

“Creditor Counterparty” means the party which is not the BRRD Party.

“Excluded Liabilities” means liabilities excluded from the scope of the contractual recognition of bail-in requirement pursuant to the UK Regulations.

“UK Bail-in Power” means any write-down or conversion power existing from time to time (including, without limitation, any power to amend or alter the maturity of eligible liabilities of an institution under resolution or amend the amount of interest payable under such eligible liabilities or the date on which interest becomes payable, including by suspending payment for a temporary period) under, and exercised in compliance with, the UK Regulations.

“UK Regulations” means any laws, regulations, rules or requirements in effect in the United Kingdom relating to the transposition of the BRRD as amended from time to time, including but not limited to, the Banking Act 2009 as amended from time to time, and the instruments, rules and standards created thereunder, pursuant to which the obligations of a regulated entity (or other affiliate of a regulated entity) can be reduced (including to zero), cancelled or converted into shares, other securities, or other obligations of such regulated entity or any other person.

A reference to a “regulated entity” is to any BRRD Undertaking as such term is defined under the PRA Rulebook promulgated by the United Kingdom Prudential Regulation Authority or to any person falling within IFPRU 11.6, of the FCA Handbook promulgated by the United Kingdom Financial Conduct Authority, both as amended from time to time, which includes certain credit institutions, investment firms, and certain of their parent or holding companies.]

[ISDA 2016 Bail-in Art 55 BRRD Protocol. The parties agree that the terms of the Attachment to the ISDA 2016 Bail-in Art 55 BRRD Protocol published by ISDA (“**BRRD Protocol**”) apply to the Agreement (which shall, for these purposes, be deemed to be a “Protocol Covered Agreement”) as if the parties had each adhered to the BRRD Protocol without amendment, with an Implementation Date of January 1, 2016.]

31. [Special Resolution Regime Termination Right.

(a) Upon the occurrence of a Crisis Prevention Measure, Crisis Management Measure or a Recognised Third-Country Resolution Action (each as defined in section 48Z(1) of the UK Banking Act 2009) and/or any Bail-in Action in relation to Dealer, Counterparty shall be entitled to exercise termination rights under, or rights to enforce its rights, in connection with the Agreement, to the extent that it would be entitled to do so under the Special Resolution Regime (as defined in the UK Banking Act 2009) if the Agreement were governed by the laws of any part of the United Kingdom.

(b) For the purposes of clause (a) above, Section 48Z of the U.K. Banking Act 2009 is to be disregarded to the extent that it relates to a Crisis Prevention Measure other than the making of a “mandatory reduction instrument” by the Bank of England under section 6B of the U.K. Banking Act 2009.]

32. [Capacity of Dealer. The parties acknowledge and agree that Dealer is not a U.S. registered broker-dealer, and that its participation in the Agreement and any Transaction is pursuant and subject to Rule 15a-6. The parties acknowledge and agree that Dealer’s U.S. registered broker-dealer affiliate, [to be provided by Dealer] (its “**U.S. Affiliate**”), will act as Dealer’s chaperone for purposes of the activities contemplated in the Agreement, and that any reference to any obligation of Dealer in the Agreement, shall, to the extent that such obligations are required to be carried out by a registered broker or dealer under Rule 15a-6, be deemed to be a requirement that Dealer procure that U.S. Affiliate perform such obligations. Such obligations include but are not limited to effecting transactions, issuing confirmations, maintaining books and records, participating in oral communications, and obtaining certain representations and consents.]

33. [[To be Provided by Dealer] as Agent. Dealer has appointed as its agent its indirect wholly-owned subsidiary, the Agent, for purposes of conducting on the Dealer's behalf, a business in privately negotiated transactions in options and other derivatives. You hereby are advised that Dealer, the principal and stated counterparty in such transactions, has duly authorized the Agent to market, structure, negotiate, document, price, execute and hedge transactions in over-the-counter derivative products. The Agent has full, complete and unconditional authority to undertake such activities on behalf of Dealer. The Agent acts solely as agent and has no obligation, by way of issuance, endorsement, guarantee or otherwise, with respect to the performance of either party under this Master Confirmation or any Supplemental Confirmation. None of the Transactions is insured or guaranteed by the Agent.] .

34. [The parties agree and acknowledge that (i) [to be provided by Dealer] (the "**Agent**"), an affiliate of Dealer, has acted solely as agent and not as principal with respect to each Transaction hereunder and (ii) the Agent has no obligation or liability, by way of guaranty, endorsement or otherwise, in any manner in respect of any Transaction hereunder (including, if applicable, in respect of the settlement thereof). Each party agrees it will look solely to the other party (or any guarantor in respect thereof) for performance of such other party's obligations under each Transaction hereunder.]

35. [U.S. Stay Regulations.] To the extent that the QFC Stay Rules are applicable hereto, then the parties acknowledge that (i) both parties have adhered to the 2018 ISDA U.S. Resolution Stay Protocol (the "**Protocol**"), and agree that the terms of the Protocol are incorporated into and form a part of this Master Confirmation, and for such purposes this Master Confirmation shall be deemed a Protocol Covered Agreement and each party shall be deemed to have the same status as "Regulated Entity" and/or "Adhering Party" as applicable to it under the Protocol. In the event of any inconsistencies between this Master Confirmation and the terms of the Protocol, the Bilateral Agreement or the Bilateral Terms (the "**QFC Stay Terms**"), the QFC Stay Terms will govern. Terms used in this paragraph without definition shall have the meanings assigned to them under the QFC Stay Rules. For purposes of this paragraph, references to "this Master Confirmation" include any related credit enhancements entered into between the parties or provided by one to the other. In addition, the parties agree that the terms of this paragraph shall be incorporated into any related covered affiliate credit enhancements, with all references to Dealer replaced by references to the covered affiliate support provider.

"**QFC Stay Rules**" mean the regulations codified at 12 C.F.R. 252.2, 252.81-8, 12 C.F.R. 382.1-7 and 12 C.F.R. 47.1-8, which, subject to limited exceptions, require an express recognition of the stay-and-transfer powers of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and the Orderly Liquidation Authority under Title II of the Dodd Frank Wall Street Reform and Consumer Protection Act and the override of default rights related directly or indirectly to the entry of an affiliate into certain insolvency proceedings and any restrictions on the transfer of any covered affiliate credit enhancements.

Counterparty hereby agrees (a) to check this Master Confirmation carefully and promptly upon receipt so that errors or discrepancies can be promptly identified and rectified and (b) to confirm that the foregoing (in the exact form provided by Dealer) correctly sets forth the terms of the agreement between Dealer and Counterparty hereunder, by signing this Master Confirmation or this page hereof as evidence of agreement to such terms and providing the other information requested herein and promptly returning an executed copy to us.

Yours faithfully,

[DEALER][, By its Agent]

By: _____

Name:

Title:

Agreed and accepted by:

NISOURCE INC.

By: _____

Name:

Title:

PRIVATE PLACEMENT PROCEDURES

If Counterparty delivers Unregistered Settlement Shares pursuant to Section 12 above (a “**Private Placement Settlement**”), then:

(a) all Unregistered Settlement Shares shall be delivered to Dealer (or any affiliate of Dealer designated by Dealer) pursuant to the exemption from the registration requirements of the Securities Act provided by Section 4(a)(2) thereof;

(b) as of or prior to the date of delivery, Dealer and any potential purchaser of any such shares from Dealer (or any affiliate of Dealer designated by Dealer) identified by Dealer shall be afforded a commercially reasonable opportunity to conduct a due diligence investigation with respect to Counterparty customary in scope for private placements of equity securities of similar size by issuers of comparable size to Counterparty and in the same industry as Counterparty (including, without limitation, the right to have made available to them for inspection all financial and other records, pertinent corporate documents and other information reasonably requested by them); *provided* that prior to receiving or being granted access to any such information, Dealer, such affiliate of Dealer or such potential purchaser, as the case may be, may be required by Counterparty to enter into a customary nondisclosure agreement with Counterparty in respect of any such due diligence investigation;

(c) as of the date of delivery, Counterparty shall enter into an agreement (a “**Private Placement Agreement**”) with Dealer (or any affiliate of Dealer designated by Dealer) in connection with the private placement of such shares by Counterparty to Dealer (or any such affiliate) and the private resale of such shares by Dealer (or any such affiliate), substantially similar to private placement purchase agreements customary for private placements of equity securities of similar size by issuers of comparable size to Counterparty and in the same industry as Counterparty, in form and substance commercially reasonably satisfactory to Dealer, which Private Placement Agreement shall include, without limitation, provisions substantially similar to those contained in such private placement purchase agreements relating, without limitation, to the indemnification of, and contribution in connection with the liability of, Dealer and its affiliates and obligations to use best efforts to obtain customary opinions, accountants’ comfort letters and lawyers’ negative assurance letters, and shall provide for the payment by Counterparty of all commercially reasonable and documented fees and expenses in connection with such resale, including all commercially reasonable and documented fees and expenses of outside counsel for Dealer, and shall contain representations, warranties, covenants and agreements of Counterparty reasonably necessary or advisable to establish and maintain the availability of an exemption from the registration requirements of the Securities Act for such resales; and

(d) in connection with the private placement of such shares by Counterparty to Dealer (or any such affiliate) and the private resale of such shares by Dealer (or any such affiliate), Counterparty shall, if so requested by Dealer, prepare, in cooperation with Dealer, a private placement memorandum in form and substance reasonably satisfactory to Dealer.

In the case of a Private Placement Settlement, Dealer shall, in its good faith discretion, adjust the amount of Unregistered Settlement Shares to be delivered to Dealer hereunder in a commercially reasonable manner to reflect the fact that such Unregistered Settlement Shares may not be freely returned to securities lenders by Dealer and may only be saleable by Dealer at a discount to reflect the lack of liquidity in Unregistered Settlement Shares.

If Counterparty delivers any Unregistered Settlement Shares in respect of a Transaction, Counterparty agrees that (i) such Shares may be transferred by and among Dealer and its affiliates and (ii) after the minimum "holding period" within the meaning of Rule 144(d) under the Securities Act has elapsed after the applicable Settlement Date, Counterparty shall promptly remove, or cause the transfer agent for the Shares to remove, any legends referring to any transfer restrictions from such Shares upon delivery by Dealer (or such affiliate of Dealer) to Counterparty or such transfer agent of seller's and broker's representation letters customarily delivered by Dealer or its affiliates in connection with resales of restricted securities pursuant to Rule 144 under the Securities Act, each without any further requirement for the delivery of any certificate, consent, agreement, opinion of counsel, notice or any other document, any transfer tax stamps or payment of any other amount or any other action by Dealer (or such affiliate of Dealer).

Annex A-2

EXHIBIT A

SUPPLEMENTAL CONFIRMATION

To: NiSource Inc.
From: [Dealer]
Re: Issuer Share Forward Sale Transaction
Ref. No: []
Date: [], 20[]

Ladies and Gentlemen:

The purpose of this Supplemental Confirmation is to confirm the terms and conditions of the Transaction entered into between [] (“**Dealer**”) and NiSource Inc. (“**Counterparty**”) (together, the “**Contracting Parties**”) as of the date hereof. This Supplemental Confirmation is a binding contract between Dealer and Counterparty as of the date hereof.

1. This Supplemental Confirmation supplements, forms part of, and is subject to the Master Confirmation, dated as of February 22, 2024 (the “**Master Confirmation**”), between the Contracting Parties, as amended and supplemented from time to time. All provisions contained in the Master Confirmation govern this Supplemental Confirmation except as expressly modified below.

2. The terms of the Transaction to which this Supplemental Confirmation relates are as follows:

Trade Date:	As specified by Dealer in a pricing report to be furnished by Dealer to Counterparty promptly after the end of the Forward Hedge Selling Period (the “ Pricing Report ”)
Effective Date:	As specified by Dealer in the Pricing Report
Maturity Date:	As specified by Dealer in the Pricing Report, being the same day of the [] month after [the Trade Date]
Forward Hedge Selling Period:	As specified by Dealer in the Pricing Report
Number of Shares:	As specified by Dealer in the Pricing Report
Initial Forward Price:	As specified by Dealer in the Pricing Report
Forward Hedge Selling Commission Rate:	[]% <i>[not more than 1%]</i>
Spread:	[]%
Volume-Weighted Hedge Price:	As specified by Dealer in the Pricing Report
Threshold Price:	As specified by Dealer in the Pricing Report
Initial Stock Loan Rate:	[] basis points per annum
Maximum Stock Loan Rate:	[] basis points per annum
Forward Price Reduction Dates	As specified in Schedule I hereto
Forward Price Reduction Amounts	As specified in Schedule I hereto
Office of Dealer:	[]

Exhibit A-1

Counterparty hereby agrees (a) to check this Supplemental Confirmation carefully and promptly upon receipt so that errors or discrepancies can be promptly identified and rectified and (b) to confirm that the foregoing (in the exact form provided by Dealer) correctly sets forth the terms of the agreement between Dealer and Counterparty hereunder, by signing this Supplemental Confirmation or this page hereof as evidence of agreement to such terms and providing the other information requested herein and promptly returning an executed copy to us.

Yours faithfully,

[DEALER][, By its Agent]

By: _____

Name: _____

Title: _____

Exhibit A-2

Agreed and accepted by:

NISOURCE INC.

By: _____

Name:

Title:

Exhibit A-3

FORWARD PRICE REDUCTION AMOUNTS

Forward Price Reduction Date:	Forward Price Reduction Amount:	
[], 20[]	USD	[]
[], 20[]	USD	[]
[], 20[]	USD	[]
[], 20[]	USD	[]

REGULAR DIVIDEND AMOUNTS

For any calendar quarter ending on or prior to [December 31, 20[]]:	USD	[]
For any calendar quarter ending after [December 31, 20[]]:	USD	[]

EXHIBIT B

PRICING REPORT

To: NiSource Inc.
From: [Dealer]
Re: Issuer Share Forward Sale Transaction
Ref. No: []
Date: [], 20[]

Ladies and Gentlemen:

This Pricing Report is furnished by [Dealer] (“**Dealer**”) to NiSource Inc. (“**Counterparty**”) (together, the “**Contracting Parties**”) in accordance with the Supplemental Confirmation dated [], 20[] (the “**Supplemental Confirmation**”) between the Contracting Parties. This Pricing Report specifies the terms required by the Supplemental Confirmation and supplements, forms part of, and is subject to the Supplemental Confirmation and the Master Confirmation, dated as of February 22, 2024 (the “**Master Confirmation**”), between the Contracting Parties, as amended and supplemented from time to time. The terms required by the Supplemental Confirmation are as follows, with such terms determined in accordance with the Master Confirmation:

Trade Date: [], 20[]
Effective Date: [], 20[]
Maturity Date: [], 20[]
Forward Hedge Selling Period: [] Trading Days
Number of Shares: []
Initial Forward Price: USD []
Volume-Weighted Hedge Price: USD []
Threshold Price: USD []

Kindly acknowledge this Pricing Report upon receipt by signing this page and immediately returning an executed copy to us.

Yours faithfully,

[DEALER]

By: _____
Name: _____
Title: _____

Acknowledged by:

NISOURCE INC.

By: _____
Name: _____
Title: _____

Exhibit B-1



February 22, 2024

NiSource Inc.
801 East 86th Avenue
Merrillville, Indiana 46410

NiSource Inc.
Common Stock

Ladies and Gentlemen:

We refer to the Registration Statement on Form S-3 (File No. 333-268084) (the “Registration Statement”), filed by NiSource Inc., a Delaware corporation (the “Company”), with the Securities and Exchange Commission (the “SEC”). Pursuant to the Registration Statement, the Company is offering from time to time shares (the “Shares”) of its Common Stock, par value \$0.01 per share (the “Common Stock”), having an aggregate gross sales prices of up to \$900,000,000, as described in the Company’s Prospectus, dated November 1, 2022 (the “Base Prospectus”) and Prospectus Supplement, dated February 22, 2024 (the “Prospectus Supplement” and, together with the Base Prospectus, the “Prospectus”). The Registration Statement became effective upon filing on November 1, 2022. This opinion letter is being furnished in accordance with the requirements of Item 16 of Form S-3 and Item 601(b)(5)(i) of Regulation S-K promulgated under the Securities Act of 1933, as amended (the “Securities Act”).

The Shares are being offered to the public in accordance with (a) eight separate Equity Distribution Agreements, each dated February 22, 2024, (i) among the Company, Barclays Capital Inc., as sales agent and forward seller, and Barclays Bank PLC, as forward purchaser, (ii) among the Company, BMO Capital Markets Corp., as sales agent and forward seller, and Bank of Montreal, as forward purchaser, (iii) among the Company, BofA Securities, Inc., as sales agent and forward seller, and Bank of America, N.A., as forward purchaser, (iv) between the Company and Goldman Sachs & Co. LLC, as sales agent, forward seller and forward purchaser, (v) among the Company, J.P. Morgan Securities LLC, as sales agent and forward seller, and JPMorgan Chase Bank, National Association, as forward purchaser, (vi) between the Company and Morgan Stanley & Co. LLC, as sales agent, forward seller and forward purchaser, (vii) among the Company, MUFG Securities Americas Inc., as sales agent and forward seller, and MUFG Securities EMEA plc, as forward purchaser, and (viii) among the Company, Wells Fargo Securities, LLC, as sales agent and forward seller, and Wells Fargo Bank, National Association, as forward purchaser (collectively, the “Equity Distribution Agreements”), and (b) eight separate Master Confirmations for Forward Sale, each dated February 22, 2024, between the Company and each of Barclays Bank PLC, Bank of Montreal, Bank of America, N.A., Goldman Sachs & Co. LLC, JPMorgan Chase Bank, National Association, Morgan Stanley & Co. LLC, MUFG Securities EMEA plc and Wells Fargo Bank, National Association, respectively, as forward purchasers (collectively, the “Master Confirmations” and together with the Equity Distribution Agreements, the “Agreements”).

Documents Reviewed

In connection with this opinion letter, we have examined the following documents:

- (a) the Registration Statement;
- (b) the Base Prospectus;
- (c) the Prospectus Supplement;
- (d) the Equity Distribution Agreements; and
- (e) the Master Confirmations.

In addition we have examined and relied upon the following:

(i) a certificate from the Assistant Corporate Secretary of the Company certifying as to (A) true and correct copies of the Amended and Restated Certificate of Incorporation, as amended, and the Amended and Restated Bylaws of the Company, as amended (together, the “Organizational Documents”) and (B) the resolutions of the Board of Directors of the Company authorizing (1) the filing of the Registration Statement by the Company and (2) the offer, sale and issuance of the Shares by the Company pursuant to the Agreements (the “Authorizing Resolutions”); and

(ii) originals, or copies identified to our satisfaction as being true copies, of such other records, documents, instruments, certificates of officers of and statements of the Company, and certificates and assurances of public officials, as we have deemed necessary for the purposes of this opinion letter.

“Applicable Law” means the Delaware General Corporation Law (the “DGCL”).

Assumptions Underlying Our Opinions

For all purposes of the opinions expressed herein, we have assumed, without independent investigation, the following:

(a) Factual Matters. To the extent that we have reviewed and relied upon (i) certificates of the Company or authorized representatives thereof, (ii) representations of the Company set forth in the Agreements and (iii) certificates and assurances from public officials, all of such certificates, representations and assurances are accurate with regard to factual matters and all official records (including filings with public authorities) are properly indexed and filed and are accurate and complete.

(b) Authentic and Conforming Documents. All documents submitted to us as originals are authentic, complete and accurate, and all documents submitted to us as copies conform to authentic original documents.

(c) Signatures; Legal Capacity. The signatures of individuals who have signed or will sign the Agreements are genuine. All individuals who have signed or will sign the Agreements have the legal capacity to execute such Agreements.

(d) Certain Other Assumptions. For the purposes of this opinion letter, we have assumed that, at the time of the issuance, sale and delivery of Shares pursuant to the Agreements: (i) the authorization thereof by the Company will not have been modified or rescinded, and there will not have occurred any change in law affecting the validity thereof; (ii) the Organizational Documents will not have been modified or amended and will be in full force and effect; and (iii) upon issuance of the Shares, the number of such Shares will not exceed the number of authorized and unissued of Common Stock of the Company that have not been reserved for issuance for other purposes.

Our Opinion

Based on and subject to the foregoing and the qualifications, limitations and other assumptions set forth in this opinion letter, we are of the opinion that the issuance and sale of the Shares covered by the Registration Statement pursuant to the Agreements have been duly authorized by the Company and, when (A) the number of Shares to be offered, issued and sold by the Company from time to time and the respective pricing terms, times and dates of offering, issuance and sale have been duly authorized and approved by one or more duly authorized officers of the Company, all as provided in, and in compliance with the parameters, limitations and other terms set forth in the Authorizing Resolutions and (B) certificates in the form required under the laws of the State of Delaware representing the Shares are duly executed, countersigned, registered and delivered against payment of the agreed consideration therefor in an amount not less than the aggregate par value thereof, if such Shares are certificated, or book-entry notations in the form required under the laws of the State of Delaware have been made in the share register of the Company to reflect the issuance of such Shares to the purchasers thereof against payment of the agreed consideration therefor in an amount not less than the aggregate par value thereof, if such Shares are not represented by certificates, in each case in accordance with the applicable Agreements, such Shares will be validly issued, fully paid and non-assessable.

Qualifications

The opinion set forth above is subject to the following qualifications and limitations:

(a) Applicable Law. Our opinion is limited to the Applicable Law, and we do not express any opinion concerning any other law.

Miscellaneous

The foregoing opinions are being furnished only for the purpose referred to in the first paragraph of this opinion letter. Our opinions are based on statutes, regulations and administrative and judicial interpretations which are subject to change. We undertake no responsibility to update or supplement these opinions subsequent to the date hereof. Headings in this opinion letter are intended for convenience of reference only and shall not affect its interpretation. We hereby consent to the filing of this opinion as Exhibit 5.1 to the Registration Statement on or about the

date hereof, to the incorporation by reference of this opinion of counsel into the Registration Statement and to the reference to our firm in the Prospectus Supplement under the caption "Legal Matters." In giving this consent, we do not admit that we are within the category of persons whose consent is required by Section 7 of the Securities Act or the rules and regulations of the SEC promulgated thereunder.

Very truly yours,

/s/ McGuireWoods LLP

McGuireWoods LLP



FOR IMMEDIATE RELEASE:

February 22, 2024

***NiSource Announces Two-Year \$900 Million At-The-Market (ATM)
Equity Issuance Program***

MERRILLVILLE, Ind. – NiSource Inc. (NYSE: NI) (“NiSource”) announced today that it has established an “at-the-market” (“ATM”) equity offering program under which it may sell shares of its common stock having an aggregate gross sales price of up to \$900 million through December 31, 2025.

NiSource has entered into separate equity distribution agreements with each of Barclays Capital Inc., BMO Capital Markets Corp., BofA Securities, Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, Morgan Stanley & Co. LLC, MUFG Securities Americas Inc. and Wells Fargo Securities, LLC in their respective capacities as sales agents and as forward sellers (collectively, the “Agents”). Pursuant to these agreements, sales of shares of NiSource’s common stock may be offered and sold by any method or payment permitted by law to be an “at the market offering” as defined in Rule 415 under the Securities Act of 1933, as amended (the “Securities Act”), including by means of ordinary brokers’ transactions on the New York Stock Exchange, the existing trading market for shares of NiSource’s common stock, or otherwise at market prices prevailing at the time of sale, or sales made to or through a market maker or through an electronic communications network.

In addition to the issuance and sale of shares of its common stock through the Agents, NiSource may also enter into forward sale agreements under a separate master forward sale confirmation and related supplemental confirmation with the Agents or certain of their respective affiliates, each in their capacity as forward purchasers (collectively, the “Forward Purchasers”). In connection with each forward sale agreement, the relevant Forward Purchaser (or its affiliate) will, at NiSource’s request, attempt to borrow from third parties and, through the relevant Agent, sell a number of shares of NiSource’s common stock equal to the number of shares that underlie the forward sale agreement to hedge such forward sale agreement.

NiSource intends to use the proceeds from the sales, if any, of the shares of its common stock for general corporate purposes, including to finance capital expenditures, for working capital and to repay existing indebtedness.

A registration statement relating to these securities is effective under the Securities Act. The offering is being made by means of a prospectus supplement to the prospectus contained in the registration statement. Before making an investment in these securities, potential investors should read the prospectus supplement and the accompanying prospectus for more complete information about NiSource and the offering. Potential investors may obtain these documents for free by visiting EDGAR on the Securities and Exchange Commission's ("SEC") website at www.sec.gov. Alternatively, potential investors may contact any Agent participating in the offering, who will arrange to send them these documents: Barclays Capital Inc., c/o Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, New York 11717, barclaysprospectus@broadridge.com, (888) 603-5847; BMO Capital Markets Corp., Attn: Equity Syndicate Department, 151 W 42nd Street, 32nd Floor, New York, NY 10036, email: bmoprospectus@bmo.com; BofA Securities, NC1-022-02-25, 201 North Tryon Street, Charlotte, NC 28255-0001, Attn: Prospectus Department, Email: dg.prospectus_requests@bofa.com; Goldman Sachs & Co. LLC, Prospectus Department, 200 West Street, New York, NY 10282, telephone: 1-866-471-2526, facsimile: 212-902-9316 or by emailing Prospectus-ny@ny.email.gs.com; J.P. Morgan Securities LLC, c/o Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, NY 11717, Telephone: (866) 803-9204; Morgan Stanley at Morgan Stanley & Co. LLC, Attention: Prospectus Department, 180 Varick Street, 2nd Floor, New York, NY 10014; MUFG Securities Americas Inc., 1221 Avenue of the Americas, 6th Floor, New York, New York 10020-1001; Wells Fargo Securities, 90 South 7th Street, 5th Floor, Minneapolis, MN 55402, at 800-645-3751 (option #5) or email a request to WFScustomerservice@wellsfargo.com.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities, in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or other jurisdiction.

About NiSource

NiSource Inc. (NYSE: NI) is one of the largest fully-regulated utility companies in the United States, serving approximately 3.3 million natural gas customers and 500,000 electric customers across six states through its local Columbia Gas and NIPSCO brands. The mission of our approximately 7,400 employees is to deliver safe, reliable energy that drives value to our customers. NiSource is a member of the Dow Jones Sustainability—North America Index and is on Forbes lists of America's Best Employers for Women and Diversity. Learn more about NiSource's record of leadership in sustainability, investments in the communities it serves and how we live our vision to be an innovative and trusted energy partner at www.NiSource.com. NI-F

The content of our website is not incorporated by reference into this document or any other report or document NiSource files with the Securities and Exchange Commission ("SEC").

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FOR ADDITIONAL INFORMATION

<u>Media</u>	<u>Investors</u>	
Lynne Evosevich Corporate Media Relations (724) 288-1611 levosevich@nisource.com	Christopher Turnure Investor Relations (614) 404-9426 cturnure@nisource.com	Michael Weisenburger Investor Relations (614) 202-2595 mweisenburger@nisource.com

Forward-Looking Statements

This press release contains “forward-looking statements,” within the meaning of Section 27A of the Securities, and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Forward-looking statements in this press release include, but are not limited to, the anticipated use of proceeds and any and all underlying assumptions and other statements that are other than statements of historical fact. 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. 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 press release 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 work successfully with our third-party investors; our ability to adapt to, and manage costs related to, advances in technology, including alternative energy sources and changes in laws and regulations; our increased dependency on 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 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 demand; our ability to attract, retain or re-skill a qualified, diverse workforce and maintain good labor relations; our ability to manage new initiatives and organizational changes; the actions of activist stockholders; the performance and quality of third-party suppliers and service providers; potential cybersecurity attacks or security breaches; increased requirements and costs related to cybersecurity; any damage to our reputation; the impacts of natural disasters, potential terrorist attacks or other catastrophic events; the physical impacts of climate change and the transition to a lower carbon future; our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals, including our Net Zero Goal (as

defined in our Annual Report on Form 10-K for the year ended December 31, 2023); our debt obligations; any changes to our credit rating; the credit rating of certain of our subsidiaries; adverse economic and capital market conditions, including increases in inflation or interest rates, recession, or changes in investor sentiment; economic regulation and the impact of regulatory rate reviews; our ability to obtain expected financial or regulatory outcomes; 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; the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation; compliance with changes in, or new interpretations of applicable laws, regulations and tariffs; the cost of compliance with environmental laws and regulations and the costs of associated liabilities; changes in tax laws or the interpretation thereof; and other matters set forth in 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 fiscal year ended December 31, 2023, and our subsequent SEC filings, some of which risks are beyond our control.

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.

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 14, 2024

NiSource Inc.

(Exact Name of Registrant as Specified in Charter)

DE (State or other jurisdiction of incorporation)	001-16189 (Commission file number)	35-2108964 (I.R.S. Employer Identification No.)
801 East 86th Avenue Merrillville, Indiana (Address of Principal Executive Offices)		46410 (Zip Code)

Registrant's telephone number, including area code: (877) 647-5990

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	NI	NYSE
Depository Shares, each representing a 1/1,000th ownership interest in a share of 6.50% Series B Fixed-Rate Reset Cumulative Redeemable Perpetual Preferred Stock, par value \$0.01 per share, liquidation preference \$25,000 per share and a 1/1,000th ownership interest in a share of Series B-1 Preferred Stock, par value \$0.01 per share, liquidation preference \$0.01 per share Series A Corporate Units	NI PR B	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 8.01 Other Events.

Senior Notes Due 2034

On March 11, 2024, NiSource Inc. (the “Company”) and J.P. Morgan Securities LLC, Mizuho Securities USA LLC, PNC Capital Markets LLC and U.S. Bancorp Investments, Inc., as representatives of the underwriters, entered into a Terms Agreement (the “Terms Agreement”) with respect to the offering and sale of \$650,000,000 aggregate principal amount of the Company’s 5.350% Notes due 2034 (the “Notes”) under the Company’s Registration Statement on Form S-3 (File No. 333-268084) (the “Registration Statement”). The Terms Agreement incorporates by reference the provisions of the Company’s Underwriting Agreement, dated November 30, 2017 (a form of which was filed with the Securities and Exchange Commission (“SEC”) on November 30, 2017).

The sale closed on March 14, 2024. The Notes were issued pursuant to an Indenture, dated as of November 14, 2000, between the Company, as issuer and successor-in-interest to NiSource Finance Corp., and The Bank of New York Mellon, as successor trustee, as amended and supplemented. The Company intends to use the aggregate net proceeds from the sale of the Notes for general corporate purposes, including to finance capital expenditures, for working capital and to repay existing indebtedness.

A copy of the form of the Notes is filed as Exhibit 4.1 to this Current Report on Form 8-K and is incorporated herein by reference. The Company is filing Exhibit 5.1 with this Current Report on Form 8-K in connection with the Registration Statement.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
4.1	Form of 5.350% Notes due 2034
5.1	Opinion of McGuireWoods LLP
23.1	Consent of McGuireWoods LLP (included in Exhibit 5.1)
104	Cover page Interactive Data File (embedded within the Inline XBRL document)

Cautionary Statement Concerning Forward-Looking Statements

This current report on Form 8-K contains forward-looking statements that are not historical facts, including statements about the anticipated use of proceeds from the sale of the Notes. These statements are based on current expectations and assumptions, which management believes are reasonable, and on information currently available to management, but are necessarily subject to various risks and uncertainties. In addition to the risk that these assumptions prove to be inaccurate, factors that could cause actual results to differ materially from those contemplated by the forward-looking statements include factors disclosed in the Company’s Annual Report on Form 10-K for the year ended December 31, 2023, and its subsequent filings with the SEC, which are available on the Company’s website at www.nisource.com and on the SEC’s website at www.sec.gov. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether due to new information, future events or otherwise, except to the extent required by law.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NiSource Inc.

(Registrant)

Date: March 14, 2024

By: /s/ Shawn Anderson

Shawn Anderson

Executive Vice President and Chief Financial Officer

UNLESS THIS GLOBAL NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), NEW YORK, NEW YORK, TO NISOURCE INC. OR ITS AGENT OR AGENTS FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY GLOBAL NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO., OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR’S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE INDENTURE REFERRED TO ON THE REVERSE HEREOF.

No.: []

\$[]

CUSIP No.: 65473P AQ8

ISIN No.: US65473PAQ81

5.350% Notes due 2034

NiSource Inc., a Delaware corporation, promises to pay to Cede & Co., or registered assigns, the principal sum of [] Dollars on April 1, 2034.

Interest Payment Dates: April 1 and October 1, beginning October 1, 2024.

Record Dates: (i) if all of the Notes are in book-entry form represented by one or more Global Securities, the Business Day immediately preceding the applicable Interest Payment Date and (ii) if any of the Notes are not in bookentry form represented by one or more Global Securities, on each March 15 and September 15 (whether or not a Business Day) (each such date in clauses (i) and (ii), a “Regular Record Date”).

Additional provisions of this Note are set forth on the other side of this Note.

Dated:

NISOURCE INC.

By: _____

Name:

Title:

By: _____

Name:

Title:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Notes of the series referred to
In the within-mentioned Indenture.

Dated:

THE BANK OF NEW YORK MELLON, as
Trustee

By: _____
Authorized Officer

5.350% Notes due 2034

1. Interest

NiSource Inc., a Delaware corporation (such corporation, and its successors and assigns under the Indenture hereinafter referred to, being herein called the “Company”), promises to pay interest on the principal amount of this Note at the rate per annum shown above. The Company will pay interest semiannually on April 1 and October 1 of each year, beginning October 1, 2024. Interest on the Notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from March 14, 2024. Interest will be computed on the basis of a 360-day year of twelve 30-day months. The Company will pay interest on overdue principal and premium at the above rate and will pay interest on overdue installments of interest at such rate to the extent lawful.

2. Method of Payment

The Company will pay interest on the Notes (except defaulted interest) to the Persons who are registered Holders of Notes at the close of business on the Regular Record Date next preceding each Interest Payment Date even if Notes are canceled after the Regular Record Date and on or before the Interest Payment Date. Holders must surrender Notes to a Paying Agent to collect principal payments. The Company will pay principal and interest in money of the United States that at the time of payment is legal tender for payment of public and private debts. Payments in respect of the Notes represented by a Global Note (including principal, premium, if any, and interest) will be made by wire transfer of immediately available funds to the accounts specified by DTC, as Depositary.

3. Paying Agent and Security Registrar

Initially, the Trustee will act as Paying Agent and Security Registrar. The Company may appoint and change any Paying Agent or Security Registrar without notice to the Holders. The Company may act as Paying Agent or Security Registrar.

4. Indenture

The Company issued the Notes under an Indenture dated as of November 14, 2000, by and between the Company, in its own capacity and as successor to NiSource Finance Corp., and the Trustee (as successor trustee) (as amended and supplemented, the “Indenture”) and pursuant to an Officers’ Certificate of the Company dated March 14, 2024 (the “Officers’ Certificate”). The terms of the Notes include those stated in the Indenture and the Officers’ Certificate and those made part of the Indenture by reference to the Trust Indenture Act of 1939 (15 U.S.C. sections 77aaa-77bbb) as in effect on the date of the Officers’ Certificate (the “Act”). Capitalized terms used herein and defined in the Indenture but not defined herein have the respective meanings ascribed thereto in the Indenture. The Notes are subject to all such terms, and Holders of Notes are referred to the Indenture and the Act for a statement of those terms.

The Notes are senior unsecured obligations of the Company. The Notes issued on the original issue date will be treated as a single class for all purposes under the Indenture. The Indenture contains covenants that limit the ability of the Company and its Subsidiaries (other than Utilities) to incur additional indebtedness and create liens on assets unless the total amount of all the secured debt would not exceed 10% of Consolidated Net Tangible Assets (excluding the Utilities). These covenants are subject to important exceptions and qualifications.

5. Optional Redemption

Prior to January 1, 2034 (three months prior to the maturity date of the Notes) (the “Par Call Date”), the Company will have the right to redeem the Notes, at its option, in whole or in part, at any time and from time to time, at a Redemption Price (expressed as a percentage of principal amount and rounded to three decimal places) equal to the greater of (1)(a) the sum of the present values of the remaining scheduled payments of principal and interest thereon discounted to the Redemption Date (assuming the Notes matured on the Par Call Date) on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 20 basis points less (b) interest accrued to the Redemption Date, and (2) 100% of the principal amount of the Notes to be redeemed, plus, in either case, accrued and unpaid interest thereon to, but excluding, the Redemption Date.

On or after the Par Call Date, the Company will have the right to redeem the Notes, at its option, in whole or in part, at any time and from time to time, at a Redemption Price equal to 100% of the principal amount of the Notes being redeemed plus accrued and unpaid interest thereon to, but excluding, the Redemption Date.

“Treasury Rate” means, with respect to any Redemption Date, the yield determined by the Company in accordance with the following two paragraphs.

The Treasury Rate shall be determined by the Company after 4:15 p.m., New York City time (or after such time as yields on U.S. government securities are posted daily by the Board of Governors of the Federal Reserve System), on the third Business Day preceding the Redemption Date based upon the yield or yields for the most recent day that appear after such time on such day in the most recent statistical release published by the Board of Governors of the Federal Reserve System designated as “Selected Interest Rates (Daily) - H.15” (or any successor designation or publication) (“H.15”) under the caption “U.S. government securities–Treasury constant maturities–Nominal” (or any successor caption or heading) (“H.15 TCM”). In determining the Treasury Rate, the Company shall select, as applicable: (1) the yield for the Treasury constant maturity on H.15 exactly equal to the period from the Redemption Date to the Par Call Date (the “Remaining Life”); or (2) if there is no such Treasury constant maturity on H.15 exactly equal to the Remaining Life, the two yields – one yield corresponding to the Treasury constant maturity on H.15 immediately shorter than and one yield corresponding to the Treasury constant maturity on H.15 immediately longer than the Remaining Life – and shall interpolate to the Par Call Date on a straight-line basis (using the actual number of days) using such yields and rounding the result to three decimal places; or (3) if there is no such Treasury constant maturity on H.15 shorter than or longer than the Remaining Life, the yield for the single Treasury constant maturity on H.15 closest to the Remaining Life. For purposes of this paragraph, the applicable Treasury constant maturity or maturities on H.15 shall be deemed to have a maturity date equal to the relevant number of months or years, as applicable, of such Treasury constant maturity from the Redemption Date.

If on the third Business Day preceding the Redemption Date H.15 TCM is no longer published, the Company shall calculate the Treasury Rate based on the rate per annum equal to the semi-annual equivalent yield to maturity at 11:00 a.m., New York City time, on the second Business Day preceding such Redemption Date of the United States Treasury security maturing on, or with a maturity that is closest to, the Par Call Date, as applicable. If there is no United States Treasury security maturing on the Par Call Date but there are two or more United States Treasury securities with a maturity date equally distant from the Par Call Date, one with a maturity date preceding the Par Call Date and one with a maturity date following the Par Call Date, the Company shall select the United States Treasury security with a maturity date preceding the Par Call Date. If there are two or more United States Treasury securities maturing on the Par Call Date or two or more United States Treasury securities meeting the criteria of the preceding sentence, the Company shall select from among these two or more United States Treasury securities the United States

Treasury security that is trading closest to par based upon the average of the bid and asked prices for such United States Treasury securities at 11:00 a.m., New York City time. In determining the Treasury Rate in accordance with the terms of this paragraph, the semi-annual yield to maturity of the applicable United States Treasury security shall be based upon the average of the bid and asked prices (expressed as a percentage of principal amount) at 11:00 a.m., New York City time, of such United States Treasury security, and rounded to three decimal places.

The Trustee shall have no duty to calculate the Redemption Price.

6. Notice of Redemption

Notice of any redemption will be mailed or electronically delivered (or otherwise transmitted in accordance with the depository's procedures) at least 10 days but not more than 60 days before the Redemption Date to each Holder of Notes to be redeemed in accordance with Section 106 of the Indenture. In the case of a partial redemption, selection of the Notes for redemption will be made pro rata, by lot or by such other method as the Trustee in its sole discretion deems appropriate and fair. No Notes of a principal amount of \$2,000 or less will be redeemed in part. If any Note is to be redeemed in part only, the notice of redemption that relates to such Note will state the portion of the principal amount of the Note to be redeemed. A new Note in a principal amount equal to the unredeemed portion of the original Note will be issued in the name of the Holder of the original Note upon surrender for cancellation of the original Note. For so long as the Notes are held by DTC (or another depository), the redemption of the Notes shall be done in accordance with the policies and procedures of the depository. The Company will not know the exact Redemption Price until approximately two (2) to three (3) Business Days before the Redemption Date. Therefore, the notice of redemption will only describe how the Redemption Price will be calculated. Unless the Company defaults in payment of the Redemption Price, on and after the Redemption Date interest will cease to accrue on the Notes or portions thereof called for redemption.

7. Additional Notes

The Company may, without the consent of the Holders of the Notes, create and issue additional Notes ranking equally with the Notes in all respects, including having the same terms (except for the price to public, the issue date and the initial interest accrual date and the first Interest Payment Date, as applicable), so that such additional Notes shall be consolidated and form a single series with the Notes and shall have the same terms as to status, redemption or otherwise as the Notes. Such additional Notes will have the same CUSIP number as the Notes being authenticated on the date hereof, provided that such additional Notes are part of the same issue as the Notes being authenticated on the date hereof for U.S. federal income tax purposes. If such additional Notes are not part of the same issue for U.S. federal income tax purposes, such additional Notes must be issued with a separate CUSIP number. No additional Notes may be issued if an Event of Default has occurred and is continuing with respect to the Notes.

8. Denominations; Transfer; Exchange

The Notes are in registered form without coupons in denominations of \$2,000 principal amount and integral multiples of \$1,000. A Holder may transfer or exchange Notes in accordance with the Indenture. The Security Registrar may require a Holder, among other things, to furnish appropriate endorsements or transfer documents and to pay any taxes and fees required by law or permitted by the Indenture. The Security Registrar need not register the transfer or exchange of any Notes selected for redemption (except, in the case of a Note to be redeemed in part, the portion of the Note not to be redeemed) for a period of fifteen (15) Business Days before a selection of Notes to be redeemed.

9. Persons Deemed Owners

The registered Holder of this Note may be treated as the owner of it for all purposes.

10. Unclaimed Money

If money for the payment of principal or interest remains unclaimed for two years, the Trustee or Paying Agent shall pay the money back to the Company at its request. After any such payment, Holders entitled to the money must look only to the Company and not to the Trustee or the Paying Agent for payment.

11. Satisfaction and Discharge

Under the Indenture, the Company can terminate its obligations with respect to the Notes not previously delivered to the Trustee for cancellation when those Notes have become due and payable or will become due and payable at their Stated Maturity within one year or are to be called for redemption within one year under arrangements satisfactory to the Trustee for giving notice of redemption. The Company may terminate its obligations with respect to the Notes by depositing with the Trustee, as funds in trust dedicated solely for that purpose, an amount sufficient to pay and discharge the entire indebtedness on the Notes. In that case, the Indenture will cease to be of further effect and the Company's obligations will be satisfied and discharged with respect to the Notes (except as to the Company's obligations to pay all other amounts due under the Indenture and to provide certain Officers' Certificates and Opinions of Counsel to the Trustee). At the expense of the Company, the Trustee will execute proper instruments acknowledging the satisfaction and discharge.

12. Amendment, Waiver

Subject to certain exceptions set forth in the Indenture, (i) the Indenture may be amended with the written consent of the Holders of a majority in principal amount of the then Outstanding Securities of each series affected by such amendment, (ii) the Notes may be amended with the written consent of the Holders of at least a majority in principal amount of the Outstanding Notes and (iii) any default or noncompliance with any provision may be waived with the written consent of the Holders of a majority in principal amount of the Outstanding Notes. Subject to certain exceptions set forth in the Indenture, without the consent of any Holder, the Company and the Trustee shall be entitled to amend the Indenture to, among other things, cure any ambiguity, defect or inconsistency, or to evidence the succession of another Person as obligor under the Indenture, or to add to the Company's covenants or to surrender any right or power conferred on the Company under the Indenture, or to add events of default, or to secure the Notes, or to evidence or provide for the acceptance or appointment by a successor Trustee or facilitate the administration of the trusts under the Indenture by more than one trustee, or to conform the Indenture to any amendment of the Act.

13. Defaults and Remedies

Under the Indenture, Events of Default include: (i) a default by the Company in the payment of any interest upon any Note and the continuance of such default for 60 days; (ii) a default by the Company in the payment of principal of or any premium on any Note when due at Maturity, on redemption, by declaration or otherwise, and the continuance of such default for three (3) Business Days; (iii) a default by the Company in the performance of or breach of any covenant or warranty in the Indenture and continuance of such default for 90 days after written notice has been given to the Company by the Trustee or to the Company and the Trustee by the Holders of at least 33% in principal amount of the Outstanding Notes; (iv) a default by the Company under any bond, debenture, note or other evidence of indebtedness for money

borrowed by the Company, or the Company defaults under any mortgage, indenture or instrument under which the Notes may be issued, secured or evidenced indebtedness constituting a failure to pay in excess of \$50,000,000 of the principal or interest when due and payable, subject to certain cure rights; or (v) certain events of bankruptcy, insolvency or reorganization involving the Company. If an Event of Default occurs and is continuing, the Trustee or the Holders of at least 33% in principal amount of the Outstanding Notes may declare all the Notes to be due and payable immediately.

Holders may not enforce the Indenture or the Notes except as provided in the Indenture. The Trustee may refuse to enforce the Indenture or the Notes unless it receives indemnity or security satisfactory to it. Subject to certain limitations, Holders of a majority in principal amount of the Notes may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from Holders notice of any continuing default (except a default in payment of principal or interest) if it determines that withholding notice is in the interest of the Holders.

14. Trustee Dealings with the Company

Subject to certain limitations imposed by the Act, the Trustee under the Indenture, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with and collect obligations owed to it by the Company or its Affiliates and may otherwise deal with the Company or its Affiliates with the same rights it would have if it were not Trustee.

15. No Recourse Against Others

A director, officer, employee or stockholder, as such, of the Company or the Trustee shall not have any liability for any obligations of the Company under the Notes or the Indenture or for any claim based on, in respect of or by reason of such obligations or their creation. By accepting a Note, each Holder waives and releases all such liability. The waiver and release are part of the consideration for the issue of the Notes.

16. Authentication

This Note shall not be valid until an authorized signatory of the Trustee (or an Authenticating Agent) signs the certificate of authentication on the other side of this Note in accordance with requirements set forth in the Indenture and the Officers' Certificate.

17. Abbreviations

Customary abbreviations may be used in the name of a Holder or an assignee, such as TEN COM (=tenants in common), TEN ENT (=tenants by the entireties), JT TEN (=joint tenants with rights of survivorship and not as tenants in common), CUST (=custodian), and U/G/M/A (=Uniform Gift to Minors Act).

18. CUSIP and ISIN Numbers

Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused the applicable CUSIP number to be printed on the Notes and has directed the Trustee to use such CUSIP number in any notice of redemption as a convenience to the Holders. To the extent such number has been issued, the Company has caused the applicable ISIN number to be similarly printed on the Notes and has similarly instructed the Trustee. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption and reliance may be placed only on the other identification numbers placed thereon.

19. Governing Law.

THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO CONTRARY CONFLICT OF LAWS OR CHOICE OF LAWS PROVISIONS OF THE STATE OF NEW YORK OR ANY OTHER JURISDICTION.

The Company will furnish to any Holder upon written request and without charge to the Holder a copy of the Indenture. Requests may be made to:

NiSource Inc.
801 East 86th Avenue
Merrillville, Indiana 46410
Attention: Corporate Secretary

ASSIGNMENT FORM

To assign this Note, fill in the form below: I or
we assign and transfer this Note to

(Print or type assignee's name, address and zip
code) (Insert assignee's soc. Sec. or tax I.D. No.)

and irrevocably appoint _____ agent to transfer this Note on the books of the Company. The agent may
substitute another to act for him.

Date: _____

Signature: _____ Your

Sign exactly as your name appears on the other side
of this Note.

Signature Guarantee:

Signature must be guaranteed

Signature

Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Security Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("STAMP") or such other "signature guarantee program" as may be determined by the Security Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.



March 14, 2024

NiSource Inc.
801 East 86th Avenue
Merrillville, Indiana 46410

NiSource Inc.
5.350% Notes due 2034

Ladies and Gentlemen:

We refer to the Registration Statement on Form S-3 (File No. 333-268084) (the “Registration Statement”), filed by NiSource Inc., a Delaware corporation (the “Company”), with the Securities and Exchange Commission (the “SEC”). Pursuant to the Registration Statement, the Company is offering \$650,000,000 aggregate principal amount of its 5.350% Notes due 2034 (the “Notes”), as described in the Company’s Prospectus, dated November 1, 2022 (the “Base Prospectus”) and Prospectus Supplement, dated March 11, 2024 (the “Prospectus Supplement” and, together with the Base Prospectus, the “Prospectus”). The Registration Statement became effective upon filing on November 1, 2022. This opinion letter is being furnished in accordance with the requirements of Item 16 of Form S-3 and Item 601(b)(5)(i) of Regulation S-K promulgated under the Securities Act of 1933, as amended (the “Securities Act”).

The Notes are being issued under that certain indenture dated as of November 14, 2000 (the “Original Indenture”), between the Company (as successor to NiSource Finance Corp.) and The Bank of New York Mellon, as successor trustee (the “Trustee”), as supplemented by the Second Supplemental Indenture dated as of November 20, 2017 (the “Supplemental Indenture” and, together with the Original Indenture, the “Indenture”), and are being offered to the public in accordance with the Terms Agreement, dated March 11, 2024 (the “Terms Agreement”), among the Company and J.P. Morgan Securities LLC, Mizuho Securities USA LLC, PNC Capital Markets LLC and U.S. Bancorp Investments, Inc., as lead underwriters of the underwriters (the “Underwriters”) named therein. The Terms Agreement incorporates by reference the provisions of that certain Underwriting Agreement dated November 30, 2017 (the “Underwriting Agreement” and, together with the Terms Agreement, the “Agreements”). Capitalized terms used and not defined herein shall have the meanings assigned to them in the Registration Statement or the Indenture.

Documents Reviewed

In connection with this opinion letter, we have examined the following documents:

- (a) the Registration Statement;

- (b) the Base Prospectus;
- (c) the Prospectus Supplement;
- (d) the Original Indenture;
- (e) the Supplemental Indenture;
- (f) the global note certificates, dated March 14, 2024 (the “Global Notes”), representing the Notes;
- (g) the Terms Agreement; and
- (h) the Underwriting Agreement.

The documents referred to in clauses (d) through (f) above are referred to collectively as the “Subject Documents” and each, individually, as a “Subject Document.”

In addition we have examined and relied upon the following:

(i) a certificate from the Assistant Corporate Secretary of the Company certifying as to (A) true and correct copies of the Amended and Restated Certificate of Incorporation, as amended, and the Amended and Restated Bylaws of the Company, as amended (together, the “Organizational Documents”) and (B) the resolutions of the Board of Directors of the Company authorizing (1) the filing of the Registration Statement by the Company and (2) the offer, sale and issuance of the Notes by the Company pursuant to the Agreements (the “Authorizing Resolutions”); and

(ii) originals, or copies identified to our satisfaction as being true copies, of such other records, documents, instruments, certificates of officers of and statements of the Company, and certificates and assurances of public officials, as we have deemed necessary for the purposes of this opinion letter.

“Applicable Law” means the Delaware General Corporation Law (the “DGCL”) and the laws of the State of New York.

Assumptions Underlying Our Opinions

For all purposes of the opinions expressed herein, we have assumed, without independent investigation, the following:

(a) Factual Matters. To the extent that we have reviewed and relied upon (i) certificates of the Company or authorized representatives thereof, (ii) representations of the Company set forth in the Subject Documents and (iii) certificates and assurances from public officials, all of such certificates, representations and assurances are accurate with regard to factual matters and all official records (including filings with public authorities) are properly indexed and filed and are accurate and complete.

- (b) Authentic and Conforming Documents. All documents submitted to us as originals are authentic, complete and accurate, and all documents submitted to us as copies conform to authentic original documents.
- (c) Signatures; Legal Capacity. The signatures of individuals who have signed or will sign the Subject Documents are genuine. All individuals who have signed or will sign the Subject Documents have the legal capacity to execute such Subject Documents.
- (d) Organizational Status, Power and Authority of Certain Parties. All parties to the Subject Documents (other than any individual) (i) are validly existing and in good standing in their respective jurisdictions of formation, except that no such assumption is made as to the Company as of the date hereof and (ii) have the power and authority to execute, deliver and perform the Subject Documents and the documents required or permitted to be delivered and performed thereunder, except that no such assumption is made as to the Company as of the date hereof.
- (e) Authorization, Execution and Delivery of Subject Documents by Certain Parties. The Subject Documents and the documents required or permitted to be delivered thereunder have been duly authorized by all necessary corporate, limited liability company, business trust, partnership or other action on the part of the parties thereto and have been duly executed and delivered by such parties, except that no such assumptions are made as to the Company as of the date hereof.
- (f) Subject Documents Binding on Certain Parties. The Subject Documents and the documents required or permitted to be delivered thereunder are valid and binding obligations enforceable against the parties thereto in accordance with their terms, except that no such assumption is made as to the Company as of the date hereof.
- (g) Noncontravention. Neither the issuance of the Notes by the Company or the execution and delivery of the Subject Documents by any party thereto nor the performance by such party of its obligations thereunder will conflict with or result in a breach of (i) the certificate or articles of incorporation, bylaws, certificate or articles of organization, operating agreement, certificate of limited partnership, partnership agreement, trust agreement or other similar organizational documents of any such party, except that no such assumption is made as to the Company as to the Organizational Documents as of the date hereof, (ii) any law or regulation of any jurisdiction applicable to any such party except that no such assumption is made as to the Company as to any Applicable Law as of the date hereof, or (iii) any order, writ, injunction or decree of any court or governmental instrumentality or agency applicable to any such party or any agreement or instrument to which any such party may be a party or by which its properties are subject or bound, except that no such assumption is made as to the Company as to the Subject Documents as of the date hereof.
- (h) Governmental Approvals. All consents, approvals and authorizations of, or filings with, all governmental authorities that are required as a condition to the issuance of the Notes by the Company or to the execution and delivery of the Subject Documents by the parties thereto or the performance by such parties of their obligations thereunder have been obtained or made, except that no such assumption is made with respect to any consent, approval, authorization or filing that is applicable to the Company as of the date hereof.

(i) No Mutual Mistake, Amendments, etc. There has not been any mutual mistake of fact, fraud, duress or undue influence in connection with the issuance of the Notes as contemplated by the Registration Statement and the Prospectus. There are no oral or written statements or agreements that modify, amend or vary, or purport to modify, amend or vary, any of the terms of the Subject Documents except for, in the case of the terms of the Indenture, the officers' certificate establishing the terms of the Notes.

Our Opinions

1. Organizational Status. The Company is a validly existing corporation under the laws of the Delaware and is in good standing under such laws.

2. Power and Authority. The Company has the corporate power and authority to issue the Notes.

3. Validity of the Notes. When (i) the Notes have been issued and sold as contemplated by the Registration Statement, the Agreements and the Prospectus, (ii) the Company has received the consideration provided for in the Prospectus Supplement and the Agreements, and (iii) the Notes have been authenticated in accordance with the provisions of the Indenture, the Notes will constitute the valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, under the laws of State of New York.

Matters Excluded from Our Opinions

We express no opinion with respect to the following matters:

(a) Indemnification and Change of Control. The enforceability of any agreement relating to (i) indemnification, contribution or exculpation from costs, expenses or other liabilities or (ii) changes in the organizational control or ownership of any party, which agreement (in the case of clause (i) or clause (ii)) is contrary to public policy or Applicable Law.

(b) Jurisdiction, Venue, etc. The enforceability of any agreement to submit to the jurisdiction of any specific federal or state court (other than the enforceability in a court of the State of New York of any such agreement to submit to the jurisdiction of a court of the State of New York), to waive any objection to the laying of the venue, to waive the defense of *forum non conveniens* in any action or proceeding referred to therein, to waive trial by jury, to effect service of process in any particular manner or to establish evidentiary standards, and any agreement regarding the choice of law governing any Subject Document (other than the enforceability in a court of the State of New York or in a federal court sitting in the State of New York and applying New York law to any such agreement that the laws of the State of New York shall govern).

(c) Remedies. The enforceability of any provision in any Subject Document to the effect that rights or remedies are not exclusive, that every right or remedy is cumulative and may be exercised in addition to any other right or remedy, that the election of some particular remedy does not preclude recourse to one or more others or that failure to exercise or delay in exercising rights or remedies will not operate as a waiver of any such right or remedy.

Qualifications and Limitations Applicable to Our Opinions

The opinions set forth above are subject to the following qualifications and limitations:

- (a) Applicable Law. Our opinions are limited to the Applicable Law, and we do not express any opinion concerning any other law.
- (b) Bankruptcy. Our opinions are subject to the effect of any applicable bankruptcy, insolvency (including, without limitation, laws relating to preferences, fraudulent transfers and equitable subordination), reorganization, moratorium and other similar laws affecting creditors' rights generally.
- (c) Equitable Principles. Our opinions are subject to the effect of general principles of equity (regardless of whether considered in a proceeding in equity or at law), including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing. In applying such principles, a court, among other things, might limit the availability of specific equitable remedies (such as injunctive relief and the remedy of specific performance), might not allow a creditor to accelerate maturity of debt or exercise other remedies upon the occurrence of a default deemed immaterial or for non-credit reasons or might decline to order a debtor to perform covenants in a Subject Document.
- (d) Unenforceability of Certain Provisions. Provisions contained in the Notes or the Subject Documents which require waivers or amendments to be made only in writing may be unenforceable or ineffective, in whole or in part. The inclusion of such provisions, however, does not render any of the Notes or the Subject Documents invalid as a whole.
- (e) Choice of New York Law and Forum. To the extent that any of our opinions relate to the enforceability of the choice of New York law or any choice of New York forum provisions of any Subject Document, our opinion is rendered in reliance upon N.Y. Gen. Oblig. Law §§ 5-1401 and 5-1402 and N.Y. CPLR 327(b) and is subject to the qualification that such enforceability may be limited by principles of public policy, comity and constitutionality. We express no opinion as to whether a United States federal court would have subject-matter or personal jurisdiction over a controversy arising under the Subject Documents.

Miscellaneous

The foregoing opinions are being furnished only for the purpose referred to in the first paragraph of this opinion letter. Our opinions are based on statutes, regulations and administrative and judicial interpretations which are subject to change. We undertake no responsibility to update or supplement these opinions subsequent to the date hereof. Headings in this opinion letter are intended for convenience of reference only and shall not affect its interpretation. We hereby consent to the filing of this opinion as an exhibit to the Company's Current Report on Form 8-K filed on the date hereof, to the incorporation by reference of this opinion of counsel into the Registration Statement, and to the reference to our firm in the Prospectus Supplement under the caption "Legal Matters." In giving this consent, we do not admit that we are within the category of persons whose consent is required by Section 7 of the Securities Act or the rules and regulations of the SEC promulgated thereunder.

Very truly yours,

/s/ McGuireWoods LLP

McGuireWoods LLP

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant To Section 13 OR 15(d)
of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 15, 2024

NiSource Inc.

(Exact name of registrant as specified in its charter)

DE
(State or other jurisdiction
of incorporation)

001-16189
Commission
File Number

35-2108964
(I.R.S. Employer
Identification No.)

801 East 86th Avenue
Merrillville, IN
(Address of principal executive offices)

46410
(Zip Code)

Registrant's telephone number, including area code (877) 647-5990

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions.

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	NI	NYSE
Depository Shares, each representing a 1/1,000th ownership interest in a share of 6.50% Series B Fixed-Rate Reset Cumulative Redeemable Perpetual Preferred Stock, par value \$0.01 per share, liquidation preference \$25,000 per share and a 1/1,000th ownership interest in a share of Series B-1 Preferred Stock, par value \$0.01 per share, liquidation preference \$0.01 per share	NI PR B	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensation and Arrangements of Certain Officers.

As previously reported on February 19, 2024, Donald Brown informed NiSource Inc. (the “Company”) that he will depart the Company as Executive Vice President and Chief Innovation Officer effective on or before May 1, 2024 (the “Separation Date”). Mr. Brown’s last day of employment is expected to be April 1, 2024.

Mr. Brown has entered into a Separation Agreement dated March 15, 2024 (the “Separation Agreement”). Mr. Brown will receive a lump sum payment equal to his annual salary plus 130% of the cost for 52-weeks of COBRA coverage, subject to his signing a release of claims in favor of the Company. These terms are consistent with the terms of the NiSource Inc. Executive Severance Policy and which are more fully described in the Company’s Proxy Statement filed with the Securities and Exchange Commission on April 12, 2023.

The foregoing is a summary of certain material terms of the Separation Agreement and is qualified in its entirety by reference to the full text of the Separation Agreement, which is attached hereto as Exhibit 10.1 and incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.**(d) Exhibits**

<u>Exhibit Number</u>	<u>Description</u>
10.1	Separation Agreement dated March 15, 2024, between NiSource Inc. and Donald Brown
104	Cover page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NiSource Inc.

(Registrant)

Date: March 15, 2024

By:

Kimberly S. Cuccia

Kimberly S. Cuccia

Senior Vice President, General Counsel and
Corporate Secretary

**SEPARATION AGREEMENT
AND FULL RELEASE AND WAIVER OF CLAIMS**

This Confidential Separation Agreement and Full Release and Waiver of Claims ("Agreement") is entered into by and between Donald Brown ("Employee" or "you/your") and NiSource Corporate Services Company ("NiSource" or "the Company") (collectively, "the Parties").

In consideration of the mutual promises, covenants, and agreements set forth herein, it is hereby agreed as follows:

1. Employment Status

You will continue as an active employee of the Company through April 1, 2024 ("Separation Date") and continue to be paid your current base salary and participate in all Company employee benefit plans in which you currently participate through that date. However, you will be relieved of all general duties and responsibilities as of March 31, 2024, and you will be on vacation from March 18 through March 29, 2024. If you timely sign and do not revoke this Agreement in the 7-day revocation period, you will be eligible to receive the separation payment described in the Consideration section below. Your personnel records will reflect a voluntary resignation, effective April 1, 2024.

2. Consideration

Provided you have timely signed this Agreement and not revoked it during the 7-day revocation period, you will receive no later than 45 days after the Separation Date a gross, lump sum payment in the amount of \$688,000 (which is equal to 52 weeks of pay and includes a lump sum payment equivalent to 12 months of COBRA that may be used for the purchase of medical and dental benefits, less all applicable withholdings; provided that, if you are a specified employee for purposes of Section 409A of the Internal Revenue Code of 1986 as amended (the "IRC") (C2 and above) and these lump sum payment are not exempt from coverage under IRC Section 409A, the lump sum payments will not be paid to you until the earlier of (1) the date that is six months after the Separation Date, or (2) the date of your death. Legally mandated deductions for social security and federal, state and local taxes will be withheld from each lump sum.

3. Other Benefits and Payments

Your eligibility to participate in any Company incentive program, equity or other benefits program or plan or agreement will be in accordance with the terms of such programs, plans and agreements.

Regardless of whether you execute this Agreement, you will: (a) receive a lump sum payment for any accrued and unused vacation pay to which you are entitled accrued through the Separation Date; and (b) be paid out vacation and floating holidays that have been banked by you (subject to the 640-hour banking maximum). Such payments will be included in your final regular paycheck as an active employee, unless you are a specified employee for purposes of Section 409A of the IRC, in which case you will receive payment six months from your Separation Date. In either case, the payment will be subject to legally-mandated deductions for Social Security and federal, state, and local taxes.

4. COBRA Coverage

The termination of your employment is a qualifying event under the Consolidated Omnibus Budget Reconciliation Act ("COBRA"). The Company will notify you and/or your dependents of the insurance coverage which you may continue on a self-pay basis, as provided by COBRA, upon termination of your employment.

5. Return of Property

You agree to return to the Company any and all of its property, including but not limited to, keys, employee identification or security access cards, telephones, computing equipment, and credit cards on or before your Separation Date.

6. Confidentiality

You acknowledge that during your employment by the Company you had access to confidential information and confidential financial data of the Company or of other NiSource companies.

You further acknowledge that during your employment you may have developed confidential business information for one or more NiSource companies, may have made inventions, and/or may have established relationships with one or more NiSource companies' customers and potential customers.

In order to preserve the property, inventions, business, and goodwill of the Company and each NiSource company, you agree that during and after your employment, all knowledge and information not known to the public respecting any NiSource companies' inventions, designs, products, services, machinery, methods, systems, improvements, forecasts, strategic and other plans, financial data, and other confidential information, including customer

information such as names and addresses of customers and potential customers, pricing information relating to any services performed or products sold by any NiSource company, and all information relating to the special and particular business needs of any NiSource company or its customers and potential customers, shall remain the exclusive property of each respective NiSource company and shall be regarded by you as strictly confidential and shall not be directly or indirectly used or disclosed without the Company's written permission.

Moreover, you agree that upon termination of your employment, you will promptly deliver to the Company all confidential documentation and other materials relating to the Company's business or the business of any NiSource company which are in your possession or under your control, including customer and potential customer lists, product lists, and marketing material, whether in written or electronic data form; and you will delete, destroy or discard all copies of such confidential information remaining in your possession.

You further acknowledge and agree that the Company's remedy in the form of monetary damages for any breach by you of any of the provisions of this section may be inadequate and that, in addition to any monetary damages for such breach, the Company shall be entitled to institute and maintain any appropriate proceeding or proceedings, including an action for specific performance and/or injunction.

7. General Release of Claims by Employee to Company

In consideration of the payments and benefits described herein, the sufficiency of which is hereby acknowledged, you, your heirs, executors and administrators, do hereby knowingly and voluntarily fully, finally and unconditionally release and forever discharge, to the full extent permitted by law, the Company and NiSource, Inc., and their parent, sister and subsidiary corporations and all their affiliates, partners, shareholders, related entities, their employee benefits plans and the plans' trustees, administrators, and fiduciaries, divisions, predecessors, successors and assigns, representatives, current and former employees, officers, directors and agents and attorneys, in their personal and corporate capacities (collectively referred throughout the remainder of this Agreement as the "the Released Parties"), of and from any and all liabilities, actions, causes of action, claims, rights, obligations, charges, damages, costs, attorneys' fees, suits, re-employment rights and demands of any and every kind, nature and character, known and unknown, asserted and unasserted, liquidated and unliquidated, absolute and contingent, in law or in equity, enforceable under any local, state, or federal statute or ordinance, or under the common laws of the United States, against the Released Parties occurring or arising prior to you signing this Agreement, including but not limited to, all claims relating to the Age Discrimination in Employment Act of 1967 ("ADEA"), as amended, and the Older Workers Benefits Protection Act

("OWBPA"), 29 U.S.C. § 621 et seq.; Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e et seq.; the Employee Retirement Income Security Act of 1974, as amended, 29 U.S.C. § 1001 et seq. (excluding claims for vested benefits); the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 701 et seq.; the Americans with Disabilities Act of 1990, as amended, 42 U.S.C. § 12101 et seq.; the Fair Labor Standards Act, as amended, 29 U.S.C. § 201 et seq. (excluding claims for unpaid wages); the Civil Rights Act of 1866, 42 U.S.C. § 1981 et seq.; the Worker Adjustment Retraining Notification Act, 29 U.S.C. 2101§ et seq.; the Occupational Safety and Health Act, 29 U.S.C. § 651 et seq.; the Corporate and Criminal Fraud Accountability Act of 2002, 18 U.S.C. §1514A; the Family and Medical Leave Act 29 U.S.C. §2601 et seq; and the State of Ohio civil rights statutes; any and all claims relative to any agreement relating to your employment with the Released Parties, including any claims under the doctrines of defamation, libel, slander, invasion of privacy, intentional infliction of emotional distress, whistleblowing, interference with contractual relations, retaliatory discharge, breach of contract, wrongful discharge, breach of implied contract or implied covenant of good faith or fair dealing, and any other statute, authority or law, providing a cause of action relating to your employment by or the termination of your employment with the Released Parties; provided, however, that you do not release: (i) any vested retirement benefits or 401k savings plan benefits, medical plan benefits for which you are eligible under the terms of the applicable benefit plans, or any payments to which you are entitled under any qualified or non-qualified benefit plan or program sponsored by NiSource, Inc. (ii) any claim to unemployment insurance or workers' compensation benefits, where applicable, (iii) your rights under this Agreement or (iv) any other claim the law precludes you from waiving by agreement.

You acknowledge and agree that this release is being given only in exchange for consideration to which you are not otherwise entitled.

You represent that you have read and understand the terms of this Release of Claims. You understand that this Release of Claims is applicable to any claims arising prior to the date of this Agreement.

8. Rights Reserved

This Agreement shall not apply to rights or claims that may arise after the effective date of this Agreement, and nothing in this paragraph or this Agreement:

- a. Limits either party's right to enforce this Agreement;
- b. Limits any right that cannot, by express and unequivocal terms of law, be limited, waived, or extinguished by private agreement, including claims for (i) unemployment or workers' compensation, (ii)

vested rights under ERISA, or (iii) reimbursement of expenses under the Company's expense reimbursement policies;

- c. Limits or affects your right to challenge the validity of this Agreement under the ADEA or the OWBPA;
- d. Prevents you from, confidentially or otherwise (without informing the Company), filing a charge or complaint with, or from participating in an investigation or proceeding conducted by, the Equal Employment Opportunity Commission, National Labor Relations Board, Securities and Exchange Commission, Occupational Safety and Health Administration or any other any federal, state, or local agency charged with the enforcement of any laws; or
- e. Limits your ability under any federal or state trade secret law, without exposure to criminal or civil liability, to disclose trade secrets: (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law or (ii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.
- f. Limits non-management, non-supervisory employees from engaging in protected concerted activity under §7 of the NLRA or similar state law such as joining, assisting, or forming a union, bargaining, picketing, striking, or participating in other activity for mutual aid or protection, or refusing to do so; this includes using or disclosing information acquired through lawful means regarding wages, hours, benefits, or other terms and conditions of employment, except where the information was entrusted to the employee in confidence by the Company as part of employee's job duties.

Notwithstanding your reservation of the foregoing rights, you understand and agree that by signing this Agreement, you are waiving rights to individual relief (including backpay, frontpay, reinstatement or other legal or equitable relief) in any charge, complaint, or lawsuit brought by you or on your behalf, except for any right you may have to receive a payment from a government agency (not the Company) for information provided to the government agency.

9. Affirmations

You affirm that you have not filed, caused to be filed, and are not presently a party to any claim, complaint, or action against the Company or any of the Released Parties in any forum or form, or if there are such claims, complaints or actions pending, you agree to withdraw and/or dismiss all such claims, complaints or actions that may be legally withdrawn and/or legally dismissed

prior to the receipt of the severance payment. You also affirm that you are not aware of any other claim you may have against the Company. You further affirm that you have reported all hours worked as of the date of this Agreement and have been paid and/or have received all leave (paid or unpaid), compensation, wages, bonuses, commission, and/ or benefits to which you may be entitled and that no other leave (paid or unpaid), compensation, wages, bonuses, commission and/or benefits are due to you, except as provided in this Agreement. You also affirm that you have no known workplace injuries or occupational diseases. You also represent that you are not aware of any facts on which a claim under the Fair Labor Standards Act, the Attorney Fees in Wage Action Act, or under applicable state minimum wage or leave laws could be brought. Notwithstanding the foregoing, nothing herein is intended to limit any rights you may have pursuant to paragraph 8 of this Agreement.

10. Mutual Non-Disparagement

You agree not to make any false or disparaging comments concerning the Company, its management or employees, or its operations, whether orally or in writing, and whether concerning your employment with or separation from the Company or otherwise, to any third party. The Company, in turn, agrees to not authorize the making of any false or disparaging comments about you and agrees to refer all prospective employment reference inquiries to its third-party administrator to verify your last position held and dates of employment, and not to provide any additional information to prospective employers concerning you or your employment. Notwithstanding the foregoing, nothing herein is intended to limit any rights you may have pursuant to paragraph 8 of this Agreement.

11. Outstanding Charges and Expenses

While you agree that you would be obligated to repay any outstanding amounts owed to the Company, the Company represents that there are no outstanding amounts that you owe to the Company.,

12. Outplacement Assistance

You will be eligible for a defined package of Company-paid reasonable outplacement assistance services for a maximum of twelve months from the date of this Agreement through the consultant of the Company's choice.

13. No Reinstatement of Employment or Re-Employment. You further expressly waive any right or claim you may have for employment or re-employment with any NiSource subsidiary or the Company, either as an employee or as an independent contractor, or as an employee of an independent contractor who performs work on Company facilities, property, or premises. You further agree that this Agreement shall act as a complete bar to your entitlement to any legal,

equitable, or administrative relief, as described and defined above, based upon any such denial of employment.

14. Governing Law

This Agreement shall be construed in accordance with the laws of the State of Indiana, including all matters of construction, validity, and performance, to the extent not preempted by federal law, and that any action brought by any party hereunder may be instituted and maintained only in the appropriate court having jurisdiction over Lake County, Indiana.

15. Severability

In the event that one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, you and the Company shall have the option to cancel it.

16. IRC Section 409A

It is intended that this Agreement shall comply with the provisions of IRC Section 409A and any guidance relating thereto, or an exemption to IRC Section 409A, and payments, rights and benefits may only be made, satisfied or provided under this Agreement upon an event and in a manner permitted by IRC Section 409A, to the extent applicable, so as not to subject you to the payment of taxes and interest under IRC Section 409A. In furtherance of this intent, this Agreement shall be interpreted, operated, and administered in a manner consistent with these intentions.

17. Complete Agreement

You acknowledge that in accepting this Agreement, you have not relied upon any representation or promise other than those expressly stated in this Agreement.

This Agreement and the documents specifically referred to herein constitute the complete understanding between you and the Company relating to your separation and replaces any and all prior agreements, promises, representations or inducements, no matter their form, concerning your employment with the Company. No promises or agreements made subsequent to the execution of this Agreement by these parties shall be binding unless reduced to writing and signed by authorized representatives of these parties.

18. Important Information

You acknowledge and agree that:

- a. You have 21 days from your receipt of this Agreement within which to review and consider signing the Agreement (the “Consideration Period”) and any changes made to the Agreement, whether material or immaterial, do not restart the Consideration Period;**
- b. You have been and are hereby advised in writing to consult with an attorney of your choice prior to signing this Agreement;**
- c. You have read and fully understand the terms of this Agreement and have knowingly, voluntarily and of your own free will agreed to those terms for the purpose of fully and finally compromising and settling any and all claims, disputed or otherwise, of any kind or nature that you ever had or may now have against the Company or any Released Party arising out of your employment by, and/or separation of employment from, the Company, and arising out of any other matter, whether known or unknown to you at the time of execution of this Agreement, to the extent permitted by law;**
- d. You are not waiving any claims that may arise after the execution of this Agreement under the Age Discrimination in Employment Act, or otherwise; and**
- e. The Company’s performance under this Agreement constitutes full and complete payment of all amounts due to you from the Company and provides additional consideration to which you are not otherwise entitled as a result of your separation from the Company’s employ.**

19. Breach The violation of the terms and conditions of any provision set forth in the Agreement constitutes a material breach.

20. Assigns This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns; provided, however, You may not assign, delegate, or subcontract your rights or obligations under this Agreement except with the prior written consent of the Company.

21. Counterparts This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.

22. Revocation Period

You understand and agree that you have seven days following your execution of this Agreement (the "Revocation Period") to revoke it, and that if you elect to revoke it, this Agreement shall be null and void in its entirety. To effectively revoke this Agreement, you must do so in writing and deliver your notice of revocation, so that it arrives prior to the close of business on the last day of the Revocation Period, to: Melanie Berman @ mberman@nisource.com

23. Acceptance and Effective Date

To accept this Agreement, you must sign and date both copies of the Agreement in the space provided below to signify your acceptance and return the Agreement to Melanie Berman @ mberman@nisource.com prior to the close of business (i.e., 5:00 p.m. Eastern time) on the last day of the Consideration Period, March 11, 2024. This Agreement shall become effective and irrevocable automatically upon the expiration of the Revocation Period if it is not revoked in the manner discussed in the preceding paragraph.

Very truly yours,

Melanie Berman
SVP & Chief Human Resource Officer

Acceptance:

I acknowledge that I have read and understand the provisions of this Agreement and represent that the execution of this Agreement constitutes my knowing and voluntary act, made without coercion or intimidation. I understand and agree that this Agreement is not enforceable or binding upon me, my heirs, executors, and administrators unless or until such time that it is signed by me and a representative of the Company below.

/s/ Donald Brown

Donald Brown

March 11, 2024

Date

/s/ Tanisha Brown

WITNESS

FOR THE COMPANY:

/s/ Melanie Berman

Melanie Berman

SVP & Chief Human Resource Officer

NOTE: TO BE SIGNED AFTER THE EMPLOYEE SIGNS ABOVE.

March 15, 2024

Date

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): March 18, 2024

NiSource Inc.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or other jurisdiction
of incorporation)

**801 East 86th Avenue
Merrillville, Indiana**
(Address of Principal Executive Offices)

001-16189
(Commission
file number)

35-2108964
(I.R.S. Employer
Identification No.)

46410
(Zip Code)

Registrant's telephone number, including area code: (877) 647-5990

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	NI	New York Stock Exchange
Depository Shares, each representing a 1/1,000th ownership interest in a share of 6.50% Series B Fixed-Rate Reset Cumulative Redeemable Perpetual Preferred Stock, par value \$0.01 per share, liquidation preference \$25,000 per share and a 1/1,000th ownership interest in a share of Series B-1 Preferred Stock, par value \$0.01 per share, liquidation preference \$0.01 per share	NI PR B	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 3.03. Material Modification to Rights of Security Holders.

The information set forth under Item 5.03 below is incorporated herein by reference.

Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

On March 18, 2024, NiSource Inc. (the “Company”) filed a Certificate of Elimination to its Amended and Restated Certificate of Incorporation with the Secretary of State of the State of Delaware to eliminate from the Amended and Restated Certificate of Incorporation all matters set forth in the Certificate of Designations with respect to its 6.50% Series B Fixed-Rate Reset Cumulative Redeemable Perpetual Preferred Stock (the “Series B Preferred Stock”) and the Certificate of Designations with respect to its Series B-1 Preferred Stock (the “Series B-1 Preferred Stock”). As previously disclosed, all outstanding shares of the Series B Preferred Stock and the Series B-1 Preferred Stock were redeemed on March 15, 2024 for a redemption price of \$25,000 per share for the Series B Preferred Stock (the “Series B Redemption Price”) and \$0.01 per share for the Series B-1 Preferred Stock (the “Series B-1 Redemption Price”). Following the redemptions, dividends ceased to accrue on the shares of Series B Preferred Stock, shares of the Series B Preferred Stock and Series B-1 Preferred Stock are no longer deemed outstanding and all rights of the holders of such shares of Series B Preferred Stock and Series B-1 Preferred Stock terminated, except the right of the holders to receive payment of the Series B Redemption Price or the Series B-1 Redemption Price, as applicable, without interest. A copy of the Certificate of Elimination relating to the Series B Preferred Stock and the Series B-1 Preferred Stock is filed as Exhibit 3.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

The following exhibits are filed herewith:

<u>EXHIBIT NO.</u>	<u>DESCRIPTION OF EXHIBIT</u>
3.1	<u>Certificate of Elimination of the Company with respect to the Series B Preferred Stock and the Series B-1 Preferred Stock, dated March 18, 2024, issued by NiSource Inc.</u>
104	Cover Page Interactive Data File (embedded in the cover page formatted in Inline XBRL)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NISOURCE INC.

Date: March 18, 2024

By: /s/ Shawn Anderson

Shawn Anderson

Executive Vice President and Chief Financial Officer

**CERTIFICATE OF ELIMINATION
OF
6.50% SERIES B FIXED-RATE RESET CUMULATIVE
REDEEMABLE PERPETUAL PREFERRED STOCK
AND
SERIES B-1 PREFERRED STOCK
OF
NISOURCE INC.**

**Pursuant to Section 151 of the
General Corporation Law of the State of Delaware**

NiSource Inc., a corporation organized and existing under the General Corporation Law of the State of Delaware (the “Corporation”), does hereby certify as follows:

1. At a meeting of the Board of Directors (the “Board”) of the Corporation duly convened and held on January 25, 2024, the Board duly adopted resolutions authorizing (a) the redemption of the outstanding 20,000 shares of the Corporation’s 6.50% Series B Fixed-Rate Reset Cumulative Redeemable Perpetual Preferred Stock (the “Series B Preferred Stock”) and the simultaneous redemption of the outstanding 20,000 shares of the Corporation’s Series B-1 Preferred Stock (the “Series B-1 Preferred Stock”) and (b) the Authorized Officers of the Corporation to do and perform, or cause to be done and performed, all such acts and deeds and to make, execute and deliver, or cause to be made, executed and delivered, all such agreements, undertakings, documents, instruments, waivers, amendments or certificates and to pay any fees or costs in the name and on behalf of the Corporation or otherwise as any such Authorized Officer may deem necessary or appropriate to effectuate and carry out fully the purpose and intent of the foregoing resolutions.

2. All shares of the Series B Preferred Stock and Series B-1 Preferred Stock have been redeemed.

3. The “Authorized Officers” include Kimberly S. Cuccia, the Senior Vice President, General Counsel and Corporate Secretary of the Corporation.

4. Pursuant to Section 151 of the General Corporation Law of the State of Delaware, such resolutions shall have the effect of eliminating from the certificate of incorporation of the Corporation all matters set forth in the Certificate of Designations of the Series B Preferred Stock previously filed by the Corporation with the Secretary of State of the State of Delaware on November 30, 2018 (the “Series B Certificate of Designations”) and the Certificate of Designations of the Series B-1 Preferred Stock previously filed by the Corporation with the Secretary of the State of Delaware on December 26, 2018 (the “Series B-1 Certificate of Designations”).

5. No shares of Series B Preferred Stock and the Series B-1 Preferred Stock remain issued and outstanding.

6. Kimberly S. Cuccia, in her capacity as an Authorized Officer, has certified the resolutions set forth below.

NOW, THEREFORE, BE IT RESOLVED, that following redemption of the Series B Preferred Stock and the Series B-1 Preferred Stock, no further shares of Series B Preferred Stock shall be issued subject to the Series B Certificate of Designations and no further shares of the Series B-1 Preferred Stock shall be issued subject to the Series B-1 Certificate of Designations;

FURTHER RESOLVED, that following redemption of the Series B Preferred Stock and the Series B-1 Preferred Stock, no shares of the Series B Preferred Stock and the Series B-1 Preferred Stock are outstanding; and

FURTHER RESOLVED, that the Authorized Officers of the Corporation be, and each of them hereby is, authorized and directed, in the name of and on behalf of the Corporation, to execute a Certificate of Elimination relating to the Series B Preferred Stock and the Series B-1 Preferred Stock, as well as such other certificates or instruments as may be required, to be filed with the Secretary of State of the State of Delaware to evidence the elimination from the certificate of incorporation of the Corporation all matters set forth in the Series B Certificate of Designations and in the Series B-1 Certificate Designations, such elimination to be effective upon the filing with the Secretary of State of the State of Delaware of such Certificate of Elimination of the Series B Preferred Stock and Series B-1 Preferred Stock.

[Signature Page Follows]

IN WITNESS WHEREOF, NiSource Inc. has caused this Certificate of Elimination to be signed by the undersigned as of this 8th day of March, 2024.

/s/ Kimberly S. Cuccia

Kimberly S. Cuccia

Senior Vice President, General Counsel and

Corporate Secretary

[Signature Page to Series B/B-1 Preferred Stock Certificate of Elimination]

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D)
OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): March 18, 2024

NiSource Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-16189
Commission
File Number

35-2108964
(I.R.S. Employer
Identification No.)

801 East 86th Avenue
Merrillville, IN
(Address of principal executive offices)

46410
(Zip Code)

Registrant's telephone number, including area code (877) 647-5990

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions.

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	NI	NYSE
Depository Shares, each representing a 1/1,000th ownership interest in a share of 6.50% Series B Fixed-Rate Reset Cumulative Redeemable Perpetual Preferred Stock, par value \$0.01 per share, liquidation preference \$25,000 per share and a 1/1,000th ownership interest in a share of Series B-1 Preferred Stock, par value \$0.01 per share, liquidation preference \$0.01 per share	NI PR B	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 5.02. Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers; Compensation Arrangements of Certain Officers.

On March 18, 2024, Aristides S. Candris, a member of the Board of Directors (the “Board”) of NiSource Inc. (the “Company”), notified the Board of his decision to retire from the Board, effective as of March 19, 2024. Mr. Candris’ decision to retire from the Board was not due to any disagreement with the Company on any matter relating to the Company’s operations, policies or practices. The Board thanks Mr. Candris for his leadership and service to the Company.

On March 19, 2024, the Board appointed John McAvoy as a director of the Company, effective immediately. The Board also appointed Mr. McAvoy to serve on the Compensation and Human Capital Committee and Safety, Operations, Regulatory and Policy Committee. Mr. McAvoy will stand for election at the Company’s 2024 Annual Meeting of Stockholders.

Mr. McAvoy, 63, most recently served as President and Chief Executive Officer of Consolidated Edison, Inc. (“ConEdison”) and Chief Executive Officer of Consolidated Edison Company of New York, Inc. (“ConEdison of New York”) from December 2013 through December 28, 2020. He continued to serve as director of ConEdison until his retirement in May 2023 after forty-three years of experience with ConEdison, including serving as Non-executive Chairman of the Board of ConEdison and the Board of ConEdison of New York from January 2021 until December 2021 as well as Chairman of the Board of ConEdison and ConEdison of New York from May 2014 until December 2020.

There is no arrangement or understanding between Mr. McAvoy and any other person, pursuant to which he was selected as a director of the Company. Mr. McAvoy does not have any direct or indirect material interest in any transaction or proposed transaction involving the Company required to be reported under Item 404(a) of Regulation S-K.

Consistent with the Company’s compensation practices for non-employee directors, Mr. McAvoy will receive an annualized retainer of \$275,000, consisting of \$110,000 in cash and an award of restricted stock units valued at \$165,000 at the time of the award. The form of restricted stock unit award agreement for non-employee directors was previously filed as Exhibit 10.20 to the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2023.

A copy of the Company’s press release, dated March 19, 2024, announcing Mr. Candris’ retirement and Mr. McAvoy’s appointment is attached as Exhibit 99.1 to this Current Report on Form 8-K.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
99.1	NiSource Inc. Press Release dated March 19, 2024
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NiSource Inc.

(Registrant)

Date: March 19, 2024

By:

/s/ Kimberly S. Cuccia

Kimberly S. Cuccia

Senior Vice President, General Counsel and Corporate Secretary



FOR IMMEDIATE RELEASE:

March 19, 2024

Aristides S. Candris Departs from the Board After 12 Years of Service

NiSource Inc. (NYSE: NI) today announced Aristides S. Candris, who has served as a director since 2012, has retired from the NiSource Board, and that it has appointed John McAvoy to its Board of Directors, effective immediately.

“We are pleased with the appointment of John McAvoy and the deep utility operational expertise he brings to the Board,” said NiSource Board Chair Kevin T. Kabat. “John also possesses substantial experience in executive leadership, finance, engineering, and operations that will be invaluable assets to our Board and the company.”

Kabat added, “On behalf of the entire Board, I would like to thank Aris for his leadership and direction to NiSource. We have benefitted from his guidance during his tenure and are incredibly thankful for his dedication to NiSource, including his commitment to safety and supporting NiSource’s 2022 achievement confirming certification in the American Petroleum Institute’s Recommended Practice 1173 for its Safety Management System (SMS), making NiSource the second entity in the world to achieve this distinction.”

Mr. McAvoy most recently served as President and Chief Executive Officer of Consolidated Edison, Inc. (“ConEdison”) and Chief Executive Officer of Consolidated Edison Company of New York, Inc. (“ConEdison of New York”) from December 2013 through December 28, 2020. He continued to serve as director of ConEdison until his retirement in May 2023 after forty-three years of experience with ConEdison, including serving as Non-executive Chairman of the Board of ConEdison and the Board of ConEdison of New York from January 2021 until December 2021 as well as Chairman of the Board of ConEdison and ConEdison of New York from May 2014 until December 2020.

About NiSource

NiSource Inc. (NYSE: NI) is one of the largest fully-regulated utility companies in the United States, serving approximately 3.3 million natural gas customers and 500,000 electric customers across six states through its local Columbia Gas and NIPSCO brands. The mission of our approximately 7,400 employees is to deliver safe, reliable energy that drives value to our customers. NiSource is a member of the Dow Jones Sustainability—North America Index and is on Forbes lists of America’s Best Employers for Women and Diversity. Learn more about NiSource’s record of leadership in sustainability, investments in the communities it serves and how we live our vision to be an innovative and trusted energy partner at www.NiSource.com. NI-F

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FOR ADDITIONAL INFORMATION

Media

Kevin T. Livingston

External Corporate Communications

(380) 268-3960

klivingston@nisource.com

Investors

Christopher Turnure

Director, Investor Relations

(614) 404-9426

cturnure@nisource.com

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K
CURRENT REPORT

Pursuant To Section 13 OR 15(d) of The
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 8, 2024

NiSource Inc.

(Exact name of registrant as specified in its charter)

<u>DE</u> (State or other jurisdiction of incorporation or organization)	<u>001-16189</u> Commission file number	<u>35-2108964</u> (I.R.S. Employer Identification No.)

<u>801 East 86th Avenue</u> <u>Merrillville, IN</u> (Address of principal executive offices)	<u>46410</u> (Zip Code)

Registrant’s telephone number, including area code (877) 647-5990

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions.

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	NI	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On May 8, 2024, NiSource Inc. (the “Company”) reported its financial results for the period ended March 31, 2024. The Company’s press release, dated May 8, 2024, is attached as Exhibit 99.1.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

Exhibit Number	Description
99.1	Press Release, dated May 8, 2024, issued by NiSource Inc.
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Schema Document
101.CAL	Inline XBRL Calculation Linkbase Document
101.LAB	Inline XBRL Labels Linkbase Document
101.PRE	Inline XBRL Presentation Linkbase Document
101.DEF	Inline XBRL Definition Linkbase Document
104	Cover page Interactive Data File (formatted as inline XBRL, and contained in Exhibit 101.)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: May 8, 2024

By:

NiSource Inc.
(Registrant)

/s/ Gunnar J. Gode
Gunnar J. Gode
Vice President, Chief Accounting Officer
(Principal Accounting Officer)



FOR IMMEDIATE RELEASE:
May 8, 2024

NiSource announces first quarter 2024 results

- Reaffirming 2024 non-GAAP adjusted EPS guidance
- Reaffirming 2023-2028 annual non-GAAP adjusted EPS growth of 6-8%

MERRILLVILLE, Ind. - NiSource Inc. (NYSE: NI) today announced, on a GAAP basis, net income available to common shareholders for the three months ended March 31, 2024, of \$344.3 million, or \$0.77 of earnings per diluted share, compared to net income available to common shareholders of \$319.2 million, or \$0.71 of earnings per diluted share, for the same period of 2023.

NiSource also reported first quarter 2024 non-GAAP adjusted net income available to common shareholders of \$382.8 million, or \$0.85 of adjusted earnings per share ("EPS") compared to non-GAAP adjusted net income available to common shareholders of \$343.0 million, or \$0.77 of adjusted EPS, for the same period of 2023. Schedule 1 of this press release contains a complete reconciliation of GAAP measures to non-GAAP measures.**

NiSource is reaffirming 2024 adjusted EPS guidance of \$1.70-1.74 as well as annual 6-8% adjusted EPS growth and annual 8-10% rate base growth* for the 2023-2028 period. The 2024-2028 base capital expenditure plan is increased to \$16.4 billion, a \$400 million increase versus the prior \$16 billion.

"Today's first quarter 2024 earnings results and regulatory progress underscore our ability to deliver on stakeholder commitments," said NiSource President and CEO, Lloyd Yates. "We are adding to our base capex plan without incremental equity issuance, once again demonstrating the improving position and flexibility of our balance sheet and its ability to support our portfolio of organic investment opportunities. The tireless effort of our employees and contractors makes this possible and continues to drive improved value and reliability of service for our nearly four million customers."

*core business rate base growth; select years may exceed range

****Non-GAAP Disclosure Statement**

Beginning with the first quarter of 2024, NiSource Inc. changed its disclosure of non-GAAP results and guidance for net operating earnings available to common shareholders to adjusted net income available to common shareholders and for net operating EPS to adjusted EPS to better align with the presentation used by many companies to report their non-GAAP results. The change reflects a name change only and the calculations of each of these non-GAAP metrics remains consistent with the historical calculations.

This press release includes financial results and guidance for NiSource with respect to adjusted net income available to common shareholders and adjusted EPS, which are non-GAAP financial measures as defined by the SEC. 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 guidance on adjusted EPS, NiSource reminds investors that it does not provide a GAAP equivalent of its guidance on adjusted net income available to common shareholders due to the impact of unpredictable factors such as fluctuations in weather, impact of asset sales and impairments and other unusual or infrequent items included in the comparable GAAP measures. The company is not able to estimate the impact of such factors on the comparable GAAP measures and, as such, is not providing guidance on a GAAP basis. In addition, the company is not able to provide a reconciliation of its non-GAAP adjusted EPS guidance to the comparable GAAP equivalents without unreasonable efforts.

Additional Information

Additional information for the quarter ended March 31, 2024, is available on the Investors section of www.nisource.com, including segment and financial information and a presentation, as well as NiSource's social media channels. The company alerts investors that it intends to use the Investors section of its website www.nisource.com and as well as the company's social media channels to disseminate important information about the company to its investors. Investors are advised to look at NiSource's website and its social media channels for future important information about the company.

About NiSource

NiSource Inc. (NYSE: NI) is one of the largest fully-regulated utility companies in the United States, serving approximately 3.3 million natural gas customers and 500,000 electric customers across six states through its local Columbia Gas and NIPSCO brands. The mission of our approximately 7,400 employees is to deliver safe, reliable energy that drives value to our customers. NiSource is a member of the Dow Jones Sustainability - North America Index and is on Forbes lists of America's Best Employers for Women and Diversity. Learn more about NiSource's record of leadership in sustainability, investments in the communities it serves and how we live our vision to be an innovative and trusted energy partner at www.NiSource.com. NI-F

The content of our website is not incorporated by reference into this document or any other report or document NiSource files with the Securities and Exchange Commission ("SEC").

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FOR ADDITIONAL INFORMATION

Media

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Investors

Christopher Turnure
Investor Relations
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Michael Weisenburger
Investor Relations
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Forward-Looking Statements

This Press Release 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. Forward-looking statements in this press release include, but are not limited to, statements concerning our 2024 guidance on adjusted EPS, 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 Press Release 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 work successfully with our third-party investors; our ability to adapt to, and manage costs related to, advances in technology, including alternative energy sources and changes in laws and regulations; our increased dependency on 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 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 demand; our ability to attract, retain or re-skill a qualified, diverse workforce and maintain good labor relations; our ability to manage new initiatives and organizational changes; the actions of activist stockholders; the performance and quality of third-party suppliers and service providers; potential cybersecurity attacks or security breaches; increased requirements and costs related to cybersecurity; any damage to our reputation; the impacts of natural disasters, potential terrorist attacks or other catastrophic events; the physical impacts of climate change and the transition to a lower carbon future; our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals, including

our Net Zero Goal; our debt obligations; any changes to our credit rating or the credit rating of certain of our subsidiaries; adverse economic and capital market conditions, including increases in inflation or interest rates, recession, or changes in investor sentiment; economic regulation and the impact of regulatory rate reviews; our ability to obtain expected financial or regulatory outcomes; 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; the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation; compliance with changes in, or new interpretations of applicable laws, regulations and tariffs; the cost of compliance with environmental laws and regulations and the costs of associated liabilities; changes in tax laws or the interpretation thereof; and other matters set forth in 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 fiscal year ended December 31, 2023, some 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.

Case No. 2026-00099
807 KAR 5:001 Section 16(7)(p)
Page 20 of 52

Schedule 1 - Reconciliation of Consolidated Net Income Available to Common Shareholders to Adjusted Net Income Available to Common Shareholders (Non-GAAP) *(unaudited)*

	Three Months Ended March 31,	
	2024	2023
<i>(in millions, except per share amounts)</i>		
GAAP Net Income Available to Common Shareholders	\$ 344.3	\$ 319.2
Adjustments to Operating Income :		
Operating Revenues:		
Weather - compared to normal	32.9	32.3
Total adjustments to operating income	32.9	32.3
Income Taxes:		
Tax effect of above items ⁽¹⁾	(8.4)	(8.5)
Preferred Dividends:		
Preferred dividends redemption premium ⁽²⁾	14.0	—
Total adjustments to net income	38.5	23.8
Adjusted Net Income Available to Common Shareholders	\$ 382.8	\$ 343.0
Diluted Average Common Shares	449.4	447.1
GAAP Diluted Earnings Per Share⁽³⁾	\$ 0.77	\$ 0.71
Adjustments to diluted earnings per share	0.08	0.06
Adjusted Earnings Per Share	\$ 0.85	\$ 0.77

⁽¹⁾Represents income tax expense calculated using the statutory tax rates for legal entity.

⁽²⁾Represents the difference between the carrying value on the redemption date of the Series B Preferred Stock and the total amount of consideration paid to redeem, net of the fair value of common shares issued during 2024.

⁽³⁾ GAAP Diluted Earnings Per Share includes the effects of income allocated to participating securities and adds back the dilutive effect of Equity Units in the prior year. Please refer to Note 5, "Earnings Per Share," within the Company's Quarterly Report on Form 10-Q for the period ended March 31, 2024.

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): May 13, 2024

NiSource Inc.
(Exact Name of Registrant as Specified in Charter)

Delaware
(State or other jurisdiction
of incorporation)

001-16189
(Commission
file number)

35-2108964
(I.R.S. Employer
Identification No.)

801 East 86th Avenue
Merrillville, Indiana
(Address of Principal Executive Offices)

46410
(Zip Code)

Registrant's telephone number, including area code: (877) 647-5990

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	NI	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 5.07 Submission of Matters to a Vote of Security Holders.

Set forth below are the matters acted upon by the stockholders of the Company at the Annual Meeting held on May 13, 2024, as described in the Company's Proxy Statement filed on April 1, 2024, and the final voting results for each matter.

Proposal 1: Election of Directors. The number of votes cast for and against each nominee, as well as the number of abstentions and broker non-votes, were as follows:

Name of Nominee	Votes For	Votes Against	Abstentions	Broker Non-Votes
Peter A. Altabef	355,976,072	3,548,915	573,495	31,504,507
Sondra L. Barbour	356,817,369	2,755,686	525,427	31,504,507
Theodore H. Bunting, Jr.	357,045,023	2,502,663	550,796	31,504,507
Eric L. Butler	352,452,420	7,117,449	528,613	31,504,507
Deborah A. Henretta	348,720,680	10,857,828	519,974	31,504,507
Deborah A.P. Hersman	357,050,643	2,471,502	576,337	31,504,507
Michael E. Jesanis	356,944,097	2,613,802	540,583	31,504,507
William D. Johnson	356,154,142	3,399,477	544,863	31,504,507
Kevin T. Kabat	341,727,766	17,753,124	617,592	31,504,507
Cassandra S. Lee	356,829,262	2,701,065	568,155	31,504,507
John McAvoy	357,620,223	1,953,617	524,642	31,504,507
Lloyd M. Yates	356,770,557	2,715,126	612,799	31,504,507

Each nominee was elected.

Proposal 2: Approval of Named Executive Officer Compensation on an Advisory Basis. The number of votes cast for and against this matter, as well as the number of abstentions, were as follows:

Votes For	Votes Against	Abstentions
347,388,459	11,849,767	860,256

There were 31,504,507 broker non-votes as to Proposal 2.

Proposal 2 was approved on an advisory basis.

Proposal 3: Ratification of the Appointment of Deloitte & Touche LLP as the Company's Independent Registered Public Accounting Firm for 2024. The number of votes cast for and against this matter, as well as the number of abstentions, were as follows:

Votes For	Votes Against	Abstentions
374,754,012	16,279,389	569,588

There were no broker non-votes as to Proposal 3.

Proposal 3 was approved.

Proposal 4: Approval of Amended and Restated Employee Stock Purchase Plan to Increase the Number of Shares Available Under the Plan. The number of votes cast for and against this matter, as well as the number of abstentions, were as follows:

Votes For	Votes Against	Abstentions
356,921,401	2,656,683	520,398

There were 31,504,507 broker non-votes as to Proposal 4.

Proposal 4 was approved.

Proposal 5: Stockholder Proposal Requesting that the Board Amend Bylaws Requiring Stockholder Approval of Director Compensation. The number of votes cast for and against this matter, as well as the number of abstentions, were as follows:

<u>Votes For</u>	<u>Votes Against</u>	<u>Abstentions</u>
8,164,688	350,185,104	1,748,690

There were 31,504,507 broker non-votes as to Proposal 5.

Proposal 5 was not approved.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NISOURCE INC.

May 13, 2024

By: /s/ Kimberly S. Cuccia
Kimberly S. Cuccia
Senior Vice President, General Counsel and Corporate Secretary

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 16, 2024

NiSource Inc.
(Exact Name of Registrant as Specified in Charter)

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Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	NI	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 8.01 Other Events.

6.950% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2054

On May 13, 2024, NiSource Inc. (the “Company”) and BofA Securities, Inc., Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, Morgan Stanley & Co. LLC and Wells Fargo Securities, LLC, as representatives of the underwriters, entered into a Terms Agreement (the “Terms Agreement”) with respect to the offering and sale of \$500,000,000 aggregate principal amount of the Company’s 6.950% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2054 (the “Notes”) under the Company’s Registration Statement on Form S-3 (File No. 333-268084) (the “Registration Statement”). The Terms Agreement incorporates by reference the provisions of the Company’s Underwriting Agreement, dated November 30, 2017 (a form of which was filed with the Securities and Exchange Commission (the “SEC”) on November 30, 2017). The sale closed on May 16, 2024.

Interest on the Notes accrues from and including May 16, 2024 and is payable semi-annually in arrears on May 30 and November 30 of each year, beginning on November 30, 2024. The Notes bear interest (i) from and including May 16, 2024 to, but excluding, November 30, 2029 at the rate of 6.950% per annum and (ii) from and including November 30, 2029, during each reset period at a rate per annum equal to the Five-year U.S. Treasury Rate (as defined in the prospectus supplement described below) as of the most recent reset interest determination date plus a spread of 2.451%, to be reset on each reset date.

The Notes mature on November 30, 2054. The Company, at its option, may redeem some or all of the Notes during specified periods, and upon the occurrence of certain ratings or tax events, all as described in the prospectus supplement.

The Notes were issued pursuant to a Subordinated Indenture, dated as of May 16, 2024, between the Company and The Bank of New York Mellon (the “Subordinated Indenture”), as supplemented by the First Supplemental Indenture thereto, dated as of May 16, 2024 (the “First Supplemental Indenture”). The Company intends to use the aggregate net proceeds from the sale of the Notes for general corporate purposes, including to finance capital expenditures, for working capital and to repay existing indebtedness. Further information concerning the Notes and related matters is set forth in the Company’s prospectus supplement dated May 13, 2024, which was filed with the SEC on May 14, 2024.

The preceding is a summary of the terms of the Notes and is qualified in its entirety by reference to the form of the Notes attached hereto as Exhibit 4.1, the Subordinated Indenture attached hereto as Exhibit 4.2 and the First Supplemental Indenture attached hereto as Exhibit 4.3, each of which is incorporated herein by reference as though it was fully set forth herein.

The Company is filing Exhibits 5.1 and 8.1 with this Current Report on Form 8-K in connection with the Registration Statement.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
4.1	Form of 6.950% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2054 (included in Exhibit 4.3 hereto)
4.2	Subordinated Indenture, dated as of May 16, 2024, between NiSource Inc. and The Bank of New York Mellon, as trustee
4.3	First Supplemental Indenture, dated as of May 16, 2024, between NiSource Inc. and The Bank of New York Mellon, as trustee
5.1	Opinion of McGuireWoods LLP regarding validity of the Notes
8.1	Opinion of McGuireWoods LLP regarding certain tax matters related to the Notes
23.1	Consent of McGuireWoods LLP (included in Exhibit 5.1)
23.2	Consent of McGuireWoods LLP (included in Exhibit 8.1)
104	Cover page Interactive Data File (embedded within the Inline XBRL document)

Cautionary Statement Concerning Forward-Looking Statements

This current report on Form 8-K contains forward-looking statements that are not historical facts, including statements about the anticipated use of proceeds from the sale of the Notes. These statements are based on current expectations and assumptions, which management believes are reasonable, and on information currently available to management, but are necessarily subject to various risks and uncertainties. In addition to the risk that these assumptions prove to be inaccurate, factors that could cause actual results to differ materially from those contemplated by the forward-looking statements include factors disclosed in the Company's Annual Report on Form 10-K for the year ended December 31, 2023, and its subsequent filings with the SEC, which are available on the Company's website at www.nisource.com and on the SEC's website at www.sec.gov. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether due to new information, future events or otherwise, except to the extent required by law.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NiSource Inc.

(Registrant)

Date: May 16, 2024

By: /s/ Shawn Anderson

Shawn Anderson

Executive Vice President and Chief Financial Officer

NISOURCE INC.

to

THE BANK OF NEW YORK MELLON
as Trustee

INDENTURE

Dated as of May 16, 2024

Providing for Issuance of Subordinated Debt Securities

NiSource Inc.**Reconciliation and Tie between Trust Indenture Act of 1939, as amended, and
Indenture, dated as of May 16, 2024**

<u>Trust Indenture Act Section</u>	<u>Indenture Section(s)</u>
§310 (a)(1)	609
(a)(2)	609
(a)(3)	Not Applicable
(a)(4)	Not Applicable
(a)(5)	609
(b)	608, 610
(c)	Not Applicable
§311 (a)	613
(b)	613
(c)	613
§312 (a)	701, 702(a)
(b)	702(a)
(c)	702(b)
§313 (a)	703(a)
(b)	703(b)
(c)	703(c)
(d)	703(c)
§314 (a)	704
(a)(4)	101, 1009
(b)	Not Applicable
(c)(1)	102
(c)(2)	102
(c)(3)	Not Applicable
(d)	Not Applicable
(e)	102
(f)	Not Applicable
§315 (a)	601
(b)	602
(c)	601
(d)	601
(e)	514
§316 (a)(1)(A)	502, 512
(a)(1)(B)	513
(a)(2)	Not Applicable
(b)	508
(c)	104
§317 (a)(1)	503
(a)(2)	504
(b)	1003
§318 (a)	108

NOTE: This Reconciliation and Tie shall not, for any purpose, be deemed to be a part of the Indenture.

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INDENTURE, dated as of May 16, 2024, between NiSource Inc., a corporation duly organized and existing under the laws of the State of Delaware (herein called the “**Company**”), having its principal office at 801 East 86th Avenue, Merrillville, Indiana 46410, and The Bank of New York Mellon, a New York banking corporation, having its principal corporate trust office at 240 Greenwich Street, 7E, New York, New York 10286, not in its individual capacity but solely as trustee (herein called the “**Trustee**”).

RECITALS OF THE COMPANY

The Company has duly authorized the execution and delivery of this Indenture to provide for the issuance from time to time of the Company’s unsecured subordinated debentures, notes or other evidences of indebtedness (herein collectively called the “**Securities**,” and individually called a “**Security**”), which may or may not be convertible into or exchangeable for any securities of any Person (including the Company), to be issued in one or more series as provided in this Indenture.

The Company has done all things necessary to make this Indenture a valid agreement of the Company, in accordance with its terms. This Indenture is subject to the provisions of the Trust Indenture Act of 1939, as amended, and the rules and regulations of the Securities and Exchange Commission promulgated thereunder that are required to be part of this Indenture and, to the extent applicable, shall be governed by such provisions.

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

For and in consideration of the premises and the purchase of the Securities by the Holders thereof, it is mutually covenanted and agreed, for the equal and proportionate benefit of all Holders of the Securities or of series thereof, as follows:

Article One

Definitions and Other Provisions of General Application

Section 101. Definitions. For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(1) the terms defined in this Article have the meanings assigned to them in this Article and include the plural as well as the singular;

(2) all other terms used herein which are defined in the Trust Indenture Act, either directly or by reference therein, have the meanings assigned to them in the Trust Indenture Act;

(3) all accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles in the United States of America, and, except as otherwise herein expressly provided, the term “generally accepted accounting principles” with respect to any computation required or permitted hereunder shall mean such accounting principles as are generally accepted in the United States of America at the date of such computation;

(4) the words “herein,” “hereof,” “hereto” and “hereunder” and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision; and

(5) the word “or” is always used inclusively (for example, the phrase “A or B” means “A or B or both,” not “either A or B but not both”).

Certain terms used principally in certain Articles are defined in those Articles.

“**Act**,” when used with respect to any Holder of a Security, has the meaning specified in Section 104.

“Affiliate” of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, “control” when used with respect to any specified Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

“Authenticating Agent” means any Person or Persons authorized by the Trustee to act on behalf of the Trustee to authenticate one or more series of Securities.

“Bankruptcy Law” means Title 11 of the United States Code or any similar United States federal or state law for the relief of debtors.

“Benefited Party” shall have the meaning set forth in Section 1501.

“Board of Directors” means the board of directors of the Company or any duly authorized committee thereof.

“Board Resolution” means a copy of a resolution certified by the Corporate Secretary or an Assistant Corporate Secretary of the Company to have been duly adopted by the Board of Directors and to be in full force and effect on the date of such certification, and delivered to the Trustee.

“Business Day” means any day other than a Saturday or Sunday or a day on which banks and trust companies located in the municipality in which the Corporate Trust Office is located are authorized or required by law, regulation or executive order to remain closed.

“Commission” means the Securities and Exchange Commission, as from time to time constituted, created under the Securities Exchange Act of 1934, as amended, or, if at any time after the execution of this instrument such Commission is not existing and performing the duties now assigned to it under the Trust Indenture Act, then the body performing such duties at such time.

“Common Stock” means, with respect to any Person, any and all shares, interests, participations or other equivalents, however designated, whether voting or non-voting, of that Person’s equity, other than preferred stock of that Person, whether now outstanding or issued after the date of this Indenture, including, without limitation, all series and classes of that common stock.

“Company” means NiSource Inc., a Delaware corporation, and any and all successors thereto.

“Consolidated Net Tangible Assets” means the total amount of assets appearing on a consolidated balance sheet of the Company and its Subsidiaries less, without duplication, the following:

(a) all current liabilities (excluding any thereof which are by their terms extendable or renewable at the sole option of the obligor thereon without requiring the consent of the obligee to a date more than 12 months after the date of determination);

(b) all reserves for depreciation and other asset valuation reserves but excluding any reserves for deferred Federal income taxes arising from accelerated amortization or otherwise;

(c) all intangible assets such as goodwill, trademarks, trade names, patents and unamortized debt discount and expense carried as an asset on said balance sheet; and

(d) all appropriate adjustments on account of minority interests of other Persons holding Common Stock in any Subsidiary.

Consolidated Net Tangible Assets shall be determined in accordance with generally accepted accounting principles and as of a date not more than 90 days prior to the happening of the event for which such determination is being made.

“Corporate Trust Office” means the corporate trust office of the Trustee of a series of Securities at which at any particular time the corporate trust business shall be administered, which office on the date of execution of this Indenture is located at 240 Greenwich Street, 7E, New York, New York 10286, Attention: Corporate Trust Administration, except that with respect to presentation of Securities of a series for payment or for registration of transfer or exchange, such term shall mean the office or agency of the Trustee of such series designated for such purpose, which office or agency on the date of execution of this Indenture is located at 240 Greenwich Street, 7E, New York, New York 10286.

“Corporation” includes any corporation, association, company, limited liability company or business trust.

“Defaulted Interest” has the meaning specified in Section 307.

“Depository” means, with respect to the Securities of any series issuable or issued in whole or in part in the form of one or more Global Securities, a clearing agency registered under the Securities Exchange Act of 1934, as amended, specified for that purpose as contemplated by Section 301 or any successor clearing agency registered under such Act as contemplated by Section 305, and if at any time there is more than one such Person, the term “Depository” as used with respect to the Securities of any series shall mean the Depository with respect to the Securities of such series.

“Dollar” or **“\$”** means a dollar or other equivalent unit in such coin or currency of the United States of America as at the time shall be legal tender for the payment of public and private debts.

“Event of Default” has the meaning specified in Section 501.

“Global Security” means a Security bearing the legend specified in Section 204 evidencing all or part of a series of Securities, issued to the Depository for such series or its nominee, and registered in the name of such Depository or nominee.

“Guarantee” means a guarantee (other than by endorsement of negotiable instruments for collection in the ordinary course of business), direct or indirect, in any manner (including by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof), of all or any part of any principal of, premium, if any, and interest on the Securities.

“Holder,” when used with respect to any Security, means the Person in whose name the Security is registered in the Security Register.

“Indenture” means this instrument as originally executed or as it may from time to time be supplemented or amended by one or more indentures supplemental hereto entered into pursuant to the applicable provisions hereof.

“Interest,” when used with respect to an Original Issue Discount Security which by its terms bears interest only after Maturity, means interest payable after Maturity.

“Interest Payment Date,” when used with respect to any Security, means the Stated Maturity of an installment of interest on such Security.

“Maturity,” when used with respect to any Security, means the date on which the principal of such Security or an installment of principal becomes due and payable as therein or herein provided, whether at the Stated Maturity or by declaration of acceleration, call for redemption or otherwise.

“Obligations” means any principal (including reimbursement obligations and guarantees), premium, if any, interest (including interest accruing on or after the filing of, or which would have accrued but for the filing of, any petition in bankruptcy or for reorganization relating to the Company whether or not a claim for post-filing interest is allowed in such proceedings), penalties, fees, expenses, indemnifications, reimbursements, claims for rescission, damages, gross-up payments and all other amounts and other liabilities payable under the Securities, this Indenture and any indentures supplemental hereto.

“Officer” means, with respect to any Person, the Chairman of the Board, Vice Chairman, the President, a Vice President, Treasurer, an Assistant Treasurer, the Controller or Assistant Controller and the Corporate Secretary or an Assistant Corporate Secretary.

“Officers’ Certificate” means a certificate signed by the Chairman of the Board, the Vice Chairman, the President or a Vice President, and by the Treasurer, an Assistant Treasurer, the Controller, an Assistant Controller, the Corporate Secretary or an Assistant Corporate Secretary, of the Company that complies with the requirements of Section 314(c) of the Trust Indenture Act and is delivered to the Trustee.

“Opinion of Counsel” means a written opinion of counsel, who may be counsel for the Company, and who shall be acceptable to the Trustee, that complies with the requirements of Section 314(c) of the Trust Indenture Act and Section 102 of this Indenture.

“Original Issue Discount Security” means any Security which provides for an amount less than the principal amount thereof to be due and payable upon a declaration of acceleration of the Maturity thereof pursuant to Section 502.

“Outstanding,” when used with respect to Securities, means, as of the date of determination, all Securities theretofore authenticated and delivered under this Indenture, except:

(i) Securities theretofore canceled by the Trustee or delivered to the Trustee for cancellation;

(ii) Securities for whose payment or redemption money in the necessary amount has been theretofore deposited with the Trustee or any Paying Agent (other than the Company) in trust or set aside and segregated in trust by the Company (if the Company shall act as its own Paying Agent) for the Holders of such Securities; *provided*, that if such Securities are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture or provision therefor satisfactory to the Trustee has been made; and

(iii) Securities which have been paid pursuant to Section 306 or in exchange for or in lieu of which other Securities have been authenticated and delivered pursuant to this Indenture, other than any such Securities in respect of which there shall have been presented to the Trustee proof satisfactory to it that such Securities are held by a bona fide purchaser in whose hands such Securities are valid obligations of the Company;

and *provided further*, that in determining whether the Holders of the requisite principal amount of the Outstanding Securities have been given any request, demand, authorization, direction, notice, consent or waiver hereunder or are present at a meeting of Holders of Securities for quorum purposes, Securities owned by the Company or any other obligor upon the Securities or any Affiliate of the Company or of such other obligor shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver or upon any such determination as to the presence of a quorum, only Securities which the Trustee knows to be so owned shall be so disregarded. Securities so owned which have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee’s right so to act with respect to such Securities and that the pledgee is not the Company or any other obligor upon the Securities or any Affiliate of the Company or of such other obligor.

“Paying Agent” means any Person authorized by the Company pay the principal of (and premium, if any) or interest on any Securities on behalf of the Company.

“Person” means any individual, Corporation, limited liability company, partnership, joint venture, joint-stock company, trust, unincorporated organization, government or any agency or political subdivision thereof, or any other entity.

“Place of Payment,” when used with respect to the Securities of any series, means the place or places where the principal of (and premium, if any) and interest on the Securities of that series are payable as specified as contemplated by Section 301.

“Predecessor Security” of any particular Security means every previous Security evidencing all or a portion of the same debt as evidenced by such particular Security; and, for the purposes of this definition, any Security authenticated and delivered under Section 306 in exchange for or in lieu of a mutilated, destroyed, lost or stolen Security shall be deemed to evidence the same debt as the mutilated, destroyed, lost or stolen Security.

“Redemption Date,” when used with respect to any Security to be redeemed, means the date fixed for such redemption by or pursuant to this Indenture.

“Redemption Price,” when used with respect to any Security to be redeemed, means the price at which it is to be redeemed pursuant to this Indenture.

“Regular Record Date” for the interest payable on any Interest Payment Date on the Securities of any series means the date specified for that purpose as contemplated by Section 301.

“Request” or “Order” means a written request or order signed in the name of the Company by its Chairman of the Board, its Vice Chairman, its President or a Vice President, and by its Treasurer, an Assistant Treasurer, its Controller, an Assistant Controller, its Corporate Secretary or an Assistant Corporate Secretary, and delivered to the Trustee.

“Responsible Officer,” when used with respect to the Trustee, means any Vice President, any assistant secretary, any assistant treasurer, any cashier, any assistant cashier, any senior trust officer, any trust officer or assistant trust officer, any assistant controller or any other officer of the Trustee customarily performing corporate trust functions on behalf of the Trustee under this Indenture and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

“Securities” and **“Security”** have the meanings stated in the first recital of this Indenture and more particularly means any Securities authenticated and delivered under this Indenture; *provided*, that if at any time there is more than one Person acting as Trustee under this Indenture, the term **“Securities,”** with respect to any such Person, shall mean Securities authenticated and delivered under this Indenture, exclusive, however, of Securities of any series as to which such Person is not Trustee.

“Security Register” and **“Security Registrar”** have the respective meanings specified in Section 305.

“Senior Indebtedness” means indebtedness issued pursuant to a senior indenture, as supplemented or amended by one or more indentures supplemental thereto, payment of which shall be senior to the payment of the Securities issued hereunder, pursuant to Article Fifteen hereof.

“Special Record Date” for the payment of any Defaulted Interest on the Securities of any series means a date fixed by the Trustee pursuant to Section 307.

“Stated Maturity,” when used with respect to any Security or any installment of principal thereof or interest thereon, means the date specified in such Security as the fixed date on which the principal of such Security or such installment of principal or interest is due and payable.

“Subsidiary” means a corporation more than 50% of the outstanding voting stock of which is owned, directly or indirectly, by the Company or by one or more other Subsidiaries. For the purposes of this definition, the term “voting stock” means stock which ordinarily has voting power for the election of directors, whether at all times or only so long as no senior class of stock has such voting power by reason of any contingency.

“Trust Indenture Act” means the Trust Indenture Act of 1939, as amended, and any reference herein to the Trust Indenture Act or a particular provision thereof shall mean such Trust Indenture Act or provision, as the case may be, as amended or replaced from time to time or as supplemented from time to time by rules or regulations adopted by the Commission under or in furtherance of the purposes of such Trust Indenture Act or provision, as the case may be.

“Trustee” means the Person named as the “Trustee” in the first paragraph of this instrument until a successor Trustee shall be named such with respect to one or more series of Securities pursuant to the applicable provisions of this Indenture, and thereafter the term “Trustee” shall mean or include each Person who is then a Trustee hereunder and, if at any time there is more than one such Person, the term “Trustee,” as used with respect to the Securities of any series, shall mean the Trustee with respect to Securities of that series.

“United States” means the United States of America (including the States and the District of Columbia), its territories and possessions and other areas subject to its jurisdiction.

“United States Alien” means any Person who, for United States federal income tax purposes, is a foreign corporation, a non-resident alien individual, a non-resident alien fiduciary of a foreign estate or trust, or a foreign partnership one or more of the members of which is, for United States federal income tax purposes, a foreign corporation, a non-resident alien individual or a non-resident alien fiduciary of a foreign estate or trust.

“Utility” means any subsidiary of the Company that is subject to regulation by a federal or state utility regulatory commission or other utility regulatory body.

“Vice President,” when used with respect to the Company or the Trustee, means any vice president, whether or not designated by a number or a word or words added before or after the title “vice president.”

Section 102. Compliance Certificates and Opinions. Upon any application or request by the Company to the Trustee to take any action under any provision of this Indenture, the Company shall furnish to the Trustee an Officers’ Certificate stating that all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with and an Opinion of Counsel stating that in the opinion of such counsel all such conditions precedent, if any, have been complied with, except that in the case of any such application or request as to which the furnishing of such documents is specifically required by any provision of this Indenture relating to such particular application or request, no additional certificate or opinion need be furnished.

Every certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture shall include:

- (1) a statement that each individual signing such certificate or opinion has read such covenant or condition and the definitions herein relating thereto;
- (2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;
- (3) a statement that, in the opinion of each such individual, he has made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such covenant or condition has been complied with; and
- (4) a statement as to whether, in the opinion of each such individual, such condition or covenant has been complied with.

Section 103. Form of Documents Delivered to Trustee. In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

Any certificate or opinion of an Officer of the Company may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by, counsel, unless such Officer knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion is based are erroneous. Any such certificate or Opinion of Counsel may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, an Officer or Officers of the Company stating that the information with respect to such factual matters is in the possession of the Company, unless such counsel knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to such matters are erroneous.

Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements or other instruments under this Indenture, they may, but need not, be consolidated and form one instrument.

Section 104. Acts of Holders; Record Dates.

(a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided in or pursuant to this Indenture to be made, given or taken by Holders may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Holders in person or by an agent duly appointed in writing. Except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments or record or both are delivered to the Trustee and, where it is hereby expressly required, to the Company. Such instrument or instruments and any such record (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the “**Act**” of the Holders signing such instrument or instruments and so voting at any such meeting. Proof of execution of any such instrument or of a writing appointing any such agent, or of the holding by any Person of a Security, shall be sufficient for any purpose of this Indenture and (subject to Section 601) conclusive in favor of the Trustee and the Company if made in the manner provided in this Section. The record of any meeting of Holders of Securities shall be proved in the manner provided in Section 1306.

Notwithstanding the foregoing, with respect to any Global Security, nothing herein shall prevent the Company, the Trustee, or any agent of the Company or the Trustee, from giving effect to any request, demand, authorization, direction, notice, consent, waiver or other action provided in this Indenture to be given or taken by a Depositary or impair, as between a Depositary and such holders of beneficial interests, the operation of customary practices governing the exercise of the rights of the Depositary (or its nominee) as Holder of any Security.

Without limiting the generality of this Section 104, unless otherwise provided in or pursuant to this Indenture, a Holder, including a Depositary that is a Holder of a Global Security, may make, give or take, by a proxy or proxies duly appointed in writing, any request, demand, authorization, direction, notice, consent, waiver or other action provided in or pursuant to this Indenture to be made, given or taken by Holders, and a Depositary that is a Holder of a Global Security may give its proxy or proxies to the Depositary’s participants or the beneficial owners of interests in any such Global Security, as the case may be, through such Depositary’s standing instructions and customary practices.

Subject to the next succeeding paragraph, the Company may, in the circumstances permitted by the Trust Indenture Act, fix any day as the record date for the purpose of determining the Holders of Securities of any series entitled to give or take any request, demand, authorization, direction, notice, consent, waiver or other action, or to vote on any action, authorized or permitted to be given or taken by Holders of Securities of such series. If not set by the Company prior to the first solicitation of a Holder of Securities of such series made by any Person in respect of any such action, or in the case of any such vote, prior to such vote, the record date for any such action or vote shall be the 30th day prior to such first solicitation or vote, or, if later, the date of the most recent list of Holders required to be provided pursuant to Section 701, as the case may be. With regard to any record date for action to be taken by the Holders of one or more series of Securities, only the Holders of Securities of such series on such date (or their duly designated proxies) shall be entitled to give or take, or vote on, the relevant action.

The Trustee shall fix a record date for the purpose of determining the Persons who are beneficial owners of interests in any permanent Global Security held by a Depositary and who are entitled under the procedures of such Depositary to make, give or take, by a proxy or proxies duly appointed in writing, any request, demand, authorization, direction, notice, consent, waiver or other action provided in or pursuant to this Indenture to be made, given or taken by Holders. If such a record date is fixed, the Holders on such record date or their duly appointed proxy or proxies, and only such Persons, shall be entitled to make, give or take such request, demand, authorization, direction, notice, consent, waiver or other action, whether or not such Holders remain Holders after such record date. No such request, demand, authorization, direction, notice, consent, waiver or other action shall be valid or effective if made, given or taken more than 90 days after such record date.

(b) The fact and date of the execution by any Person of any such instrument or writing may be proved in any reasonable manner which the Trustee deems sufficient.

(c) The principal amount and serial numbers of Securities held by any Person, and the date of holding the same, shall be proved by the Security Register.

(d) The fact and date of execution of any such instrument or writing, the authority of the Person executing the same and the date of holding the same may also be proved in any other reasonable manner which the Trustee deems sufficient; and the Trustee may in any instance require further proof with respect to any of the matters referred to in this Section.

(e) Any request, demand, authorization, direction, notice, consent, election, waiver or other Act of the Holder of any Security shall bind every future Holder of the same Security and the Holder of every Security issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof in respect of anything done, omitted or suffered to be done by the Trustee or the Company in reliance thereon, whether or not notation of such action is made upon such Security.

Section 105. Notices, etc., to Trustee and the Company. Any request, demand, authorization, direction, notice, consent, election, waiver or other Act of Holders of a series of Securities or other document provided or permitted by this Indenture to be made upon, given or furnished to, or filed with,

(1) the Trustee of such series by any Holder of a Security of such series or by the Company shall be sufficient for every purpose hereunder if made, given, furnished or filed in writing to or with the Trustee of such series at its Corporate Trust Office, or

(2) the Company by the Trustee of such series or by any Holder of a Security of such series shall be sufficient for every purpose hereunder (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to the Company, addressed to the attention of its Corporate Secretary, at 801 East 86th Avenue, Merrillville, Indiana 46410, or at any other address previously furnished in writing to the Trustee of such series by the Company.

The Trustee shall have the right to accept and act upon instructions, including funds transfer instructions (“**Instructions**”), pursuant to this Indenture and related documents sent by Electronic Means; provided, however, that the Company shall provide to the Trustee an incumbency certificate listing officers with the authority to provide such Instructions (“**Authorized Officers**”) or directions and containing specimen signatures of such Authorized Officers, which such incumbency certificate shall be amended and replaced whenever a person is to be added or deleted from the listing. If the Company elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the Trustee’s understanding of such Instructions shall be deemed controlling. The Company understands and agrees that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The Company shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Trustee and that the Company and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Company. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from its reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The Company agrees (i) to assume all risks arising out of its use of Electronic Means to submit Instructions to the Trustee, including the risk of the Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Company; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures. “**Electronic Means**” shall mean the following communications methods: e-mail, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services hereunder.

Notwithstanding any other provision of this Indenture or any Security, where this Indenture or any Security provides for notice of any event or any other communication (including any notice of redemption or repurchase) to a Holder of a Global Security (whether by mail or otherwise), such notice shall be sufficiently given if given to the Depositary (or its designee) pursuant to the standing instructions from the Depositary or its designee, including by electronic mail in accordance with accepted practices at the Depositary.

Section 106. Notice to Holders of Securities; Waiver. Except as otherwise expressly provided herein, where this Indenture provides for notice to Holders of Securities (of any series) of any event, such notice shall be sufficiently given if in writing and mailed, first-class postage prepaid, to each Holder of a Security of such series affected by such event, at his address as it appears in the Security Register, not later than the latest date, and not earlier than the earliest date, prescribed for the giving of such Notice.

In case by reason of the suspension of regular mail service or by reason of any other cause it shall be impracticable to give such notice by mail, then such notification as shall be made with the approval of the Trustee shall constitute a sufficient notification for every purpose hereunder. In any case where notice to Holders of Securities is given by mail, neither the failure to mail such notice, nor any defect in any notice so mailed, to any particular Holder of a Security shall affect the sufficiency of such notice with respect to other Holders of Securities given as provided above.

Where this Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders of Securities shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Section 107. Language of Notices, Etc. Any request, demand, authorization, direction, notice, consent, election or waiver required or permitted under this Indenture shall be in the English language, except that any published notice may be in an official language of the country of publication.

Section 108. Conflict with Trust Indenture Act. If any provision hereof limits, qualifies or conflicts with any duties under any required provision of the Trust Indenture Act deemed included herein by Section 318(c) thereof, such required provision shall control.

Section 109. Effect of Headings and Table of Contents. The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

Section 110. Successors and Assigns. All covenants and agreements in this Indenture by the Company shall bind their respective successors and assigns, whether so expressed or not.

Section 111. Separability Clause. In case any provision in this Indenture or the Securities shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 112. Benefits of Indenture. Nothing in this Indenture or the Securities, express or implied, shall give to any Person, other than the parties hereto, their successors hereunder and the Holders of Securities (and, with respect to the provisions of Article Fifteen, the holders of Senior Indebtedness), any benefit or any legal or equitable right, remedy or claim under this Indenture.

Section 113. Governing Law. This Indenture and the Securities shall be governed by and construed in accordance with the internal law of the State of New York, without giving effect to any contrary conflict of laws or choice of law provisions of the law of the State of New York or any other jurisdiction.

Section 114. Legal Holidays. In any case where any Interest Payment Date, Redemption Date or Stated Maturity of any Security shall not be a Business Day at any Place of Payment, then (notwithstanding any other provision of this Indenture or of the Securities) payment of interest or principal (and premium, if any) need not be made at such Place of Payment on such date, but may be made on the next succeeding Business Day at such Place of Payment with the same force and effect as if made on the Interest Payment Date or Redemption Date, or at the Stated Maturity; provided, that no interest shall accrue on the amount so payable for the period from and after such Interest Payment Date, Redemption Date or Stated Maturity, as the case may be.

Section 115. Agent for Service. The Company has designated and appointed Corporation Service Company, 19 West 44th Street, Suite 200, New York, New York 10036, as its agent upon which process may be served in any legal action or proceeding which may be instituted in any Federal or State court in the Borough of Manhattan, The City of New York, arising out of or relating to the Securities or this Indenture. Service of process upon such agent at the office of such agent and written notice of said service to the Company by the Person serving the same addressed as provided in Section 105, shall be deemed in every respect effective service of process upon the Company in any such legal action or proceeding, and the Company hereby submits to the jurisdiction of any such court in which any such legal action or proceeding is so instituted. The Company agrees to take any and all action, including the execution and filing of any and all such documents and instruments, as may be necessary to continue such designation and appointment of such agent or successor so long as Securities shall be Outstanding.

Section 116. No Adverse Interpretation of Other Agreements. This Indenture may not be used to interpret another indenture, loan or debt agreement of the Company or any of its Affiliates. No such indenture, loan or debt agreement may be used to interpret this Indenture.

Section 117. Execution in Counterparts. This instrument may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument. The words “execution,” “signed,” “signature,” and words of like import in this Indenture or in any other certificate, agreement or document related to this Indenture shall include images of manually executed signatures transmitted by facsimile or other electronic format (including, without limitation, “pdf”, “tif” or “jpg”) and other electronic signatures (including, without limitation, DocuSign and AdobeSign). The use of electronic signatures and electronic records (including, without limitation, any contract or other record created, generated, sent, communicated, received, or stored by electronic means) shall be of the same legal effect, validity and enforceability as a manually executed signature or use of a paper-based record-keeping system to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, and any other applicable law, including, without limitation, any state law based on the Uniform Electronic Transactions Act or the Uniform Commercial Code.

Section 118. WAIVER OF JURY TRIAL. EACH OF THE COMPANY, THE HOLDERS AND THE TRUSTEE HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS INDENTURE, THE SECURITIES OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 119. Submission to Jurisdiction. The parties irrevocably submit to the non-exclusive jurisdiction of any New York State or federal court sitting in the Borough of Manhattan, City of New York, over any suit, action or proceeding arising out of or relating to this Indenture. To the fullest extent permitted by applicable law, each party irrevocably waives and agrees not to assert, by way of motion, as a defense or otherwise, any claim that it is not subject to the jurisdiction of any such court, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding brought in any such court and any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.

Section 120. Force Majeure. In no event shall the Trustee be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; it being understood that the Trustee shall use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

Section 121. FATCA. The Company agrees (i) to provide the Trustee with such reasonable information as it has in its possession or control to enable the Trustee to determine whether any payments pursuant to this Indenture are subject to the withholding requirements described in Section 1471(b) of the Internal Revenue Code of 1986, as amended (the “Code”), or otherwise imposed pursuant to Sections 1471 through 1474 of the Code and any regulations or agreements thereunder or official interpretations thereof (“Applicable Law”), and (ii) that the Trustee shall be entitled to make any withholding or deduction from payments under this Indenture to the extent necessary to comply with Applicable Law, for which the Trustee shall not have any liability.

Section 122. Company Not Subject to Sanctions. (a) The Company covenants and represents that neither it nor any of its affiliates, subsidiaries, directors or officers are the target or subject of any sanctions enforced by the US Government (including, without limitation, the Office of Foreign Assets Control of the US Department of the Treasury (OFAC)), the United Nations Security Council, the European Union, HM Treasury, or other relevant sanctions authority (collectively “**Sanctions**”).

(b) The Company covenants and represents that neither it nor any of its affiliates, subsidiaries, directors or officers will use any payments made pursuant to this Indenture (i) to fund or facilitate any activities of or business with any person who, at the time of such funding or facilitation, is the subject or target of Sanctions, (ii) to fund or facilitate any activities of or business with any country or territory that is the target or subject of Sanctions, or (iii) in any other manner that will result in a violation of Sanctions by any person.

Article Two

Security Forms

Section 201. Forms Generally. The Securities of each series and the Global Securities, if any, issued pursuant to this Indenture shall be in such form as shall be established by or pursuant to a Board Resolution or in one or more indentures supplemental hereto, in each case with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may be required to comply with the rules of any securities exchange or as may, consistently herewith, be determined by the officers executing such Securities, as evidenced by their execution of the Securities (but which do not affect the rights or duties of the Trustee). If the forms of Securities of any series are established by action taken pursuant to a Board Resolution, a copy of an appropriate record of such action shall be certified by the Corporate Secretary or an Assistant Corporate Secretary of the Company and delivered to the Trustee at or prior to the delivery of the Order of the Company contemplated by Section 303 for the authentication and delivery of such Securities.

The Trustee’s certificates of authentication shall be in substantially the form set forth in this Article or Article Six.

Unless otherwise provided as contemplated by Section 301 with respect to any series of Securities, the Securities of each series shall be issuable in global and registered form without coupons.

The definitive Securities shall be printed, lithographed or engraved on steel engraved borders or may be produced in any other manner permitted by the rules of any applicable securities exchange, all as determined by the officers executing such Securities, as evidenced by their execution of such Securities.

Section 202. Form of Trustee’s Certificate of Authentication. Subject to Section 614, the Trustee’s certificate of authentication shall be in substantially the following form:

This is one of the Securities of the series referred to in the within-mentioned Indenture.

The Bank of New York Mellon, in its capacity as Trustee

Dated:

By: _____
Authorized Officer

Section 203. Securities in Global Form. If Securities of a series are issuable in global form, any such Security may provide that its serial number of such Securities shall represent the aggregate amount of all Outstanding Securities of such series (or such lesser amount as is permitted by the terms thereof) from time to time endorsed thereon and may also provide that the aggregate amount of Outstanding Securities represented thereby may from time to time be increased or reduced to reflect exchanges. Any endorsement of any Security in global form to reflect the amount, or any increase or decrease in the amount, or changes in the rights of Holders, of Outstanding Securities represented thereby shall be made in such manner and by such Person or Persons as shall be specified therein or in the Order of the Company to be delivered pursuant to Sections 303 or 304 with respect thereto. Subject to the provisions of Section 303 and, if applicable, Section 304, the Trustee shall deliver and redeliver any Security in permanent global form in the manner and upon instructions given by the Person or Persons specified therein or in the applicable Order of the Company. If the Order of the Company pursuant to Sections 303 or 304 has been, or simultaneously is, delivered, any instructions by the Company with respect to a Security in global form shall be in writing but need not be accompanied by or contained in an Officers' Certificate and need not be accompanied by an Opinion of Counsel.

Section 204. Form of Legend for Global Securities. Any Global Security authenticated and delivered hereunder shall bear a legend in substantially the following form, or in such other form that is acceptable to the Depositary and the Trustee:

"UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR SECURITIES IN DEFINITIVE REGISTERED FORM, THIS SECURITY MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY."

Article Three

The Securities

Section 301. Amount Unlimited; Issuable in Series. The aggregate principal amount of Securities which may be authenticated and delivered under this Indenture is unlimited.

The Securities may be issued in one or more series. There shall be established in or pursuant to a Board Resolution, and set forth in an Officers' Certificate, or established in one or more indentures supplemental hereto, prior to the issuance of Securities of any series,

(1) the title of the Securities of the series (which shall distinguish the Securities of the series from Securities of all other series issued by the Company);

(2) any limit upon the aggregate principal amount of the Securities of the series which may be authenticated and delivered under this Indenture (except for Securities authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other Securities of the series pursuant to Section 304, 305, 306, 906 or 1107);

(3) the date or dates on which the principal of the Securities of the series is payable;

(4) the subordination terms of the Securities of the series;

(5) the right, if any, to extend the Stated Maturity on which the Company will pay any installment of principal of or interest on the Securities of the series;

(6) the rate or rates at which the Securities of the series shall bear interest, if any, or any method by which such rate or rates shall be determined, the basis upon which interest will be computed if other than that specified in Section 310, the date or dates from which such interest shall accrue, the Interest Payment Dates on which such interest shall be payable and the Regular Record Date for the interest payable on Securities on any Interest Payment Date;

(7) the place or places where the principal of (and premium, if any) and interest, if any, on Securities of the series shall be payable;

(8) whether Securities of such series may be redeemed, and if so, the period or periods within which, the price or prices at which and the terms and conditions upon which Securities of the series may be redeemed, in whole or in part, at the option of the Company;

(9) the obligation, if any, of the Company to redeem or purchase Securities of the series pursuant to any sinking fund or analogous provisions or at the option of a Holder thereof and the period or periods within which, the price or prices at which and the terms and conditions upon which Securities of the series shall be redeemed or purchased, in whole or in part, pursuant to such obligation;

(10) the right, if any, of the Company or a third party to redeem or purchase Securities of the series and the period or periods within which, the price or prices at which and the terms and conditions upon which Securities of the series shall be redeemed or purchased, in whole or in part, pursuant to such right;

(11) the denominations in which Securities of the series, if any, shall be issuable if other than denominations of \$2,000 and any integral multiple thereof;

(12) the currency or currencies, including composite currencies, in which payment of the principal of (and premium, if any) and interest, if any, on the Securities of the series shall be payable (if other than the currency of the United States of America);

(13) if the amount of payments of principal of (and premium, if any) or interest on the Securities of the series may be determined with reference to an index, the manner in which such amounts shall be determined;

(14) if other than the principal amount thereof, the portion of the principal amount of Securities of the series which shall be payable upon declaration of acceleration of the Maturity thereof pursuant to Section 502;

(15) any additional Events of Default or additional covenants of the Company pertaining to the Securities of the series;

(16) whether and under what circumstances the Company will pay additional amounts on the Securities of the series held by a Person who is a United States Alien in respect of taxes or similar charges withheld or deducted and, if so, whether the Company will have the option to redeem such Securities rather than pay such additional amounts;

(17) whether any Securities of the series are to be issuable in whole or in part in the form of one or more Global Securities and, if so, (a) the Depositary with respect to such Global Security or Securities and (b) the circumstances under which beneficial owners of interests in any such Global Security may exchange such interest for Securities of the same series and of like tenor and of any authorized form and denomination, and the circumstances under which any such exchange may occur, if other than as set forth in Section 305;

(18) if any of such Securities are to be issued in global form and are to be issuable in definitive form (whether upon original issue or upon exchange of a temporary Security) only upon receipt of certain certificates or other documents or satisfaction of other conditions, then the form and terms of such certificates, documents, or conditions;

(19) the date or dates, if any, after which the Holders may convert the Securities into shares of Common Stock or preferred stock of the Company and the terms for that conversion; and

(20) any other terms of the series (which terms shall not be inconsistent with the terms of this Indenture).

All Securities of any one series shall be substantially identical, as to denomination and except as may otherwise be provided in or pursuant to such Board Resolution and set forth in such Officers' Certificate or in any such indenture supplemental hereto.

If any of the terms of the series are established by action taken pursuant to a Board Resolution, a copy of an appropriate record of such action shall be certified by the Corporate Secretary or an Assistant Corporate Secretary of the Company and delivered to the Trustee at or prior to the delivery of the Officers' Certificate setting forth the terms of the series. Such Board Resolution may provide general terms or parameters for Securities of such series and may provide that the specific terms of particular Securities of such series, and the Persons authorized to determine such terms or parameters, may be determined in accordance with or pursuant to the Order of the Company referred to in the third paragraph of Section 303.

Section 302. Denominations. Unless otherwise provided as contemplated by Section 301 with respect to any series of Securities, the Securities of each series shall be issuable in denominations of \$2,000 or any integral multiple thereof.

Section 303. Execution, Authentication, Delivery and Dating. The Securities shall be executed on behalf of the Company by its Chairman of the Board, its Vice Chairman, its President or one of its Vice Presidents. The signature of any of these officers on the Securities may be manual, electronic or facsimile.

Securities bearing the manual, electronic or facsimile signatures of individuals who were at any time relevant to the authorization thereof the proper officers of the Company shall bind the Company, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of such Securities or did not hold such offices at the date of such Securities.

At any time and from time to time after the execution and delivery of this Indenture, the Company may deliver Securities of any series executed on behalf of the Company to the Trustee for authentication by the Trustee together with an Order of the Company for the authentication and delivery of such Securities, and the Trustee in accordance with such Order shall authenticate and deliver such Securities; *provided*, that, with respect to Securities of a series constituting a medium term note program, the Trustee shall authenticate and deliver Securities of such series for original issue from time to time in the aggregate principal amount established for such series pursuant to such procedures acceptable to the Trustee and to such recipients as may be specified from time to time by an Order of the Company. The maturity dates, original issue dates, interest rates and any other terms of the Securities of a subseries of any medium term note program shall be determined by or pursuant to such Order of the Company and procedures.

In authenticating such Securities, and accepting the additional responsibilities under this Indenture in relation to such Securities, the Trustee shall be entitled to receive, and (subject to Sections 315(a) through 315(d) of the Trust Indenture Act) shall be fully protected in relying upon:

(a) the Board Resolution or indenture supplemental hereto establishing the form of the Securities of that series pursuant to Section 201 and the terms of the Securities of that series pursuant to Section 301 (or, in the case of a Board Resolution, pursuant to which such form and terms are established);

(b) an Officers' Certificate pursuant to Sections 201 and 301 stating that no Event of Default under this Indenture has occurred and is continuing and complying with Section 102; and

(c) an Opinion of Counsel complying with Section 102 stating,

- (i) that the forms of such Securities have been established by or pursuant to a Board Resolution or by an indenture supplemental hereto, as permitted by Section 201 and in conformity with the provisions of this Indenture;
- (ii) that the terms of such Securities have been established by or pursuant to a Board Resolution or by an indenture supplemental hereto, as permitted by Sections 201 and 301 and in conformity with the provisions of this Indenture;
- (iii) that such Securities, when authenticated and delivered by the Trustee and issued by the Company in the manner and subject to any customary conditions specified in such Opinion of Counsel, will constitute valid and legally binding obligations of the Company entitled to the benefits provided by the Indenture, enforceable in accordance with their respective terms, except to the extent that the enforcement of such obligations may be subject to bankruptcy laws or insolvency laws or other similar laws, general principles of equity and such other qualifications as such counsel shall conclude are customary or do not materially affect the rights of the Holders of such Securities; and
- (iv) such other matters as the Trustee may reasonably request.

With respect to Securities of a subseries of a medium term note program, the Trustee may conclusively rely on the documents and opinion delivered pursuant to Sections 201 and 301 and this Section 303, as applicable (unless revoked by superseding comparable documents or opinions), with respect to the establishment of the medium term note program as to the authorization of the Board of Directors of the Company of any Securities delivered hereunder, the form thereof and the legality, validity, binding effect and enforceability thereof.

Notwithstanding the provisions of Section 301 and of the preceding two paragraphs, if not all the Securities of any series are to be issued at one time, it shall not be necessary to deliver the Officers' Certificate otherwise required pursuant to Section 301 or the documents otherwise required pursuant to the preceding clauses (a), (b) or (c) prior to or at the time of issuance of each Security, but such documents shall be delivered prior to or at the time of issuance of the first Security of such series and shall pertain to all of the Securities of such series. After any such first delivery, any separate Request by the Company that the Trustee authenticate Securities of such series for original issue will be deemed to be a certification by the Company that all conditions precedent provided for in this Indenture relating to authentication and delivery of such Securities continue to have been complied with.

If such forms or terms have been so established by or pursuant to a Board Resolution or by an indenture supplemental hereto as permitted by Sections 201 and 301, the Trustee shall have the right to decline to authenticate and deliver any Securities of such series:

- (i) if the Trustee, being advised by counsel, determines that such action may not lawfully be taken;
- (ii) if the Trustee in good faith by its board of directors, executive committee or a committee of directors or Responsible Officers of the Trustee in good faith determines that such action would expose the Trustee to personal liability to Holders of any Outstanding series of Securities; or
- (iii) if the issue of such Securities pursuant to this Indenture will affect the Trustee's own rights, duties and immunities under the Securities and this Indenture or otherwise in a manner which is not reasonably acceptable to the Trustee.

If the Company shall establish pursuant to Section 301 that the Securities of a series are to be issued in whole or in part in the form of one or more Global Securities, then the Company shall execute and the Trustee shall, in accordance with this Section and the Order of the Company with respect to such series, authenticate and deliver one or more Global Securities in permanent form that (i) shall represent and shall be denominated in an amount equal to the aggregate principal amount of the Outstanding Securities of such series to be represented by such Global Security or Securities, (ii) shall be registered in the name of the Depositary for such Global Security or Securities or the nominee of such Depositary, (iii) shall be delivered by the Trustee to such Depositary or pursuant to such Depositary's instruction and (iv) shall bear a legend as required by Section 204.

All Securities issued upon any registration of transfer or exchange of Securities shall be the valid obligations of the Company, providing the same debt, and entitled to the same benefits under this Indenture, as the Securities surrendered upon such registration of transfer or exchange.

Every Security presented or surrendered for registration of transfer or for exchange shall (if so required by the Company or the Trustee) be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed, by the Holder thereof or his attorney duly authorized in writing.

No service charge shall be made for any registration of transfer or exchange of Securities, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any registration of transfer or exchange of Securities, other than exchanges pursuant to Section 304, 906 or 1107 not involving any transfer.

The Company shall not be required (i) to issue, to register the transfer of or to exchange Securities of any series during a period of 15 Business Days immediately preceding the date notice is given identifying the serial numbers of the Securities of that series called for redemption, or (ii) to issue, to register the transfer of or to exchange any Security so selected for redemption in whole or in part, except the unredeemed portion of any Security being redeemed in part.

Notwithstanding the foregoing, except as otherwise specified as contemplated by Section 301, any Global Security shall be exchangeable pursuant to this Section 305 or Sections 304, 306, 906 or 1107 for Securities registered in the name of, and a transfer of a Global Security of any series may be registered to, any Person other than the Depositary for such Global Security or its nominee only if:

- (i) such Depositary notifies the Company that it is unwilling or unable to continue as Depositary for such Global Security or if at any time such Depositary ceases to be a clearing agency registered under the Securities Exchange Act of 1934, as amended, and a successor Depositary is not appointed by the Company within 90 days;
- (ii) the Company executes and delivers to the Trustee an Order of the Company that such Global Security shall be so exchangeable and the transfer thereof so registrable; or
- (iii) there shall have occurred and be continuing an Event of Default or an event which, with the giving of notice or lapse of time, would constitute an Event of Default with respect to the Securities of such series.

Upon the occurrence in respect of any Global Security of any series of any one or more of the conditions specified in clauses (i), (ii) or (iii) of the preceding sentence or such other conditions as may be specified as contemplated by Section 301 for such series, then without unnecessary delay, but in any event not later than the earliest date on which such interests may be so exchanged, the Company shall deliver to the Trustee definitive Securities of that series in aggregate principal amount equal to the principal amount of such Global Security, executed by the Company.

On or after the earliest date on which such interests may be so exchanged, such Global Securities shall be surrendered from time to time by the Depositary and in accordance with instructions given to the Trustee and the Depositary (which instructions shall be in writing but need not be contained in or accompanied by an Officers' Certificate or be accompanied by an Opinion of Counsel), as shall be specified in the Order of the Company with respect thereto to the Trustee, as the Company's agent for such purpose, to be exchanged, in whole or in part, for definitive Securities of the same series without service charge. The Trustee shall authenticate and make available for delivery, in exchange for each portion of such surrendered Global Security, a like aggregate principal amount of definitive Securities of the same series of authorized denominations and of like tenor as the portion of such Global Security to be exchanged; *provided*, that no such exchanges may occur during a period beginning at the opening of business 15 Business Days before any selection of Securities of that series to be redeemed and ending on the relevant Redemption Date.

Promptly following any such exchange in part, such Global Security shall be returned by the Trustee to the Depository in accordance with the instructions of the Company referred to above. If a Security is issued in exchange for any portion of a Global Security after the close of business at the office or agency where such exchange occurs on (i) any Regular Record Date for such Security and before the opening of business at such office or agency on the next Interest Payment Date, or (ii) any Special Record Date for such Security and before the opening of business at such office or agency on the related proposed date for payment of interest or Defaulted Interest, as the case may be, interest shall not be payable on such Interest Payment Date or proposed date for payment, as the case may be, in respect of such Security, but shall be payable on such Interest Payment Date or proposed date for payment, as the case may be, only to the Person to whom interest in respect of such portion of such Global Security is payable in accordance with the provisions of this Indenture.

Section 306. Mutilated, Destroyed, Lost and Stolen Securities. If any mutilated Security is surrendered to the Trustee, the Company shall execute and the Trustee shall authenticate and deliver in exchange therefor a new Security of the same series, Stated Maturity and original issue date, and of like tenor and principal amount and bearing a number not contemporaneously outstanding.

If there shall be delivered to the Company and the Trustee (i) evidence to their satisfaction of the destruction, loss or theft of any Security and (ii) such security or indemnity as may be required by them to save each of them and any agent of either of them harmless, then, in the absence of notice to the Company or the Trustee that such Security has been acquired by a bona fide purchaser, the Company shall execute and upon its Request the Trustee shall authenticate and deliver, in lieu of any such destroyed, lost or stolen Security, a new Security of the same series, Stated Maturity and original issue date, and of like tenor and principal amount and bearing a number not contemporaneously outstanding.

In case any such mutilated, destroyed, lost or stolen Security has become or is about to become due and payable, the Company in its discretion may, instead of issuing a new Security, pay such Security.

Upon the issuance of any new Security under this Section, the Company may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee) connected therewith.

Every new Security of any series issued pursuant to this Section in lieu of any mutilated, destroyed, lost or stolen Security shall constitute an original additional contractual obligation of the Company, whether or not the mutilated, destroyed, lost or stolen Security shall be at any time enforceable by anyone, and any such new Security shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Securities of that series duly issued hereunder.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities.

Section 307. Payment of Interest; Interest Rights Preserved. Unless otherwise provided as contemplated by Section 301 with respect to any series of Securities, interest on any Security which is payable, and is punctually paid or duly provided for, on any Interest Payment Date shall be paid to the Person in whose name that Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest.

Any interest on any Security of any series which is payable, but is not punctually paid or duly provided for, on any Interest Payment Date (herein called "Defaulted Interest") shall forthwith cease to be payable to the Holder on the relevant Regular Record Date by virtue of having been such Holder, and such Defaulted Interest may be paid by the Company, at its election in each case, as provided in clause (1) or (2) below:

(1) The Company may elect to make payment of any Defaulted Interest to the Persons in whose names the Securities of such series (or their respective Predecessor Securities) are registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Company shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Security of such series and the date of the proposed payment, and at the same time the Company shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Interest as provided in this clause.

Following the Trustee's receipt of such notice, the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 days and not less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Company of such Special Record Date and, in the name and at the expense of the Company, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each Holder of Securities of such series at the address of such Holder as it appears in the Security Register, not less than 10 days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been so mailed, such Defaulted Interest shall be paid to the Persons in whose names the Securities of such series (or their respective Predecessor Securities) are registered at the close of business on such Special Record Date and shall no longer be payable pursuant to the following clause (2).

(2) The Company may make payment of any Defaulted Interest on the Securities of any series in any other lawful manner not inconsistent with the requirements of any securities exchange on which such Securities may be listed, and upon such notice as may be required by such exchange, if, after notice given by the Company to the Trustee of the proposed payment pursuant to this clause, such manner of payment shall be deemed practicable by the Trustee.

Subject to the foregoing provisions of this Section, each Security delivered under this Indenture upon registration of transfer of or in exchange for or in lieu of any other Security shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Security.

Section 308. Persons Deemed Owners. Prior to due presentment of a Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may deem and treat the Person in whose name such Security is registered as the absolute owner of such Security for the purpose of receiving payment of principal of (and premium, if any) and (subject to Section 307) interest on such Security and for all other purposes whatsoever, whether or not such Security be overdue, and neither the Company, the Trustee nor any agent of the Company or the Trustee shall be affected by any notice to the contrary.

No holder of any beneficial interest in any Global Security held on its behalf by a Depositary (or its nominee) shall have any rights under this Indenture with respect to such Global Security or any Security represented thereby, and such Depositary may be treated by the Company, the Trustee, and any agent of the Company or the Trustee as the owner of such Global Security or any Security represented thereby for all purposes whatsoever. None of the Company, the Trustee, any Paying Agent or the Security Registrar will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests of a Global Security or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Section 309. Cancellation. All Securities surrendered for payment, redemption, registration of transfer or exchange or for credit against any sinking fund payment shall, if surrendered to any Person other than the Trustee, be delivered to the Trustee and shall be promptly canceled by the Trustee. The Company may at any time deliver to the Trustee for cancellation any Securities previously authenticated and delivered hereunder which the Company may have acquired in any manner whatsoever, and all Securities so delivered shall be promptly canceled by the Trustee. No Securities shall be authenticated in lieu of or in exchange for any Securities canceled as provided in this Section, except as expressly permitted by this Indenture. All canceled Securities held by the Trustee shall be destroyed and certification of their destruction delivered to the Company, unless an Order of the Company shall direct that canceled Securities be returned to the Company.

The repayment of any principal amount of Securities pursuant to such option of the Holder to require repayment of Securities before their Stated Maturity, for purposes of this Section 309, shall not operate as a payment, redemption or satisfaction of the indebtedness represented by such Securities unless and until the Company, at its option, shall deliver or surrender the same to the Trustee with an Order that such Securities be canceled.

Section 310. Computation of Interest. *Except as otherwise specified as contemplated by Section 301(4) for Securities of any series, interest on the Securities of each series shall be computed on the basis of a 360-day year consisting of twelve 30-day months.*

Section 311. CUSIP, ISIN and Common Code Numbers. The Company in issuing the Securities may use “CUSIP”, “ISIN” or “Common Code” numbers (if then generally in use) and, if so, the Trustee shall use “CUSIP”, “ISIN” or “Common Code” numbers in notices of redemption as a convenience to Holders; provided, however, that any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Securities or as contained in any notice of a redemption and that reliance may be placed only on the other identification numbers printed on the Securities, and any such redemption shall not be affected by any defect in or omission of such numbers.

Article Four

Satisfaction and Discharge

Section 401. Satisfaction and Discharge of Indenture. This Indenture shall upon a Request of the Company cease to be of further effect (except as to any surviving rights of registration of transfer or exchange or conversion of Securities herein expressly provided for, and any right to receive additional amounts, as provided in Section 1004), and the Trustee, at the expense of the Company, shall execute proper instruments acknowledging satisfaction and discharge of this Indenture, when:

(1) either

(A) all Securities theretofore authenticated and delivered (other than (i) Securities which have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 306, and (ii) Securities for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Company and thereafter repaid to the Company, or discharged from such trust, as provided in Section 1003) have been delivered to the Trustee for cancellation; or

(B) all such Securities not theretofore delivered to the Trustee for cancellation

(i) have become due and payable, or

(ii) will become due and payable at their Stated Maturity within one year, or

(iii) are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Company,

and the Company, in the case of (B)(i), (ii) or (iii) above, has deposited or caused to be deposited with the Trustee as trust funds in trust dedicated solely for such purpose an amount sufficient, without reinvestment, to pay and discharge the entire indebtedness on such Securities not theretofore delivered to the Trustee for cancellation, for principal (and premium, if any) and interest to the date of such deposit (in the case of Securities which have become due and payable) or to the Stated Maturity or Redemption Date, as the case may be;

(2) the Company has paid or caused to be paid all other sums payable hereunder by the Company; and

(3) the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent herein provided for relating to the satisfaction and discharge of this Indenture have been complied with.

In the event there are Securities of two or more series hereunder, the Trustee shall be required to execute an instrument acknowledging satisfaction and discharge of this Indenture only if requested to do so with respect to Securities of all series as to which it is Trustee and if the other conditions thereto are met. In the event there are two or more Trustees hereunder, then the effectiveness of any such instrument shall be conditioned upon receipt of such instruments from all Trustees hereunder.

Notwithstanding the satisfaction and discharge of this Indenture, the obligations of the Company to the Trustee under Section 607, the obligations of the Trustee to any Authenticating Agent under Section 614 and, if money shall have been deposited with the Trustee pursuant to subclause (B) of clause (1) of this Section, the obligations of the Trustee under Sections 305, 306, 402, 1002 and 1003 shall survive.

Section 402. Application of Trust Money. Subject to the provision of the last paragraph of Section 1003, all money deposited with the Trustee pursuant to Section 401 shall be held in trust and applied by it, in accordance with the provisions of the Securities and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as its own Paying Agent) as the Trustee may determine, to the Persons entitled thereto, of the principal (and premium, if any) and interest for whose payment such money has been deposited with the Trustee, but such money need not be segregated from other funds, except to the extent required by law.

Article Five

Remedies

Section 501. Events of Default. "Event of Default," wherever used herein with respect to Securities of any series, means any one of the following events (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(1) the Company defaults in the payment of any interest (including any additional amounts due under Section 1004 as specified therein) upon any Security of that series when it becomes due and payable and continuance of such default for a period of 60 days; or

(2) the Company defaults in the payment of the principal (including any additional amounts due under Section 1004 as specified therein) of (or premium, if any, on) any Security of that series at its Maturity and continuance of such default for a period of three Business Days thereafter; or

(3) the Company defaults in the deposit of any sinking fund payment when and as due by the terms of a Security of that series and continuance of such default for a period of three Business Days thereafter; or

(4) the Company defaults in the performance of or breaches any covenant or warranty of the Company in this Indenture (other than a covenant or warranty a default in whose performance or whose breach is elsewhere in this Section specifically dealt with or which has expressly been included in or pursuant to this Indenture solely for the benefit of one or more series of Securities other than that series), and continuance of such default or breach for a period of 90 days after there has been given, by registered or certified mail, to the Company by the Trustee, or to the Company and the Trustee by the Holders of at least 33% in principal amount of the Outstanding Securities of that series, a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a "Notice of Default" hereunder; or

(5) a default under any bond, debenture, note or other evidence of indebtedness for money borrowed by the Company (including a default with respect to Securities of any series other than that series) or under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any indebtedness for money borrowed by the Company (including this Indenture), whether such indebtedness now exists or shall hereafter be created, which default shall constitute a failure to pay in excess of \$50,000,000 of the principal or interest of such indebtedness when due and payable after the expiration of any applicable grace period with respect thereto or shall have resulted in such indebtedness in an amount in excess of \$50,000,000 becoming or being declared due and payable prior to the date on which it would otherwise have become due and payable, without such indebtedness having been discharged or such acceleration having been rescinded or annulled within a period of 60 days after there shall have been given, by registered or certified mail, to the company by the Trustee or to the Company and the Trustee by the Holders of at least 33% in principal amount of the Outstanding Securities of that series a written notice specifying such default and requiring the Company to cause such indebtedness to be discharged or cause such acceleration to be rescinded or annulled and stating that such notice is a "Notice of Default" hereunder; *provided*, that subject to the provisions of Sections 601 and 602, the Trustee shall not be deemed to have knowledge of such default unless the Trustee shall have received written notice thereof from the Company, from any Holder, from the holder of any such indebtedness or from the trustee under any such mortgage, Indenture or other instrument; or

(6) the entry by a court having jurisdiction in the premises of (A) a decree or order for relief in respect of the Company in an involuntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or (B) a decree or order adjudging the Company a bankrupt or insolvent, or approving as properly filed a petition by one or more Persons other than the Company or any of its Affiliates seeking reorganization, arrangement, adjustment or composition of or in respect of the Company under any applicable Federal or State law, or appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official for the Company or for any substantial part of its property, or ordering the liquidation or winding up of the affairs of the Company, and the continuance of any such decree or order for relief or any such other decree or order unstayed and in effect for a period of 90 consecutive days; or

(7) the commencement by the Company of a case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or of any other case or proceeding to be adjudicated a bankrupt or insolvent, or the consent by it to the entry of a decree or order for relief in respect of it in a case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or to the commencement of any bankruptcy or insolvency case or proceeding against it, or the filing by it of a petition or answer or consent seeking reorganization or relief under any applicable Federal or State law, or the consent by it to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or similar official in respect of it or any substantial part of its property, or the making by it of an assignment for the benefit of creditors, or its admission in writing of its inability to pay its debts generally as they become due, or its taking of corporate action in furtherance of any such action; or

(8) any other Event of Default provided with respect to Securities of that series.

Section 502. Acceleration of Maturity; Rescission and Annulment. If an Event of Default with respect to Securities of any series at the time Outstanding occurs and is continuing, then in every such case the Trustee or the Holders of not less than 33% in principal amount of the Outstanding Securities of that series may declare the principal amount (or, if the Securities of that series are Original Issue Discount Securities, such portion of the principal amount as may be specified in the terms of that series) of all of the Securities of that series to be due and payable immediately, by a notice in writing to the Company (and to the Trustee if given by Holders), and upon any such declaration such principal amount (or specified amount) shall become immediately due and payable.

At any time after such a declaration of acceleration with respect to Securities of any series has been made and before a judgment or decree for payment of the money due has been obtained by the Trustee as hereinafter in this Article provided, the Holders of a majority in principal amount of the Outstanding Securities of that series, by written notice to the Company and the Trustee, may rescind and annul such declaration and its consequences if:

(1) the Company has paid or deposited with the Trustee a sum sufficient to pay:

- (A) all overdue interest on all Securities of that series;
- (B) the principal of (and premium, if any, on) any Securities of that series which have become due otherwise than by such declaration of acceleration and interest thereon at the rate or rates prescribed therefor in such Securities;
- (C) to the extent that payment of such interest is lawful, interest upon overdue interest at the rate or rates prescribed therefor in such Securities; and
- (D) all sums paid or advanced by the Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due to the Trustee under Section 607;

and

(2) all Events of Default with respect to Securities of that series, other than the non-payment of the principal of Securities of that series which have become due solely by such declaration of acceleration, have been cured or waived as provided in Section 513.

No such rescission and annulment shall affect any subsequent default or impair any right consequent thereon.

Section 503. Collection of Indebtedness and Suits for Enforcement by Trustee. The Company covenants that if:

(1) default is made in the payment of any interest on any Security when such interest becomes due and payable and such default continues for a period of 30 days, or

(2) default is made in the payment of the principal of (or premium, if any, on) any Security at the Maturity thereof and such default continues for a period of three Business Days, the Company will, upon demand of the Trustee, pay to it, for the benefit of the Holders of such Securities, the whole amount then due and payable on such Securities for principal (and premium, if any) and interest, with interest on any overdue principal (and premium, if any) and on any overdue interest, to the extent that payment of such interest shall be legally enforceable, at the rate or rates prescribed therefor in such Securities, and, in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due to the Trustee under Section 607.

If the Company fails to pay such amounts forthwith upon such demand, the Trustee, in its own name and as trustee of an express trust, may institute a judicial proceeding for the collection of the sums so due and unpaid, may prosecute such proceeding to judgment or final decree, and may enforce the same against the Company or any other obligor upon such Securities and collect the moneys adjudged or decreed to be payable in the manner provided by law out of the property of the Company or any other obligor upon such Securities, wherever situated.

If an Event of Default with respect to Securities of any series occurs and is continuing, the Trustee may in its discretion proceed to protect and enforce its rights and the rights of the Holders of Securities of such series by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any such rights, whether for the specific enforcement of any covenant or agreement in this Indenture, or in aid of the exercise of any power granted herein, or to enforce any other proper remedy.

Section 504. Trustee May File Proofs of Claim. In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to the Company or any other obligor upon the Securities or the property of the Company or of such other obligor or their creditors, the Trustee (irrespective of whether the principal of the Securities shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Trustee shall have made any demand on the Company or any other obligor for the payment of overdue principal or interest) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(i) to file and prove a claim for the whole amount of principal (and premium, if any) and interest owing and unpaid in respect of the Securities and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due to the Trustee under Section 607) and of the Holders of Securities allowed in such judicial proceeding; and

(ii) to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Holder of Securities to make such payments to the Trustee and, in the event that the Trustee shall consent to the making of such payments directly to the Holders of Securities, to pay to the Trustee any amount due it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 607.

Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder of a Security any plan of reorganization, arrangement, adjustment or composition affecting the Securities or the rights of any Holder thereof or to authorize the Trustee to vote in respect of the claim of any Holder of a Security in any such proceeding.

Section 505. Trustee May Enforce Claims Without Possession of Securities. All rights of action and claims under this Indenture or the Securities may be prosecuted and enforced by the Trustee without the possession of any of the Securities or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, be for the ratable benefit of the Holders of the Securities in respect of which such judgment has been recovered.

Section 506. Application of Money Collected. Any money collected by the Trustee pursuant to this Article shall be applied in the following order, at the date or dates fixed by the Trustee and, in case of the distribution of such money on account of principal (or premium, if any) or interest, upon presentation of the Securities and the notation thereon of the payment if only partially paid and upon surrender thereof if fully paid:

FIRST: To the payment of all amounts due the Trustee, including in its other capacities provided for herein, under Section 607; and

SECOND: To the payment of all Senior Indebtedness of the Company if and to the extent required by Article Fifteen; and

THIRD: To the payment of the amounts then due and unpaid for principal of (and premium, if any) and interest on the Securities in respect of which or for the benefit of which such money has been collected, ratably, without preference or priority of any kind, according to the amounts due and payable on such Securities for principal (and premium, if any) and interest; and

FOURTH: To the Company.

Section 507. Limitation on Suits. No Holder of any Security of any series shall have any right to institute any proceeding, judicial or otherwise with respect to this Indenture, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless:

(1) such Holder has previously given written notice to the Trustee of a continuing Event of Default with respect to the Securities of that series;

(2) the Holders of not less than a majority in principal amount of the Outstanding Securities of that series shall have made a written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder;

(3) such Holder or Holders have offered to the Trustee such reasonable indemnity as it may require against the costs, expenses and liabilities to be incurred in compliance with such request;

(4) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding;

and

(5) no direction inconsistent with such written request has been given to the Trustee during such 60-day period by the Holders of a majority in principal amount of the Outstanding Securities of that series;

it being understood and intended that no one or more of such Holders shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture to affect, disturb or prejudice the rights of any other of such Holders or to obtain or to seek to obtain priority or preference over any other of such Holders or to enforce any right under this Indenture except in the manner herein provided and for the equal and ratable benefit of all of such Holders.

Section 508. Unconditional Right of Holders to Receive Principal, Premium and Interest. Notwithstanding any other provision in this Indenture, the Holder of any Security shall have the right, which is absolute and unconditional, to receive payment of the principal of (and premium, if any) and (subject to Section 307) interest on such Security on the Stated Maturity or Maturities expressed in such Security (or, in the case of redemption, on the Redemption Date) and to institute suit for the enforcement of any such payment, and such rights shall not be impaired without the consent of such Holder.

Section 509. Restoration of Rights and Remedies. If the Trustee or any Holder of a Security has instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to such Holder, then and in every such case, subject to any determination in such proceeding, the Company, the Trustee and the Holders of Securities shall be restored severally and respectively to their former positions hereunder and thereafter all rights and remedies of the Trustee and the Holders shall continue as though no such proceeding had been instituted.

Section 510. Rights and Remedies Cumulative. Except as otherwise provided with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities in the last paragraph of Section 306, no right or remedy herein conferred upon or reserved to the Trustee or to the Holders of Securities is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise shall, not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 511. Delay or Omission Not Waiver. No delay or omission of the Trustee or of any Holder of any Security to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article or by law to the Trustee or to the Holders of Securities may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by the Holders of Securities, as the case may be.

Section 512. Control by Holders of Securities. The Holders of a majority in principal amount of the Outstanding Securities of any series shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee, with respect to the Securities of such series; provided, that:

(1) such direction shall not be in conflict with any rule of law or with this Indenture, expose the Trustee to personal liability or be unduly prejudicial to Holders not joined therein; and

(2) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction.

Section 513. Waiver of Past Defaults. The Holders of not less than a majority in principal amount of the Outstanding Securities of any series may on behalf of the Holders of all the Securities of such series waive any past default hereunder with respect to such series and its consequences, except a default:

(1) in the payment of the principal of (or premium, if any) or interest on any Security of such series; or

(2) in respect of a covenant or provision hereof which under Article Nine cannot be modified or amended without the consent of the Holder of each Outstanding Security of such series affected.

Upon any such waiver, such default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

Section 514. Undertaking for Costs. All parties to this Indenture agree, and each Holder of any Security by his acceptance thereof shall be deemed to have agreed, that any court may in its discretion require, in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken, suffered or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section shall not apply to any suit instituted by the Trustee, to any suit instituted by any Holder, or group of Holders, holding in the aggregate more than 10% in principal amount of the Outstanding Securities of any series, or to any suit instituted by any Holder of any Security for the enforcement of the payment of the principal of (or premium, if any) or interest on any Security on or after the Stated Maturity or Maturities expressed in such Security (or, in the case of redemption, on or after the Redemption Date).

Section 515. Waiver of Stay or Extension Laws. The Company covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law wherever enacted, now or at any time hereafter in force which may affect the covenants or the performance of this Indenture; and the Company (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

Article Six

The Trustee

Section 601. Certain Duties and Responsibilities.

(a) Except during the continuance of an Event of Default with respect to Securities of any series:

(1) the Trustee undertakes to perform, with respect to Securities of such series, such duties and only such duties as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(2) in the absence of negligence or willful misconduct on its part, the Trustee may, with respect to Securities of such series, conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture.

(b) In case an Event of Default with respect to Securities of any series has occurred and is continuing, the Trustee shall exercise with respect to Securities of such series, such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

(c) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(1) this subsection shall not be construed to limit the effect of subsection (a) of this Section;

(2) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts;

(3) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of a majority in principal amount of the Outstanding Securities of any series relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture with respect to the Securities of such series;

(4) no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it; and

(5) In no event shall the Trustee be responsible or liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including but not limited to loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(d) Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section.

Section 602. Notice of Defaults. If a default occurs hereunder with respect to Securities of any series, the Trustee shall give the Holders of Securities of such series notice of such default as and to the extent provided by the Trust Indenture Act; provided, however, that in the case of any default of the character specified in Section 501(4) with respect to Securities of such series, no such notice to Holders shall be given until at least 30 days after the occurrence thereof. Except in the case of any default of the character specified in Section 501(1) or Section 501(2) with respect to Securities of such series, the Trustee may withhold notice if and so long as the Trustee in good faith determines that withholding notice is in the interest of the Holders. For the purpose of this Section 602, the term "default" means any event which is, or after notice or lapse of time or both would become, an Event of Default with respect to Securities of such series.

The Trustee shall not be required to take notice or be deemed to have notice or knowledge of any Event of Default with respect to the Securities of a series, except an Event of Default under Section 501(1) or Section 501(2) hereof (provided, that the Trustee is the principal Paying Agent with respect to the Securities of such series), unless a Responsible Officer has received written notice at the Corporate Trust Office of such Event of Default in accordance with Section 106 from the Company, any Subsidiary or the Holder of any Security, which notice states that the event referred to therein constitutes an Event of Default and references this Indenture and the relevant Securities.

Section 603. Certain Rights of Trustee. Subject to Sections 315(a) through 315(d) of the Trust Indenture Act:

(a) the Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(b) any request or direction of the Company mentioned herein shall be sufficiently evidenced by a Request or Order and any resolution of the Board of Directors of the Company shall be sufficiently evidenced by a Board Resolution;

(c) whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may rely upon an Officers' Certificate;

(d) the Trustee may consult with counsel and the advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon;

(e) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders of Securities of any series pursuant to this Indenture, unless such Holders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction;

(f) the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document;

(g) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder;

(h) except as otherwise provided in Section 501(5), the Trustee shall not be charged with knowledge of any Event of Default with respect to the Securities of any series for which it is acting as Trustee unless a Responsible Officer has received written notice of such Event of Default from the Company, any other obligor on such Securities or by any Holder of such Securities; and

(i) delivery of reports or other information by the Trustee shall not constitute actual or constructive knowledge or notice upon the Trustee.

Section 604. Not Responsible for Recitals or Issuance of Securities. The recitals contained herein and in the Securities (except the Trustee's certificates of authentication) shall be taken as the statements of the Company, and the Trustee or any Authenticating Agent assumes no responsibility for their correctness. The Trustee makes no representations as to the validity or sufficiency of this Indenture or of the Securities, except that the Trustee represents that it is duly authorized to execute and deliver this Indenture, authenticate the Securities and perform its obligations hereunder and that the statements made by it in a Statement of Eligibility and Qualification on Form T-1 supplied to the Company are true and accurate, subject to the qualifications set forth therein. The Trustee or any Authenticating Agent shall not be accountable for the use or application by the Company of Securities or the proceeds thereof.

Section 605. May Hold Securities. The Trustee, any Authenticating Agent, any Paying Agent, any Security Registrar or any other agent of the Company, in its individual or any other capacity, may become the owner or pledgee of Securities and, subject to Sections 310(b) and 311 of the Trust Indenture Act, may otherwise deal with the Company or an Affiliate of either with the same rights it would have if it were not Trustee, Authenticating Agent, Paying Agent, Security Registrar or such other agent.

Section 606. Money Held in Trust. Money held by the Trustee in trust hereunder need not be segregated from other funds except to the extent required by law. The Trustee shall be under no liability for interest on any money received by it hereunder except as otherwise agreed with the Company.

Section 607. Compensation and Reimbursement. The Company agrees:

(1) to pay to the Trustee and each Authenticating Agent from time to time reasonable compensation for all services rendered by it hereunder (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust);

(2) except as otherwise expressly provided herein, to reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in accordance with any provision of this Indenture (including the reasonable compensation and the expenses and disbursements of its agents and counsel and any Authenticating Agent), except any such expense, disbursement or advance as may be attributable to its negligence or willful misconduct; and

(3) to indemnify the Trustee and any predecessor Trustee for, and to hold it harmless against, any loss, liability, claim, damage or expense incurred without negligence or willful misconduct on its part, arising out of or in connection with the acceptance or administration of the trust or trusts hereunder, including the costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder.

As security for the performance of the obligations of the Company under this Section, the Trustee shall have a lien prior to the Securities upon all property and funds held or collected by the Trustee as such, except funds held in trust for the payment of principal of, premium, if any, or interest, if any, on particular Securities.

Section 608. Disqualification; Conflicting Interests. If at any time the Trustee shall fail to comply with the obligations imposed upon it by the provisions of Section 310(b) of the Trust Indenture Act with respect to Securities of any series after written request therefor by the Company or by any Holder of a Security of such series who has been a bona fide Holder of a Security of such series for at least six months then, (i) the Company, by or pursuant to a Board Resolution, may remove the Trustee with respect to all Securities or the Securities of such series, or (ii) subject to Section 315(e) of the Trust Indenture Act, any Holder who has been a bona fide Holder of a Security of such series for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee with respect to all Securities of such series and the appointment of a successor Trustee or Trustees. The Trustee shall comply with the terms of Section 310(b) of the Trust Indenture Act.

Section 609. Corporate Trustee Required; Eligibility. There shall at all times be a Trustee hereunder that is a Person organized and doing business under the laws of the United States of America, any State thereof or the District of Columbia, authorized under such laws to exercise corporate trust powers, or any other Person permitted by the Trust Indenture Act to act as trustee under an indenture qualified under the Trust Indenture Act and that has a combined capital and surplus (computed in accordance with Section 310(a)(2) of the Trust Indenture Act) of at least \$50,000,000, is subject to supervision or examination by Federal, State or District of Columbia authority and is not otherwise ineligible under Section 310(a)(5) of the Trust Indenture Act. If such Person publishes reports of condition at least annually, pursuant to law or to the requirements of said supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such Person shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect hereinafter specified in this Article.

Section 610. Resignation and Removal; Appointment of Successor.

(a) No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee in accordance with the applicable requirements of Section 611.

(b) The Trustee may resign at any time upon 30 days written notice with respect to the Securities of one or more series by giving written notice thereof to the Company. If the instrument of acceptance by a successor Trustee required by Section 611 shall not have been delivered to the Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee with respect to the Securities of such series.

(c) The Trustee may be removed at any time upon 30 days written notice with respect to the Securities of any series by Act of the Holders of a majority in principal amount of the Outstanding Securities of such series delivered to the Trustee and the Company.

(d) If at any time:

(1) the Trustee shall fail to comply with Section 608 after written request therefor by the Company or by any Holder of a Security who has been a bona fide Holder of a Security for at least six months; or

(2) the Trustee shall cease to be eligible under Section 609 and shall fail to resign after written request therefor by the Company or by any such Holder; or

(3) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Trustee or of its property shall be appointed or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation;

then, in any such case, (i) the Company, by Board Resolution, may remove the Trustee with respect to all Securities, or (ii) subject to Section 315(e) of the Trust Indenture Act, any Holder of a Security who has been a bona fide Holder of a Security for at least six months may, on behalf of himself and all other similarly situated Holders, petition any court of competent jurisdiction for the removal of the Trustee with respect to all Securities and the appointment of a successor Trustee or Trustees.

(e) If the Trustee shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of Trustee for any cause, with respect to the Securities of one or more series, the Company, by a Board Resolution, shall promptly appoint a successor Trustee or Trustees with respect to the Securities of that or those series (it being understood that any such successor Trustee may be appointed with respect to the Securities of one or more or all of such series and that at any time there shall be only one Trustee with respect to the Securities of any particular series) and shall comply with the applicable requirements of Section 611. If, within one year after such resignation, removal or incapability, or the occurrence of such vacancy, a successor Trustee with respect to the Securities of any series shall be appointed by Act of the Holders of a majority in principal amount of the Outstanding Securities of such series delivered to the Company and the retiring Trustee, the successor Trustee so appointed shall, forthwith upon its acceptance of such appointment in accordance with the applicable requirements of Section 611, become the successor Trustee with respect to the Securities of such series and to that extent supersede the successor Trustee appointed by the Company. If no successor Trustee with respect to the Securities of any series shall have been so appointed by the Company or the Holders of Securities and accepted appointment in the manner required by Section 611, any Holder of a Security who has been a bona fide Holder of a Security of such series for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Trustee with respect to the Securities of such series.

(f) The Company shall give notice of each resignation and each removal of the Trustee with respect to the Securities of any series and each appointment of a successor Trustee with respect to the Securities of any series by mailing written notice of such event by first-class mail, postage prepaid, to all Holders of Securities of such series as their names and addresses appear in the Security Register.

Section 611. Acceptance of Appointment by Successor.

(a) In case of the appointment hereunder of a successor Trustee with respect to all Securities, every such successor Trustee so appointed shall execute, acknowledge and deliver to the Company and to the retiring Trustee an instrument accepting such appointment. Thereupon the resignation or removal of the retiring Trustee shall become effective and such successor Trustee, without any further act, deed or conveyance shall become vested with all the rights, powers, trusts and duties of the retiring Trustee; but, on the request of the Company or on the request of the successor Trustee, such retiring Trustee shall, upon payment of its charges, execute and deliver an instrument transferring to such successor Trustee all the rights, powers and trusts of the retiring Trustee and shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder; *provided*, that such property and money shall continue to be subject to any lien in favor of the retiring Trustee provided for in Section 607.

(b) In case of the appointment hereunder of a successor Trustee with respect to the Securities of one or more (but not all) series, the Company, the retiring Trustee and each successor Trustee with respect to the Securities of one or more series shall execute and deliver an indenture supplemental hereto wherein each successor Trustee shall accept such appointment and which (1) shall contain such provisions as shall be necessary or desirable to transfer and confirm to, and to vest in, each successor Trustee all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series to which the appointment of such successor Trustee relates, (2) if the retiring Trustee is not retiring with respect to all Securities, shall contain such provisions as shall be deemed necessary or desirable to confirm that all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series as to which the retiring Trustee is not retiring shall continue to be vested in the retiring Trustee, and (3) shall add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, it being understood that nothing herein or in such supplemental indenture shall constitute such Trustees co-trustees of the same trust and that each such Trustee shall be trustee of a trust or trusts hereunder separate and apart from any trust or trusts hereunder administered by any other such Trustee; and upon the execution and delivery of such supplemental indenture the resignation or removal of the retiring Trustee shall become effective to the extent provided therein and each such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series to which the appointment of such successor Trustee relates; but, on request of the Company or on the request of any successor Trustee, such retiring Trustee shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder, subject nevertheless to its lien provided for in Section 607, with respect to the Securities of that or those series to which the appointment of such successor Trustee relates.

(c) Upon request of any such successor Trustee, the Company shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Trustee all such rights, powers and trusts referred to in paragraph (a) or (b) of this Section, as the case may be.

(d) No successor Trustee shall accept its appointment unless at the time of such acceptance such successor Trustee shall be qualified and eligible under this Article.

Section 612. Merger, Conversion, Consolidation or Succession to Business. Any Person into which the Trustee may be merged or converted or with which it may be consolidated, or any Person resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any Person succeeding to all or substantially all the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, if such Person shall be otherwise qualified and eligible under this Article, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Securities shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Trustee may adopt such authentication and deliver the Securities so authenticated with the same effect as if such successor Trustee had itself authenticated such Securities.

Section 613. Preferential Collection of Claims Against Company. If and when the Trustee shall be or become a creditor of the Company (or any other obligor upon the Securities), the Trustee shall be subject to the provisions of Section 311 and any other provision of the Trust Indenture Act regarding the collection of claims against the Company (or any such other obligor).

Section 614. Appointment of Authenticating Agent. At any time when any of the Securities remain Outstanding, the Trustee may appoint an Authenticating Agent or Agents with respect to one or more series of Securities which shall be authorized to act on behalf of the Trustee to authenticate Securities of such series issued upon exchange, registration of transfer or partial redemption thereof or pursuant to Section 306, and Securities so authenticated shall be entitled to the benefits of this Indenture and shall be valid and obligatory for all purposes as if authenticated by the Trustee hereunder. Wherever reference is made in this Indenture to the authentication and delivery of Securities by the Trustee or the Trustee's certificate of authentication, such reference shall be deemed to include authentication and delivery on behalf of the Trustee by an Authenticating Agent and a certificate of authentication executed on behalf of the Trustee by an Authenticating Agent. Each Authenticating Agent shall be acceptable to the Company and shall at all times be a Corporation organized and doing business under the laws of the United States of America, any State thereof or the District of Columbia, authorized under such laws to act as Authenticating Agent, having a combined capital and surplus (computed in accordance with Section 310(a)(2) of the Trust Indenture Act) of not less than \$50,000,000 and subject to supervision or examination by Federal, State or District of Columbia authority. If such Corporation publishes reports of condition at least annually, pursuant to law or to the requirements of said supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such Corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time an Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section, such Authenticating Agent shall resign immediately in the manner and with the effect specified in this Section.

Any Corporation into which an Authenticating Agent may be merged or converted or with which it may be consolidated, or any Corporation resulting from any merger, conversion or consolidation to which such Authenticating Agent shall be a party, or any Corporation succeeding to the corporate agency or corporate trust business of an Authenticating Agent, shall continue to be an Authenticating Agent, if such Corporation shall be otherwise eligible under this Section, without the execution or filing of any paper or any further act on the part of the Trustee or the Authenticating Agent.

An Authenticating Agent may resign at any time by giving written notice thereof to the Trustee and to the Company. The Trustee may at any time terminate the agency of an Authenticating Agent by giving written notice thereof to such Authenticating Agent and to the Company. Upon receiving such a notice of resignation or upon such termination, or in case at any time such Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section, the Trustee may appoint a successor Authenticating Agent which shall be acceptable to the Company and shall mail written notice of such appointment by first-class mail, postage prepaid, to all Holders of Securities of the series with respect to which such Authenticating Agent will serve, as their names and addresses appear in the Security Register. Any successor Authenticating Agent upon acceptance of its appointment hereunder shall become vested with all the rights, powers and duties of its predecessor hereunder, with like effect as if originally named as an Authenticating Agent. No successor Authenticating Agent shall be appointed unless eligible under the provisions of this Section.

The provisions of Sections 308, 604 and 605 shall be applicable to each Authenticating Agent.

If an appointment with respect to one or more series is made pursuant to this Section, the Securities of such series may have endorsed thereon, in addition to the Trustee's certificate of authentication, an alternate certificate of authentication in the following form:

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

The Bank of New York Mellon,
as Trustee

By _____
As Authenticating Agent

By _____
Authorized Signatory

Article Seven

Holders' Lists and Reports by Trustee and Company

Section 701. Company to Furnish Trustee Names and Addresses of Holders. In accordance with Section 312(a) of the Trust Indenture Act, the Company will furnish or cause to be furnished to the Trustee:

(a) semi-annually, not later than June 1 and December 1, in each year, a list, in such form as the Trustee may reasonably require, containing all the information in the possession or control of the Company, or any of its Paying Agents other than the Trustee, as to the names and addresses of the Holders of Securities as of the preceding May 15 or November 15, as the case may be, and

(b) at such other times as the Trustee may request in writing, within 30 days after the receipt by the Company of any such request, a list of similar form and content as of a date not more than 15 days prior to the time such list is furnished;

provided, that no such list need be furnished if the Trustee shall be the Security Registrar.

Section 702. Preservation of Information; Communications to Holders.

(a) The Trustee shall comply with the obligations imposed upon it pursuant to Section 312 of the Trust Indenture Act.

(b) Every Holder of Securities, by receiving and holding the same, agrees with the Company and the Trustee that neither the Company nor the Trustee nor any agent of either of them shall be held accountable by reason of the disclosure of any such information as to the names and addresses of the Holders of Securities in accordance with Section 312 of the Trust Indenture Act, regardless of the source from which such information was derived, and that the Trustee shall not be held accountable by reason of mailing any material pursuant to a request made under Section 312 of the Trust Indenture Act.

Section 703. Reports by Trustee.

(a) Within 60 days after May 15 of each year commencing with the first May 15 following the first issuance of Securities pursuant to Section 301, if required by Section 313(a) of the Trust Indenture Act, the Trustee shall transmit, pursuant to Section 313(c) of the Trust Indenture Act, a brief report dated as of such May 15 with respect to any of the events specified in said Section 313(a) which may have occurred since the later of the immediately preceding May 15 and the date of this Indenture.

(b) The Trustee shall transmit the reports required by Section 313(b) of the Trust Indenture Act at the times specified therein.

(c) Reports pursuant to this Section shall be transmitted in the manner and to the Persons required by Sections 313(c) and 313(d) of the Trust Indenture Act.

Section 704. Reports by the Company. The Company, pursuant to Section 314(a) of the Trust Indenture Act, shall:

(1) file with the Trustee, within 15 days after the Company is required to file the same with the Commission, copies of the annual reports and of the information, documents and other reports (or copies of such portions of any of the foregoing as the Commission may from time to time by rules and regulations prescribe) which the Company may be required to file with the Commission pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934, as amended; or, if the Company is not required to file information, documents or reports pursuant to either of said sections, then it shall file with the Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such of the supplementary and periodic information, documents and reports which may be required pursuant to Section 13 of the Securities Exchange Act of 1934, as amended, in respect of a security listed and registered on a national securities exchange as may be prescribed from time to time in such rules and regulations;

(2) file with the Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such additional information, documents and reports with respect to compliance by the Company with the conditions and covenants of this Indenture as may be required from time to time by such rules and regulations; and

(3) transmit, within 30 days after the filing thereof with the Trustee, to the Holders of Securities, in the manner and to the extent provided in Section 313(c) of the Trust Indenture Act, such summaries of any information, documents and reports required to be filed by the Company pursuant to paragraphs (1) and (2) of this Section as may be required by rules and regulations prescribed from time to time by the Commission.

Delivery of such reports, information and documents to the Trustee is for informational purposes only, and the Trustee's receipt of such shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Company's compliance with any of its covenants hereunder (as to which the Trustee is entitled to rely exclusively on Officers' Certificates).

Article Eight

Consolidation, Merger, Conveyance, Transfer or Lease

Section 801. The Company May Consolidate, Etc., Only on Certain Terms. The Company shall not consolidate with or merge into any other Person or convey, transfer or lease its properties and assets substantially as an entirety to any Person, unless:

(1) the Person formed by any such consolidation or into which it is merged or the Person which acquires by conveyance or transfer, or which leases, its properties and assets substantially as an entirety shall be organized and existing under the laws of the United States of America, any State thereof or the District of Columbia and shall expressly assume the due and punctual payment of the principal of (and premium, if any) and interest on all the Securities and the performance of every covenant of this Indenture to be performed or observed on the part of the Company;

(2) immediately after giving effect to such transaction, no Event of Default, and no event which, after notice or lapse of time or both, would become an Event of Default, shall have happened and be continuing; and

(3) the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that such consolidation, merger, conveyance, transfer or lease complies with this Section 801 and that all conditions precedent herein provided for relating to such transaction have been complied with.

The Company covenants and agrees that if, upon any consolidation or merger of the Company with or into any other Person, or upon any consolidation or merger of any other Person with or into the Company, or upon any sale or conveyance of all or substantially all of the property and assets of the Company to any other Person, any property of the Company or any Subsidiary or any indebtedness issued by any Subsidiary owned by the Company or by any Subsidiary immediately prior thereto would thereupon become subject to any mortgage, security interest, pledge, lien or other encumbrance not permitted by Section 1008 hereof, the Company, prior to or concurrently with such consolidation, merger, sale or conveyance, will by indenture supplemental hereto, executed and delivered to the Trustee, effectively secure the Securities then Outstanding (equally and ratably with (or prior to) any other indebtedness of or guaranteed by the Company or such Subsidiary then entitled thereto) by a direct lien on such property of the Company or any Subsidiary or such indebtedness issued by a Subsidiary, prior to all liens other than any theretofore existing thereon.

Section 802. Successor Corporation Substituted. Upon any consolidation by the Company with or merger by the Company with or any other Person or any conveyance, transfer or lease of the Company's properties and assets substantially as an entirety in accordance with Section 801, the successor formed by such consolidation or into which it is merged or to which such conveyance, transfer or lease is made shall succeed to, and be substituted for, and may exercise every right and power of, the Company under this Indenture with the same effect as if such successor had been named as the Company herein, and thereafter, except in the case of a lease, the predecessor shall be relieved of all obligations and covenants under this Indenture and the Securities.

Article Nine

Supplemental Indentures

Section 901. Supplemental Indentures without Consent of Holders. Without the consent of any Holders of Securities, the Company, when authorized by a Board Resolution, and the Trustee, at any time and from time to time, may enter into one or more indentures supplemental hereto, in form satisfactory to the Trustee, for any one or more of the following purposes only:

- (1) to evidence the succession of another Corporation to the Company and the assumption by any such successor of the covenants of the Company herein and in the Securities; or
- (2) to add to the covenants of the Company for the benefit of the Holders of all or any series of Securities (and if such covenants are to be for the benefit of less than all series of Securities, stating that such covenants are expressly being included solely for the benefit of such series) or to surrender any right or power herein conferred upon the Company; or
- (3) to add any additional Events of Default; or
- (4) to change or eliminate any of the provisions of this Indenture; provided, that any such change or elimination shall become effective only when there is no Security Outstanding of any series created prior to the execution of such supplemental indenture which is entitled to the benefit of such provision; or
- (5) to secure the Securities; or
- (6) to establish the form or terms of Securities of any series as permitted by Sections 201 and 301; or
- (7) to evidence and provide for the acceptance of appointment hereunder by a successor Trustee with respect to the Securities of one or more series, to contain such provisions as shall be deemed necessary or desirable to confirm that all the rights, powers, trusts and duties of the predecessor Trustee with respect to the Securities of any series as to which the predecessor Trustee is not retiring shall continue to be vested in the predecessor Trustee, and to add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, pursuant to the requirements of Section 611(b); or
- (8) to cure any ambiguity, to correct or supplement any provision herein which may be defective or inconsistent with any other provision herein, or to make any other provisions with respect to matters or questions arising under this Indenture; *provided*, that such change shall not be inconsistent with the provisions of this Indenture and shall not adversely affect the interests of the Holders of Securities of any series in any material respect; or
- (9) to conform this Indenture to any amendments to the Trust Indenture Act.

Section 902. Supplemental Indentures with Consent of Holders. With the consent of the Holders of not less than a majority in principal amount of the Outstanding Securities of each series affected by such supplemental indenture, by Act of said Holders delivered to the Company and the Trustee, the Company, when authorized by a Board Resolution, and the Trustee may enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or modifying in any manner the rights of the Holders of Securities of such series under this Indenture; provided, that no such supplemental indenture shall, without the consent of the Holder of each Outstanding Security affected thereby:

- (1) change the Stated Maturity of the principal of, or of any installment of principal of or interest on, any Security, or reduce the principal amount thereof or the rate of interest thereon or any premium payable upon the redemption thereof, or change the method of calculating the rate of interest thereon, or change any obligation of the Company to pay additional amounts pursuant to Section 1004 (except as contemplated by Section 801(1) and permitted by Section 901(1)), or reduce the amount of the principal of an Original Issue Discount Security that would be due and payable upon a declaration of acceleration of the Maturity thereof pursuant to Section 502, or change any Place of Payment in the United States where, or the coin or currency in which, any Security or any premium or the interest thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the Stated Maturity thereof (or, in the case of redemption, on or after the Redemption Date);
- (2) reduce the percentage in principal amount of the Outstanding Securities of any series, the consent of whose Holders is required for any such supplemental indenture, or the consent of whose Holders is required for any waiver (of compliance with certain provisions of this Indenture or certain defaults hereunder and their consequences) provided for in this Indenture, or reduce the requirements of Section 1304 for quorum or voting;
- (3) change any obligation of the Company to maintain an office or agency in each Place of Payment, or any obligation of the Company to maintain an office or agency outside the United States pursuant to Section 1002; or
- (4) modify any of the provisions of this Section, Section 513 or Section 1010, except to increase any such percentage or to provide that certain other provisions of this Indenture cannot be modified or waived without the consent of the Holder of each Outstanding Security affected thereby.

A supplemental indenture which changes or eliminates any covenant or other provision of this Indenture which has expressly been included solely for the benefit of one or more particular series of Securities, or which modifies the rights of the Holders of Securities of such series with respect to such covenant or other provision, shall be deemed not to affect the rights under this Indenture of the Holders of Securities of any other series.

It shall not be necessary for any Act of Holders of Securities under this Section to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such Act shall approve the substance thereof.

The Company shall have the right to set a record date for the solicitation of any consents under this Article Nine, which record date shall be set in accordance with Section 104.

Section 903. Execution of Supplemental Indentures. In executing, or accepting the additional trusts created by, any supplemental indenture permitted by this Article or the modifications thereby of the trusts created by this Indenture, the Trustee shall be entitled to receive, and (subject to Section 315 of the Trust Indenture Act) shall be fully protected in relying upon, an Opinion of Counsel stating that the execution of such supplemental indenture is authorized or permitted by this Indenture. The Trustee may, but shall not be obligated to, enter into any such supplemental indenture which affects the Trustee's own rights, duties, immunities or liabilities under this Indenture or otherwise.

Section 904. Effect of Supplemental Indentures. Upon the execution of any supplemental indenture under this Article, this Indenture shall be modified in accordance therewith, and such supplemental indenture shall form a part of this Indenture for all purposes; and every Holder of Securities theretofore or thereafter authenticated and delivered hereunder shall be bound thereby.

Section 905. Conformity with Trust Indenture Act. Every supplemental indenture executed pursuant to this Article shall conform to the requirements of the Trust Indenture Act as then in effect.

Section 906. Reference in Securities to Supplemental Indentures. Securities of any series authenticated and delivered after the execution of any supplemental indenture pursuant to this Article may, and shall if required by the Trustee, bear a notation in form approved by the Trustee as to any matter provided for in such supplemental indenture. If the Company shall so determine, new Securities of any series so modified as to conform, in the opinion of the Trustee and the Company, to any such supplemental indenture may be prepared and executed by the Company and authenticated and delivered by the Trustee in exchange for Outstanding Securities of such series.

Section 907. Subordination Unimpaired. No supplemental indenture entered into under this Article Nine shall modify, directly or indirectly, the provisions of Article Fifteen or the definition of Senior Indebtedness in Section 101 in any manner that might alter or impair the subordination of the Securities with respect to Senior Indebtedness then outstanding unless each holder of such Senior Indebtedness has consented thereto in writing.

Article Ten

Covenants

Section 1001. Payment of Principal, Premium and Interest. The Company covenants and agrees for the benefit of each series of Securities that it will duly and punctually pay the principal of (and premium, if any) and interest on the Securities of that series in accordance with the terms of the Securities and this Indenture.

Section 1002. Maintenance of Office or Agency. The Company will maintain in each Place of Payment for any series of Securities an office or agency where Securities of that series may be presented or surrendered for payment, where Securities of that series may be surrendered for registration of transfer or exchange and where notices and demands to or upon the Company in respect of the Securities of that series and this Indenture may be served. The Company initially hereby appoints the Trustee, its office or agency for each of said purposes. The Company will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Company shall fail to maintain any such required office or agency in respect of any series of Securities or shall fail to furnish the Trustee with the address thereof, such presentations and surrenders of Securities of that series may be made and notices and demands may be made or served at the Corporate Trust Office of the Trustee, and the Company hereby appoints the Trustee as its agent to receive such respective presentations, surrenders, notices and demands.

The Company may also from time to time designate one or more other offices or agencies where the Securities of one or more series may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; *provided*, that no such designation or rescission shall in any manner relieve the Company of its obligation to maintain an office or agency in each Place of Payment in accordance with the requirements set forth above for Securities of any series for such purposes. The Company will give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

Section 1003. Money for Securities Payments to Be Held in Trust. If the Company shall at any time act as its own Paying Agent with respect to any series of Securities, it will, on or before each due date of the principal of (and premium, if any) or interest on any of the Securities of that series, segregate and hold in trust for the benefit of the Persons entitled thereto a sum sufficient to pay the principal (and premium, if any) or interest so becoming due until such sums shall be paid to such Persons or otherwise disposed of as herein provided and will promptly notify the Trustee of its action or failure so to act.

Whenever the Company shall have one or more Paying Agents for any series of Securities, it will, on or prior to each due date of the principal of (and premium, if any) or interest on any Securities of that series, deposit with a Paying Agent a sum sufficient to pay the principal (and premium, if any) or interest so becoming due, such sum to be held in trust for the benefit of the Persons entitled to such principal, premium or interest, and (unless such Paying Agent is the Trustee) the Company will promptly notify the Trustee of its action or failure so to act.

The Company will cause each Paying Agent for any series of Securities other than the Trustee to execute and deliver to the Trustee an instrument in which such Paying Agent shall agree with the Trustee, subject to the provisions of this Section, that such Paying Agent will:

- (1) hold all sums held by it for the payment of the principal of (and premium, if any) or interest on Securities of that series in trust for the benefit of the Persons entitled thereto until such sums shall be paid to such Persons or otherwise disposed of as herein provided;
- (2) give the Trustee notice of any default by the Company (or any other obligor upon the Securities of that series) in the making of any payment of principal of (and premium, if any) or interest on the Securities of that series; and
- (3) at any time during the continuance of any such default, upon the written request of the Trustee, forthwith pay to the Trustee all sums so held in trust by such Paying Agent.

The Company may at any time, for the purpose of obtaining the satisfaction and discharge of this Indenture or for any other purpose, pay, or by Order of the Company direct any Paying Agent to pay, to the Trustee all sums held in trust by the Company or such Paying Agent, such sums to be held by the Trustee upon the same terms as those upon which such sums were held by the Company or such Paying Agent; and, upon such payment by any Paying Agent to the Trustee, such Paying Agent shall be released from all further liability with respect to such sums.

Any sums deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of the principal of (and premium, if any) or interest on any Security of any series and remaining unclaimed for two years after such principal (and premium, if any) or interest has become due and payable shall be paid to the Company on Request of the Company, or (if then held by the Company) shall be discharged from such trust; and the Holder of such Security shall thereafter, as an unsecured general creditor, look only to the Company for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Company as trustee thereof, shall thereupon cease; *provided*, that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of the Company cause to be mailed to each such Holder notice that such money remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such publication or mailing, any unclaimed balance of such money then remaining will be repaid to the Company.

Section 1004. Additional Amounts. If the Securities of a series provide for the payment of additional amounts, the Company will pay to the Holder of any Security of any series additional amounts as provided therein. Whenever in this Indenture there is mentioned, in any context, the payment of principal of (or premium, if any) or interest on, or in respect of, any Security of any series or the net proceeds received on the sale or exchange of any Security of any series, such mention shall be deemed to include mention of the payment of additional amounts provided for in this Section to the extent that, in such context, additional amounts are, were or would be payable in respect thereof pursuant to the provisions of this Section and express mention of the payment of additional amounts (if applicable) in any provisions hereof shall not be construed as excluding additional amounts in those provisions hereof where such express mention is not made.

If the Securities of a series provide for the payment of additional amounts, at least 10 days prior to the first Interest Payment Date with respect to that series of Securities (or if the Securities of that series will not bear interest prior to Maturity, the first day on which a payment of principal (and premium, if any) is made), and at least 10 days prior to each date of payment of principal (and premium, if any) or interest if there has been any change with respect to the matters set forth in the below-mentioned Officers' Certificate, the Company will furnish the Trustee and the Company's principal Paying Agent or Paying Agents, if other than the Trustee, with an Officers' Certificate instructing the Trustee and such Paying Agent or Paying Agents whether such payment of principal of (and premium, if any) or interest on the Securities of that series shall be made to Holders of Securities of that series who are United States Aliens without withholding for or on account of any tax, assessment or other governmental charge

described in the Securities of that series. If any such withholding shall be required, then such Officers' Certificate shall specify the amount, if any, required to be withheld on such payments to such Holders of Securities, and the Company will pay to the Trustee or such Paying Agent the additional amounts required by this Section. The Company covenants to indemnify the Trustee and any Paying Agent for, and to hold them harmless against, any loss, liability, claim, damage or expense reasonably incurred without negligence or willful misconduct on their part arising out of or in connection with actions taken or omitted by any of them in reliance on any Officers' Certificate furnished pursuant to this Section.

Section 1005. Corporate Existence. Subject to Article Eight, the Company will do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence and its rights (charter and statutory) and franchises.

Section 1006. Maintenance of Properties. The Company will cause all properties used or useful in the conduct of its business and in the business of the Subsidiaries to be maintained and kept in good condition, repair and working order and supplied with all necessary equipment and will cause to be made all necessary repairs, renewals, replacements, betterments and improvements thereof, all as may be necessary so that the business carried on in connection therewith may be properly and advantageously conducted at all times; provided, that nothing in this Section shall prevent the Company from discontinuing the operation or maintenance of any of such properties or disposing of them if such discontinuance or disposal is, in the judgment of the Company, desirable in the conduct of its business or the business of the Subsidiaries and not disadvantageous in any material respect to the Holders of Securities.

Section 1007. Payment of Taxes and Other Claims. The Company will pay or discharge or cause to be paid or discharged, before the same shall become delinquent, (1) all taxes, assessments and governmental charges levied or imposed upon it or any of the Subsidiaries, or upon the income, profits or property of the Company or any of the Subsidiaries, and (2) all lawful claims for labor, materials and supplies which, if unpaid, might by law become a lien upon the property of the Company or any of the Subsidiaries; provided, that none of the Company or any of the Subsidiaries shall be required to pay or discharge or cause to be paid or discharged any such tax, assessment, charge or claim whose amount, applicability or validity is being contested in good faith by appropriate proceedings.

Section 1008. Restrictions on Liens.

(a) So long as any Securities remain outstanding, the Company will not, nor will it permit any Subsidiary, other than a Utility, to, issue, assume or guarantee any debt for money borrowed (hereinafter in this Section 1008 referred to as "Debt"), secured by any mortgage, security interest, pledge, lien or other encumbrance (hereinafter in this Section 1008 called "mortgage" or "mortgages") upon any property of the Company or any such Subsidiary (other than a Utility), except indebtedness issued by any such Subsidiary and owned by the Company or any other such Subsidiary (whether such property or indebtedness is now owned or hereafter acquired), without in any such case effectively securing, prior to or concurrently with the issuance, assumption or guarantee of any such Debt, the Securities (together with, if the Company shall so determine, any other indebtedness of or guaranteed by the Company or such Subsidiary ranking equally with the Securities and then existing or thereafter created) equally and ratably with (or prior to) such Debt; *provided*, that the foregoing restrictions shall not apply to nor prevent the creation or existence of:

(i) mortgages on any property, acquired, constructed or improved by the Company or any of the Subsidiaries other than the Utilities after the date of this Indenture, and any improvements thereon, accessions thereto or other property acquired or constructed for use in connection therewith or related thereto, which are created or assumed prior to or contemporaneously with, or within 180 days after, such acquisition or completion of such construction or improvement, or within one year thereafter pursuant to a firm commitment for financing arranged with a lender or investor within such 180-day period, to secure or provide for the payment of all or any part of the purchase price of such property or the cost of such construction or improvement incurred after the date of this Indenture, or, in addition to mortgages contemplated by clauses (ii) and (iii) below, mortgages on any property existing at the time of acquisition thereof; *provided*, that the mortgages shall not apply to any property theretofore owned by the Company or any such Subsidiary other than, in the case of any such construction or improvement, (1) unimproved real property on which the property so constructed or the improvement is located, (2) other property (or improvements thereon) which is an improvement to or is acquired or constructed for use in connection therewith or related thereto, (3) any right and interest under any agreement or other documents relating to the property being so constructed or improved or such other property and (4) the stock of any Subsidiary created or maintained for the primary purpose of owning the property so constructed or improved;

(ii) existing mortgages on any property or indebtedness of a Person which is merged with or into or consolidated with the Company or a Subsidiary;

(iii) mortgages on property or indebtedness of a Person existing at the time such Person becomes a Subsidiary;

(iv) mortgages to secure Debt of a Subsidiary to the Company or to another Subsidiary (other than a Utility);

(v) mortgages in favor of the United States of America, any State, any foreign country or any department, agency or instrumentality or political subdivision of any such jurisdiction, to secure partial, progress, advance or other payments pursuant to any contract or statute or to secure any indebtedness incurred for the purpose of financing all or any part of the purchase price of the cost of constructing or improving the property subject to such mortgages, including, without limitation, mortgages to secure Debt of the pollution control or industrial revenue bond type;

(vi) mortgages to secure Debt of the Company or any Subsidiary maturing within 12 months from the creation thereof and incurred in the ordinary course of business;

(vii) mortgages on any property (including any natural gas, oil or other mineral property) to secure all or part of the cost of exploration, drilling or development thereof or to secure Debt incurred to provide funds for any such purpose;

(viii) mortgages existing on the date of this Indenture; and

(ix) mortgages for the purposes of extending, renewing or replacing in whole or in part Debt secured by any mortgage referred to in the foregoing clauses (i) to (viii), inclusive, or this clause (ix); *provided*, that the principal amount of Debt secured thereby shall not exceed the principal amount of Debt so secured at the time of such extension, renewal or replacement, and that such extension, renewal or replacement shall be limited to all or a part of the property or indebtedness which secured the mortgage so extended, renewed or replaced (plus improvements on such property).

(b) The provisions of subsection (a) of this Section 1008 shall not apply to the issuance, assumption or guarantee by the Company or any Subsidiary of Debt secured by a mortgage which would otherwise be subject to the foregoing restrictions up to an aggregate amount which, together with all other Debt of the Company and the Subsidiaries other than the Utilities secured by mortgages (other than mortgages permitted by subsection (a) of this Section 1008 which would otherwise be subject to the foregoing restrictions), does not at the time exceed 10% of Consolidated Net Tangible Assets.

(c) If at any time the Company or any Subsidiary other than the Utilities shall issue, assume or guarantee any Debt secured by any mortgage and if subsection (a) of this Section 1008 requires that the Securities be secured equally and ratably with such Debt, the Company will promptly deliver to the Trustee an Officers' Certificate stating that, and an Opinion of Counsel to the effect that, the covenant of the Company contained in subsection (a) of this Section has been complied with.

Section 1009. Statement as to Default.

(a) The Company will deliver to the Trustee, within 120 days after the end of each fiscal year of the Company ending after the date hereof, a certificate, signed by the principal executive officer, principal financial officer or principal accounting officer of the Company stating whether or not to the best knowledge of the signers thereof the Company is in default in the performance and observance of any of the terms, provisions and conditions of this Indenture (without regard to any period of grace or requirement of notice provided hereunder) and, if the Company shall be in default, specifying all such defaults and the nature and status thereof of which they may have knowledge.

(b) The Company will deliver to the Trustee, within five days after the occurrence thereof, written notice of any event which, if not cured or lapse of time would become an Event of Default pursuant to clause (4) of Section 501.

Section 1010. Waiver of Certain Covenants. The Company may omit in any particular instance to comply with any term, provision or condition set forth in Sections 1006 and 1007 with respect to the Securities of any series if before the time for such compliance the Holders of at least a majority in principal amount of the Outstanding Securities of such series shall, by Act of such Holders, either waive such compliance in such instance or generally waive compliance with such term, provision or condition, but no such waiver shall extend to or affect such term, provision or condition except to the extent so expressly waived, and, until such waiver shall become effective, the obligations of the Company and the duties of the Trustee in respect of any such term, provision or condition shall remain in full force and effect.

Article Eleven

Redemption of Securities

Section 1101. Applicability of Article. Securities of any series which are redeemable before their Stated Maturity shall be redeemable in accordance with their terms and (except as otherwise specified as contemplated by Section 301 for Securities of any series) in accordance with this Article.

Section 1102. Election to Redeem; Notice to Trustee. The election of the Company to redeem any Securities shall be evidenced by a Board Resolution. In case of any redemption at the election of the Company of all of the Securities of any series, the Company shall, at least 60 days prior to the Redemption Date fixed by the Company (unless a shorter notice shall be satisfactory to the Trustee), notify the Trustee in writing of such Redemption Date. In case of any redemption at the election of the Company of less than all the Securities of any series, the Company shall, at least 60 days prior to the Redemption Date fixed by the Company (unless a shorter notice shall be satisfactory to the Trustee), notify the Trustee in writing of such Redemption Date and of the principal amount of Securities of such series to be redeemed. In the case of any redemption of Securities (i) prior to the expiration of any restriction on such redemption provided in the terms of such Securities or elsewhere in this Indenture, or (ii) pursuant to an election of the Company which is subject to a condition specified in the terms of such Securities, the Company shall furnish the Trustee with an Officers' Certificate evidencing compliance with such restriction or condition.

Section 1103. Selection by Trustee of Securities to Be Redeemed. If less than all the Securities of any series are to be redeemed, the particular Securities to be redeemed shall be selected not more than 60 days prior to the Redemption Date by the Trustee from the Outstanding Securities of such series (other than Securities of such series held by the Company), not previously called for redemption, by lot or by such other customary method prescribed by the Depositary, if applicable, and which may provide for the selection for redemption of portions (equal to the minimum authorized denomination for Securities of that series or any integral multiple thereof) of the principal amount of Securities of such series of a denomination larger than the minimum authorized denomination for Securities of that series; provided that any Securities to be redeemed held as a Global Security shall be selected in accordance with the policies and procedures of the Depositary, which may be made on a pass-through distribution of principal basis. Unless otherwise provided in the Securities of a series, partial redemptions must be in an amount not less than \$1,000,000 principal amount of Securities.

The Trustee shall promptly notify the Company in writing of the Securities selected for redemption and, in the case of any Securities selected for partial redemption, the principal amount thereof to be redeemed.

For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to the redemption of Securities shall relate, in the case of any Securities redeemed or to be redeemed only in part, to the portion of the principal amount of such Securities which has been or is to be redeemed.

Section 1104. Notice of Redemption. Notice of redemption shall be given in the manner provided in Section 106 to the Holders of Securities to be redeemed not less than 10 nor more than 60 days prior to the Redemption Date.

All notices of redemption shall state:

- (1) the Redemption Date,
- (2) the Redemption Price,
- (3) if less than all the Outstanding Securities of any series are to be redeemed, the identification (and, in the case of partial redemption, the principal amounts) of the particular Securities to be redeemed,
- (4) that on the Redemption Date the Redemption Price will become due and payable upon each such Security to be redeemed and, if applicable, that interest thereon will cease to accrue on and after said date,
- (5) the place or places where such Securities maturing after the Redemption Date, are to be surrendered for payment of the Redemption Price, which shall be the office or agency maintained by the Company in each Place of Payment pursuant to Section 1002, and
- (6) that the redemption is for a sinking fund, if such is the case.

A notice of redemption published as contemplated by Section 106 need not identify particular Securities to be redeemed.

Notice of redemption of Securities to be redeemed at the election of the Company shall be given by the Company or, at the Company's request, by the Trustee in the name and at the expense of the Company.

Section 1105. Deposit of Redemption Price. On or prior to any Redemption Date, the Company shall deposit with the Trustee or with a Paying Agent (or, if the Company is acting as its own Paying Agent, segregate and hold in trust as provided in Section 1003) an amount of money sufficient to pay the Redemption Price of, and (except if the Redemption Date shall be an Interest Payment Date) accrued interest, if any, on, all the Securities which are to be redeemed on that date.

Section 1106. Securities Payable on Redemption Date. Notice of redemption having been given as aforesaid, and the conditions, if any, set forth in such notice having been satisfied, the Securities so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Company shall default in the payment of the Redemption Price and accrued interest) such Securities shall cease to bear interest. Upon surrender of any such Security for redemption in accordance with said notice, such Security shall be paid by the Company at the Redemption Price, together with accrued interest, if any, to the Redemption Date; provided, that installments of interest on Securities whose Stated Maturity is on or prior to the Redemption Date shall be payable to the Holders of such Securities, or one or more Predecessor Securities, registered as such at the close of business on the relevant Record Dates according to their terms and the provisions of Section 307.

If any Security called for redemption shall not be so paid upon surrender thereof for redemption, the principal (and premium, if any) shall, until paid, bear interest from the Redemption Date at the rate prescribed therefor in the Security.

Section 1107. Securities Redeemed in Part. Any Security which is to be redeemed only in part shall be surrendered at a place of payment therefor (with, if the Company or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company and the Trustee duly executed by, the Holder thereof or his attorney duly authorized in writing), and the Company shall execute, and the Trustee shall authenticate and deliver to the Holder of such Security without service charge, a new Security or Securities of the same series, Stated Maturity and of any authorized denomination as requested by such Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Security so surrendered.

Except as otherwise specified as contemplated by Section 301, if a Global Security is so surrendered, the Company shall execute, and the Trustee shall authenticate and deliver to the Depositary in global form, without service charge, a new Global Security or Securities of the same series, Stated Maturity and of any authorized denomination as requested by the Depositary, in an aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Global Security so surrendered.

Article Twelve

Sinking Funds

Section 1201. Applicability of Article. The provisions of this Article shall be applicable to any sinking fund for the retirement of Securities of a series except as otherwise specified as contemplated by Section 301 for Securities of such series.

The minimum amount of any sinking fund payment provided for by the terms of Securities of any series is herein referred to as a “mandatory sinking fund payment,” and any payment in excess of such minimum amount provided for by the terms of Securities of any series is herein referred to as an “optional sinking fund payment.” If provided for by the terms of Securities of any series, the cash amount of any sinking fund payment may be subject to reduction as provided in Section 1202. Each sinking fund payment shall be applied to the redemption of Securities of any series as provided for by the terms of Securities of such series.

Section 1202. Satisfaction of Sinking Fund Payments with Securities. The Company (1) may deliver Outstanding Securities of a series (other than any previously called for redemption) and (2) may apply as a credit Securities of a series which have been redeemed either at the election of the Company pursuant to the terms of such Securities or through the application of permitted optional sinking fund payments pursuant to the terms of such Securities, in each case in satisfaction of all or any part of any sinking fund payment with respect to the Securities of such series required to be made pursuant to the terms of such Securities as provided for by the terms of such series; provided, that such Securities have not been previously so credited. Such Securities shall be received and credited for such purpose by the Trustee at the Redemption Price specified in such Securities for redemption through operation of the sinking fund and the amount of such sinking fund payment shall be reduced accordingly.

Section 1203. Redemption of Securities for Sinking Fund. Not less than 60 days prior to each sinking fund payment date for any series of Securities, the Company will deliver to the Trustee an Officers’ Certificate specifying the amount of the next ensuing sinking fund payment for that series pursuant to the terms of that series, the portion thereof, if any, which is to be satisfied by payment of cash and the portion thereof, if any, which is to be satisfied by delivering and crediting Securities of that series pursuant to Section 1202 and stating the basis for such credit and that such Securities have not previously been so credited and will also deliver to the Trustee any Securities to be so delivered. Not less than 30 days before each such sinking fund payment date the Trustee shall select the Securities to be redeemed upon such sinking fund payment date in the manner specified in Section 1103 and cause notice of the redemption thereof to be given in the name of and at the expense of the Company in the manner provided in Section 1104. Such notice having been duly given, the redemption of such Securities shall be made upon the terms and in the manner stated in Sections 1106 and 1107.

Article Thirteen

Meetings of Holders of Securities

Section 1301. Purposes for Which Meetings May be Called. A meeting of Holders of Securities of series may be called at any time and from time to time pursuant to this Article to make, give or take any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be made, given or taken by Holders of Securities of such series.

Section 1302. Call Notice and Place of Meeting.

(a) The Trustee may at any time call a meeting of Holders of Securities of any series for any purpose specified in Section 1301, to be held at such time and at such place in the Borough of Manhattan, The City of New York, or in London as the Trustee shall determine. Notice of every meeting of Holders of Securities of any series, setting forth the time and the place of such meeting and in general terms the action proposed to be taken at such meeting, shall be given, in the manner provided in Section 106, not less than 21 nor more than 180 days prior to the date fixed for the meeting.

(b) In case at any time the Company, pursuant to a Board Resolution, or the Holders of at least 10% in principal amount of the Outstanding Securities of any series shall have requested the Trustee to call a meeting of the Holders of Securities of such series for any purpose specified in Section 1301, by written request setting forth in reasonable detail the action proposed to be taken at the meeting, and the Trustee shall not have made the first publication of the notice of such meeting within 21 days after receipt of such request or shall not thereafter proceed to cause the meeting to be held as provided herein, then the Company or the Holders of Securities of such series in the amount above specified, as the case may be, may determine the time and the place in the Borough of Manhattan, The City of New York, or in London for such meeting and may call such meeting for such purposes by giving notice thereof as provided in subsection (a) of this Section.

Section 1303. Persons Entitled to Vote at Meetings. To be entitled to vote at any meeting of Holders of Securities of any series, a Person shall be (1) a Holder of one or more Outstanding Securities of such series, or (2) a Person appointed by an instrument in writing as proxy for a Holder or Holders of one or more Outstanding Securities of such series by such Holder or Holders. The only Persons who shall be entitled to be present or to speak at any meeting of Holders of Securities of any series shall be the Persons entitled to vote at such meeting and their counsel, any representatives of the Trustee and its counsel and any representatives of the Company and its counsel.

Section 1304. Quorum; Action. The Persons entitled to vote a majority in principal amount of the Outstanding Securities of a series shall constitute a quorum for a meeting of Holders of Securities of such series. In the absence of a quorum within 30 minutes of the time appointed for any such meeting, the meeting shall, if convened at the request of Holders of Securities of such series, be dissolved. In any other case the meeting may be adjourned for a period of not less than 10 days as determined by the chairman of the meeting prior to the adjournment of such meeting. In the absence of a quorum at any such adjourned meeting, such adjourned meeting may be further adjourned for a period of not less than 10 days as determined by the chairman of the meeting prior to the adjournment of such adjourned meeting. Except as provided by Section 1305(d), notice of the reconvening of any adjourned meeting shall be given as provided in Section 1302(a), except that such notice need be given only once not less than five days prior to the date on which the meeting is scheduled to be reconvened. Notice of the reconvening of an adjourned meeting shall state expressly the percentage, as provided above, of the principal amount of the Outstanding Securities of such series which shall constitute a quorum.

Except as limited by the proviso to Section 902, any resolution presented to a meeting or adjourned meeting duly reconvened at which a quorum is present as aforesaid may be adopted only by the affirmative vote of the Holders of a majority in principal amount of the Outstanding Securities of that series; *provided*, that, except as limited by the proviso to Section 902, any resolution with respect to any request, demand, authorization, direction, notice, consent, waiver or other action which this Indenture expressly provides may be made, given or taken by the Holders of a specified percentage, which is less than a majority, in principal amount of the Outstanding Securities of a series may be adopted at a meeting or an adjourned meeting duly reconvened and at which a quorum is present as aforesaid by the affirmative vote of the Holders of such specified percentage in principal amount of the Outstanding Securities of that series.

Any resolution passed or decision taken at any meeting of Holders of Securities of any series duly held in accordance with this Section shall be binding on all the Holders of Securities of such series, whether or not present or represented at the meeting.

Section 1305. Determination of Voting Rights; Conduct and Adjournment of Meetings.

(a) Notwithstanding any other provisions of this Indenture, the Trustee may make such reasonable regulations as it may deem advisable for any meeting of Holders of Securities of such series in regard to proof of the holding of Securities of such series and of the appointment of proxies and in regard to the appointment and duties of inspectors of votes, the submission and examination of proxies, certificates and other evidence of the right to vote, and such other matters concerning the conduct of the meeting as it shall deem appropriate. Except as otherwise permitted or required by any such regulations, the holding of Securities shall be proved in the manner specified in Section 104 and the appointment of any proxy shall be proved in the manner specified in Section 104. Such regulations may provide that written instruments appointing proxies, regular on their face, may be presumed valid and genuine without the proof specified in Section 104 or other proof.

(b) The Trustee shall, by an instrument in writing, appoint a temporary chairman of the meeting, unless the meeting shall have been called by the Company or by Holders of Securities as provided in Section 1302(b), in which case the Company or the Holders of Securities of the series calling the meeting, as the case may be, shall in like manner appoint a temporary chairman. A permanent chairman and a permanent secretary of the meeting shall be elected by vote of the Persons entitled to vote a majority in principal amount of the Outstanding Securities of such series represented at the meeting.

(c) At any meeting each Holder of a Security of such series or proxy shall be entitled to one vote for each \$1,000 principal amount of Securities of such series held or represented by him; *provided*, that no vote shall be cast or counted at any meeting in respect of any Security challenged as not Outstanding and ruled by the chairman of the meeting to be not Outstanding. The chairman of the meeting shall have no right to vote, except as a Holder of a Security of such series or proxy.

(d) Any meeting of Holders of Securities of any series duly called pursuant to Section 1302 at which a quorum is present may be adjourned from time to time by Persons entitled to vote a majority in principal amount of the Outstanding Securities of such series represented at the meeting; and the meeting may be held as so adjourned without further notice.

Section 1306. Counting Votes and Recording Action of Meetings. The vote upon any resolution submitted to any meeting of Holders of Securities of any series shall be by written ballots on which shall be subscribed the signatures of the Holders of Securities of such series or of their representatives by proxy and the principal amounts and serial numbers of the Outstanding Securities of such series held or represented by them. The permanent chairman of the meeting shall appoint two inspectors of votes who shall count all votes cast at the meeting for or against any resolution and who shall make and file with the secretary of the meeting their verified written reports in triplicate of all votes cast at the meeting. A record, at least in triplicate, of the proceedings of each meeting of Holders of Securities of any series shall be prepared by the secretary of the meeting and there shall be attached to said record the original reports of the inspectors of votes on any vote by ballot taken thereat and affidavits by one or more persons having knowledge of the facts setting forth a copy of the notice of the meeting and showing that said notice was given as provided in Section 1302 and, if applicable, Section 1304. Each copy shall be signed and verified by the affidavits of the permanent chairman and secretary of the meeting and one such copy shall be delivered to the Company, and another to the Trustee to be preserved by the Trustee, the latter to have attached thereto the ballots voted at the meeting. Any record so signed and verified shall be conclusive evidence of the matters therein stated.

Section 1307. Action Without Meeting. In lieu of a vote of Holders at a meeting as hereinbefore contemplated in this Article, any request, demand, authorization, direction, notice, consent, waiver or other action may be made, given or taken by Holders by written instruments as provided in Section 104.

Article Fourteen

Immunity of Incorporators, Stockholders, Officers, Directors and Employees

Section 1401. Liability Solely Corporate. No recourse shall be had for the payment of the principal of or premium, if any, or interest, if any, on any Securities, or any part thereof, or for any claim based thereon or otherwise in respect thereof, or of the indebtedness represented thereby, or upon any obligation, covenant or agreement under this Indenture, against any incorporator, stockholder, officer, director or employee, as such, past, present or future of the Company or of any predecessor or successor Corporation (either directly or through the Company or a predecessor or successor Corporation of the Company), whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly agreed and understood that this Indenture and all the Securities are solely corporate obligations, and that no personal liability whatsoever shall attach to, or be incurred by, any incorporator, stockholder, officer, director or employee, past, present or future, of the Company or of any predecessor or successor Corporation (either directly or indirectly through the Company or any predecessor or successor Corporation of the Company), because of the indebtedness hereby authorized or under or by reason of any of the obligations, covenants or agreements contained in this Indenture or in any of the Securities or to be implied herefrom or therefrom, and that any such personal liability is hereby expressly waived and released as a condition of, and as part of the consideration for, the execution of this Indenture and the issuance of the Securities.

Article Fifteen

Subordination of Securities

Section 1501. Subordination Terms. The payment by the Company of the principal of (and premium, if any) and interest on any series of Securities issued hereunder shall be subordinated to the extent set forth in an indenture supplemental hereto relating to such Securities.

Section 1502. Notice to Trustee of Facts Prohibiting Payments. Notwithstanding any of the provisions of this Article Fifteen or any other provision of this Indenture, the Trustee shall not at any time be charged with knowledge of the existence of any facts that would prohibit the making of any payment of funds to or by the Trustee unless and until a Responsible Officer of the Trustee assigned to its Corporate Trust Division shall have received at the Corporate Trust Office written notice thereof from the Company or from one or more holders of Senior Indebtedness or from any trustee therefor who shall have been certified by the Company or otherwise established to the reasonable satisfaction of the Trustee to be such a holder or trustee; and, prior to the receipt of such written notice, the Trustee, subject to the provisions of Section 601, shall be entitled in all respects to assume that no such facts exist; provided that if prior to the fifth business day preceding the date upon which by the terms hereof any such funds may become payable, or if prior to the third business day preceding the date of the execution of instruments pursuant to Article Four acknowledging satisfaction and discharge of this Indenture, the Trustee shall not have received with respect to such funds the notice provided for in this Section 1502, then, anything herein contained to the contrary notwithstanding, the Trustee shall have full power and authority to receive such moneys and/or apply the same to the purpose for which they were received and shall not be affected by any notice to the contrary that may be received by it on or after such date; provided no such application shall affect the obligations under this Article Fifteen of the Persons receiving such moneys from the Trustee.

Section 1503. Application by Trustee of Moneys Deposited With It. Anything in this Indenture to the contrary notwithstanding, any deposit of a sum by the Company with the Trustee or any agent (whether or not in trust) for any payment of the principal of (and premium, if any) or interest on any Securities shall, except as provided in Section 1502, be subject to the provisions of Section 1501.

Section 1504. Subrogation. Subject to the payment in full of all Senior Indebtedness, the Holders of the Securities shall be subrogated to the rights of the holders of such Senior Indebtedness to receive payments or distributions of assets of the Company applicable to such Senior Indebtedness until the Securities shall be paid in full, and none of the payments or distributions to the holders of such Senior Indebtedness to which the Holders of the Securities or the Trustee would be entitled except for the provisions of this Article Fifteen or of payments over, pursuant to the provisions of this Article Fifteen, to the holders of such Senior Indebtedness by the Holders of such

Securities or the Trustee shall, as among the Company, its creditors other than the holders of such Senior Indebtedness and the holders of such Securities, be deemed to be a payment by the Company to or on account of such Senior Indebtedness; it being understood that the provisions of this Article Fifteen are and are intended solely for the purpose of defining the relative rights of the Holders of such Securities, on the one hand, and the holders of Senior Indebtedness, on the other hand.

Section 1505. Right of Trustees to Hold Senior Indebtedness. The Trustee shall be entitled to all of the rights set forth in this Article Fifteen in respect of any Senior Indebtedness at any time held by it in its individual capacity to the same extent as any other holder of such Senior Indebtedness, and nothing in this Indenture shall be construed to deprive the Trustee of any of its rights as such holder.

Section 1506. Not to Prevent Events of Default. The failure to make a payment pursuant to the terms of the Securities by reason of any provision in this Article Fifteen shall not be construed as preventing the occurrence of an Event of Default, if any.

Section 1507. Trustee's Rights to Compensation, Reimbursement of Expenses and Indemnification. Notwithstanding anything to the contrary herein, the Trustee's rights to compensation, reimbursement of expenses and indemnification under Section 607 are not subordinated to the payment of Senior Indebtedness.

Section 1508. Article Applicable to Paying Agents. The term "Trustee" as used in this Article Fifteen shall (unless the context shall otherwise require) be construed as extending to and including each Paying Agent, Authenticating Agent and Security Registrar appointed by the Company or the Trustee, as the case may be, and acting hereunder within its meaning as fully for all intents and purposes as if such Paying Agent or Security Registrar were named in this Article Fifteen in addition to the Trustee; provided that Section 1502 and Section 1505 shall not apply to the Company or any Affiliate of the Company if the Company or such Affiliate acts as Paying Agent or Security Registrar.

Section 1509. Trustee Not Fiduciary for Holders of Senior Indebtedness. The Trustee shall not be deemed to owe any fiduciary duty to the holders of Senior Indebtedness and shall not be liable to any such holders if the Trustee shall in good faith mistakenly pay over or distribute to Holders of Securities or to the Company or to any other Person cash, property or securities to which any holders of Senior Indebtedness shall be entitled by virtue of this Article Fifteen or otherwise. With respect to the holders of Senior Indebtedness, the Trustee undertakes to perform or to observe only such of its covenants or obligations as are specifically set forth in this Article Fifteen, and no implied covenants or obligations with respect to the holders of Senior Indebtedness shall be read into this Indenture against the Trustee.

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed as of the day and year first above written.

NISOURCE INC.

By: /s/ Tchapo Napoe
Name: Tchapo Napoe
Title: Vice President, Treasurer and Corporate Finance

THE BANK OF NEW YORK MELLON, as Trustee

By: /s/ Stacey B. Poindexter
Name: Stacey B. Poindexter
Title: Vice President

[Signature Page to Subordinated Indenture]

NISOURCE INC.

TO

THE BANK OF NEW YORK MELLON

Trustee

First Supplemental Indenture

Dated as of May 16, 2024

6.950% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2054

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FIRST SUPPLEMENTAL INDENTURE (“Supplemental Indenture”), dated as of May 16, 2024, between NiSource Inc., a Delaware corporation (“NiSource” or the “Company”), and The Bank of New York Mellon, a New York banking corporation, not in its individual capacity but solely as trustee (the “Trustee”), under the Indenture dated as of the date hereof between NiSource and the Trustee (the “Base Indenture” and, together with the Supplemental Indenture, the “Indenture”).

WITNESSETH

WHEREAS, NiSource and the Trustee are parties to the Base Indenture providing for the issuance by NiSource of unsecured subordinated debentures, notes or other evidences of indebtedness to be issued in one or more series as determined by NiSource, in an unlimited principal amount which may be authenticated and delivered as provided in the Base Indenture.

WHEREAS, pursuant to Section 301 of the Base Indenture, NiSource desires to provide for the establishment of a new series of its junior subordinated notes to be known as the 6.950% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2054 (the “Notes”), in an initial aggregate principal amount of \$500,000,000, and pursuant to Section 201 of the Base Indenture, NiSource desires to establish the form of the Notes.

WHEREAS, NiSource has requested that the Trustee execute and deliver this Supplemental Indenture. All conditions precedent and requirements necessary to make this Supplemental Indenture a valid and legally binding instrument in accordance with its terms have been complied with, performed and fulfilled, and the execution and delivery hereof has been duly authorized in all respects.

NOW, THEREFORE, in consideration of the agreements and obligations set forth herein and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE 1 DEFINITIONS

Section 1.1 Defined Terms. Unless the context otherwise requires, capitalized terms used but not defined herein shall have the meaning set forth in the Base Indenture. As used in this Supplemental Indenture, terms defined in the Base Indenture or in the preamble or recitals hereto are used as so defined. The words “herein,” “hereof” and “hereby” and other words of similar import used in this Supplemental Indenture refer to this Supplemental Indenture as a whole and not to any particular section hereof.

The following additional terms are hereby established for the purposes of this Supplemental Indenture and shall have the meanings set forth in this Supplemental Indenture solely for the purposes of this Supplemental Indenture:

“business day” means, unless otherwise expressly stated, any day other than (i) a Saturday or Sunday or (ii) a day on which banks and trust companies in The City of New York are authorized or obligated by law, regulation or executive order to remain closed.

“compound interest” has the meaning set forth in Section 5.1.

“calculation agent” means, at any time, the entity appointed by NiSource and serving as such agent with respect to the Notes at such time. Unless NiSource has validly called all of the outstanding Notes for redemption on a redemption date occurring prior to the First Reset Date, NiSource will appoint a calculation agent for the Notes prior to the Reset Interest Determination Date immediately preceding the First Reset Date; provided that, if NiSource has called all of the outstanding Notes for redemption on a redemption date occurring prior to the First Reset Date but NiSource does not redeem all of the outstanding Notes on such redemption date, NiSource will appoint a calculation agent for the Notes as promptly as practicable after such proposed redemption date. NiSource may terminate any such appointment and may appoint a successor calculation agent at any time and from time to time (so long as there shall always be a calculation agent in respect of the Notes when so required). NiSource may appoint NiSource or an affiliate of NiSource as calculation agent.

“Capital Stock” means (i) in the case of a corporation or a company, corporate stock or shares; (ii) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock; (iii) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and (iv) any other interest or participation that confers on a person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing person.

“Five-year U.S. Treasury Rate” means, as of any Reset Interest Determination Date, (i) an interest rate (expressed as a decimal) determined to be the per annum rate equal to the arithmetic mean of the yields to maturity for U.S. Treasury securities adjusted to constant maturity with a maturity of five years from the next Reset Date and trading in the public securities markets, for the five consecutive business days immediately prior to the respective Reset Interest Determination Date as published (or, if fewer than five consecutive business days are so published on the applicable Reset Interest Determination Date, for such number of business days published) in the most recent H.15, or (ii) if there is no such published U.S. Treasury security with a maturity of five years from the next Reset Date and trading in the public securities markets, then the rate will be determined by interpolation between the arithmetic mean of the yields to maturity for each of the two series of U.S. Treasury securities adjusted to constant maturity trading in the public securities markets, (A) one maturing as close as possible to, but earlier than, the Reset Date following the next succeeding Reset Interest Determination Date, and (B) the other maturing as close as possible to, but later than, the Reset Date following the next succeeding Reset Interest Determination Date, in each case for the five consecutive business days immediately prior to the respective Reset Interest Determination Date as published in the most recent H.15. If the Five-year U.S. Treasury Rate cannot be determined pursuant to the methods described in clause (i) or (ii) above, then the Five-year U.S. Treasury Rate will be the same interest rate determined for the prior Reset Interest Determination Date or, if the Five-year U.S. Treasury Rate cannot be so determined as of the Reset Interest Determination Date preceding the First Reset Date, then the interest rate applicable for the Reset Period beginning on and including the First Reset Date will be deemed to be 6.950% per annum, which is the same interest rate as in effect from and including the Original Issue Date to, but excluding, the First Reset Date.

“First Reset Date” has the meaning set forth in Section 2.4.

“H.15” means the statistical release designated as such, or any successor publication, published by the Board of Governors of the U.S. Federal Reserve System (or any successor thereto).

“interest payment date” has the meaning set forth in Section 2.4.

“Interest Payment Period” means the semi-annual period from and including an interest payment date to but excluding the next succeeding interest payment date, except for the first Interest Payment Period which shall be the period from and including the Original Issue Date to but excluding November 30, 2024.

“Maturity Date” has the meaning set forth in Section 2.3.

“most recent H.15” means the H.15 published closest in time but prior to the close of business on the second business day prior to the applicable Reset Date.

“Optional Deferral Period” has the meaning set forth in Section 5.1.

“Original Issue Date” means May 16, 2024.

“record date” has the meaning set for the in Section 2.4.

“redemption date” when used with respect to any Notes to be redeemed, means the date fixed for such redemption pursuant to this Supplemental Indenture.

“Reset Date” means the First Reset Date and November 30 of every fifth year after 2029.

“Reset Interest Determination Date” means, in respect of any Reset Period, the day falling two business days prior to the first day of such Reset Period.

“Reset Period” means the period from and including the First Reset Date to, but excluding, the next following Reset Date and thereafter each period from and including a Reset Date to, but excluding, the next following Reset Date.

“Rating Agency Event” means, as of any date, a change, clarification or amendment in the methodology published by a nationally recognized statistical rating organization within the meaning of Section 3(a)(62) of the Securities Exchange Act of 1934, as amended (or any successor provision thereto), that then publishes a rating for NiSource (together with any successor thereto, a “rating agency”) in assigning equity credit to securities such as the Notes, (a) as such methodology was in effect on May 13, 2024, in the case of any rating agency that published a rating for NiSource as of May 13, 2024, or (b) as such methodology was in effect on the date such rating agency first published a rating for NiSource, in the case of any rating agency that first publishes a rating for NiSource after May 13, 2024 (in the case of either clause (a) or (b), the “current methodology”), that results in (i) any shortening of the length of time for which a particular level of equity credit pertaining to the Notes by such rating agency would have been in effect had the current methodology not been changed or (ii) a lower equity credit (including up to a lesser amount) being assigned by such rating agency to the Notes as of the date of such change, clarification or amendment than the equity credit that would have been assigned to the Notes by such rating agency had the current methodology not been changed.

“Rights Plan” has the meaning set forth in Section 5.1.

“Senior Indebtedness” has the meaning set forth in Section 3.1.

“Tax Event” means that NiSource has received an opinion of counsel experienced in such matters to the effect that, as a result of:

- (i) any amendment to, clarification of, or change, including any announced prospective change, in the laws or treaties of the United States or any of its political subdivisions or taxing authorities, or any regulations under those laws or treaties;
- (ii) an administrative action, which means any judicial decision or any official administrative pronouncement, ruling, regulatory procedure, notice or announcement, including any notice or announcement of intent to issue or adopt any administrative pronouncement, ruling, regulatory procedure or regulation;
- (iii) any amendment to, clarification of, or change in the official position or the interpretation of any administrative action or judicial decision or any interpretation or pronouncement that provides for a position with respect to an administrative action or judicial decision that differs from the previously generally accepted position, in each case by any legislative body, court, governmental authority or regulatory body, regardless of the time or manner in which that amendment, clarification or change is introduced or made known; or
- (iv) a threatened challenge asserted in writing in connection with a tax audit of NiSource or any of its subsidiaries, or a publicly-known threatened challenge asserted in writing against any other taxpayer that has raised capital through the issuance of securities that are substantially similar to the Notes,

which amendment, clarification or change is effective or the administrative action is taken or judicial decision, interpretation or pronouncement is issued or threatened challenge is asserted or becomes publicly-known after May 13, 2024, there is more than an insubstantial risk that interest payable by NiSource on the Notes is not deductible, or within 90 days would not be deductible, in whole or in part, by NiSource for United States federal income tax purposes.

ARTICLE 2 DESIGNATION OF THE NOTES

Section 2.1 Designation and Principal Amount.

(a) Pursuant to the terms hereof and Section 301 of the Base Indenture, NiSource hereby establishes a series of Securities designated as the “6.950% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2054”, the principal amount of which to be issued shall be in accordance with Section 2.1(b) and the form and terms of which shall be as set forth hereinafter.

(b) The Notes shall be issued in an initial aggregate principal amount of \$500,000,000. NiSource may, without the consent of the Holders, create and issue an unlimited amount of additional Notes ranking equally with the Notes in all respects and having the same terms (except for the price to public, the issue date and the initial interest accrual date and the first interest payment date, as applicable) as the Notes, so that such additional Notes shall be

consolidated and form a single series with, and shall have the same terms as to status, redemption or otherwise as, the Notes being authenticated and delivered on the date hereof. Such additional Notes will have the same CUSIP number as the Notes being authenticated on the date hereof, provided that such additional Notes must be part of the same issue as the Notes being authenticated on the date hereof for U.S. federal income tax purposes or, if they are not part of the same issue for such purposes, such additional Notes must be issued with a separate CUSIP number. No additional Notes may be issued if an Event of Default has occurred and is continuing with respect to the Notes.

Section 2.2 Form of the Notes. The Notes shall be issued in the form of one or more Global Securities substantially in the form attached in Exhibit A hereto, which is hereby incorporated in and expressly made a part of this Supplemental Indenture. The Trustee's certificate of authentication for such Notes shall be substantially in the form required by Section 202 of the Base Indenture. The Notes shall bear the legend set forth in Exhibit A.

Section 2.3 Maturity Date of the Notes. The Notes will mature on November 30, 2054 (the "Maturity Date"), subject to earlier redemption at NiSource's option as set forth in Article 6.

Section 2.4 Interest on the Notes. The Notes will bear interest (i) from and including the Original Issue Date to, but excluding, November 30, 2029 (the "First Reset Date") at the rate of 6.950% per annum and (ii) from and including the First Reset Date, during each Reset Period at a rate per annum equal to the Five-year U.S. Treasury Rate as of the most recent Reset Interest Determination Date plus a spread of 2.451%, to be reset on each Reset Date. Interest on the Notes will accrue from the Original Issue Date and will be payable semi-annually in arrears on May 30 and November 30 (each, an "interest payment date") of each year, beginning on November 30, 2024, to Holders at the close of business on the record date for the applicable interest payment date, which will be (i) the business day immediately preceding such interest payment date so long as all of the Notes remain in book-entry only form or (ii) the 15th calendar day preceding such interest payment date (whether or not a business day) if any of the Notes do not remain in book-entry only form (each, a "record date"), subject to NiSource's right to defer interest payments as described in Article 5 below. Interest on the Notes will be computed on the basis of a 360-day year of twelve 30-day months.

The applicable interest rate for each Reset Period will be determined by the calculation agent, as of the applicable Reset Interest Determination Date. Promptly upon such determination, the calculation agent will notify NiSource of the interest rate for the Reset Period and NiSource will promptly notify, or cause the calculation agent to promptly notify, in writing, the Trustee and each paying agent of such interest rate. The calculation agent's determination of any interest rate, and its calculation of the amount of interest for any Interest Payment Period beginning on or after the First Reset Date, will be on file at NiSource's principal offices, will be made available to any Holder or beneficial owner of the Notes upon request and will be final and binding in the absence of manifest error.

If an interest payment date, redemption date, or Maturity Date falls on a day that is not a business day, payment will be made on the next succeeding business day with the same force and effect as if made on such payment date.

Section 2.5 Minimum Denominations. The Notes shall be issued in denominations of \$2,000 and integral multiples of \$1,000 in excess thereof.

Section 2.6 No Sinking Fund. No sinking fund is provided for the Notes.

Section 2.7 Paying Agent and Security Registrar. The Trustee is hereby appointed as initial Paying Agent and initial Security Registrar for the Notes. The Notes shall be payable at the Corporate Trust Office of the Trustee.

Section 2.8 Other Terms of the Notes. The other terms of the Notes shall be as expressly set forth herein and in Exhibit A hereto.

ARTICLE 3 SUBORDINATION

The following subordination provisions for the Notes are established pursuant to Section 1501 of the Base Indenture and are in addition to the provision of Article 15 of the Base Indenture, which shall apply to the Notes, except that Section 3.3 of this Supplemental Indenture replaces in its entirety Section 1504 of the Base Indenture and the definition of Senior Indebtedness included in Section 3.1 of this Supplemental Indenture replaces the definition of Senior Indebtedness in Section 101 of the Base Indenture.

Section 3.1 Notes Subordinated to Senior Indebtedness. NiSource covenants and agrees, and each Holder of the Notes, by his acceptance thereof, likewise covenants and agrees, that (a) the indebtedness represented by the Notes and the payment of the principal of and any premium or interest on each and all of the Notes of such series is subordinate, to the extent and in the manner hereinafter set forth, in right of payment to the prior payment in full of all Senior Indebtedness; and (b) Senior Indebtedness shall continue to be Senior Indebtedness with respect to the Notes irrespective of any amendment, modification or waiver of any term of the Notes or extension or renewal of the Notes (other than any such amendment, modification or waiver that makes the Notes subordinated or equal in right of payment to the Notes).

With respect to the Notes, in the event (a) of any payment by, or distribution of assets of, NiSource of any kind or character, whether in cash, property or securities, to creditors upon any dissolution, winding-up, liquidation or reorganization of NiSource, whether voluntary or involuntary or in bankruptcy, insolvency, receivership or other similar proceedings, or (b) subject to the provisions of Section 3.2, that (i) a default shall have occurred and be continuing with respect to the payment of principal, interest or any other monetary amounts due and payable on any Senior Indebtedness and such default shall have continued beyond the period of grace, if any, specified in the instrument evidencing such Senior Indebtedness (and the Trustee shall have received written notice thereof from NiSource or one or more holders of such Senior Indebtedness or their representative or representatives or the trustee or trustees under any indenture pursuant to which any such Senior Indebtedness may have been issued), or (ii) the maturity of any such Senior Indebtedness shall have been accelerated because of a default in respect of such Senior Indebtedness (and the Trustee shall have received written notice thereof from NiSource or one or more holders of such Senior Indebtedness or their representative or representatives or the trustee or trustees under any indenture pursuant to which any such Senior Indebtedness may have been issued), then:

(1) the holders of all such Senior Indebtedness shall first be entitled to receive, in the case of clause (a) above, payment of all amounts due or to become due upon all such Senior Indebtedness or, in the case of subclauses (i) and (ii) of clause (b) above, payment of all amounts due upon all such Senior Indebtedness, or provision shall be made for such payment in money or money's worth, before the Holders of any of the Notes are entitled to receive any payment on account of the principal of or any premium or interest on the indebtedness evidenced by the Notes, including, without limitation, any payments made pursuant to Article Eleven or Article Twelve of this Base Indenture;

(2) so long as any of the events in clause (a) or subclauses (i) or (ii) of clause (b) above has occurred and is continuing, any payment by, or distribution of assets of, NiSource of any kind or character, whether in cash, property or securities, to which the Holders of any of the Notes would be entitled except for the provisions of this Article, including any such payment or distribution which may be payable or deliverable by reason of the payment of any other indebtedness of NiSource being subordinated to the payment of the Notes, shall be paid or distributed, as the case may be, by the Person making such payment or distribution, whether a trustee in bankruptcy, receiver or liquidating trustee or otherwise, directly to the holders of such Senior Indebtedness or their representative or representatives or to the trustee or trustees under any indenture under which any instruments evidencing any such Senior Indebtedness may have been issued, ratably according to aggregate amounts remaining unpaid on account of such Senior Indebtedness held or represented by each, to the extent necessary to make payment, in the case of clause (a) above, of all amounts due and to become due upon all such Senior Indebtedness, or, in the case of subclauses (i) and (ii) of clause (b) above, of all amounts due upon all such Senior Indebtedness, in each case remaining unpaid after giving effect to any concurrent payment or distribution (or provision therefor) to the holders of such Senior Indebtedness, before any payment or distribution is made to the Holders of the indebtedness evidenced by the Notes; and

(3) so long as any of the events in clause (a) or subclauses (i) or (ii) of clause (b) above has occurred and is continuing, in the event that, notwithstanding the foregoing, any payment by, or distribution of assets of, NiSource of any kind or character, whether in cash, property or securities, including any such payment or distribution which may be payable or deliverable by reason of the payment of any other indebtedness of NiSource being subordinated to the payment of the Notes, in respect of principal of or any premium or interest on any of the Notes or in connection with the repurchase by NiSource of any of the Notes, shall be received by the Trustee or the Holders of any of the Notes before, in the case of clause (a) above, all amounts due or to become due upon all such Senior Indebtedness or, in the case of subclauses (i) or (ii) of clause (b) above, all amounts due upon all such Senior Indebtedness is paid in full (or provision is made for such payment), then such payment or distribution shall be paid over to the holders of such Senior Indebtedness or their representative or representatives or to the trustee or trustees under any indenture pursuant to which any instruments evidencing any such Senior Indebtedness may have been issued, ratably as aforesaid, for application to the payment of, in the case of clause (a) above, all amounts due and to become due upon all such Senior Indebtedness or, in the case of subclauses (i) or (ii) of clause (b) above, all amounts due upon all such Senior Indebtedness, in each case until all such amounts shall have been paid in full, after giving effect to any concurrent payment or distribution (or provision therefor) to the holders of such Senior Indebtedness.

For purposes of this Article 3, the words “cash, property or securities” shall not be deemed to include shares of stock of NiSource or any other Person provided for by a plan of reorganization or readjustment, the payment of which is subordinated at least to the extent provided in this Article with respect to the Notes to the payment of all Senior Indebtedness which may at the time be outstanding; provided that (i) all such Senior Indebtedness is assumed by the Person, if any, resulting from any such reorganization or readjustment, and (ii) the rights of the holders of such Senior Indebtedness are not, without the consent of each such holder adversely affected thereby, altered by such reorganization or readjustment. The consolidation of NiSource with, or the merger of NiSource into, another Person or the liquidation or dissolution of NiSource following the conveyance or transfer of its properties and assets as an entirety, or substantially as an entirety, to any winding-up, liquidation or reorganization for the purposes of this Section if such other Person shall, as part of such consolidation, merger, conveyance or transfer, comply with the conditions stated in Article Eight of the Base Indenture. Nothing in this Section 3.1 shall apply to claims of, or payments to, the Trustee under or pursuant to Section 607 of the Base Indenture.

“Senior Indebtedness” means, with respect to the Notes, (i) indebtedness of NiSource, whether outstanding at the date of the indenture or incurred, created or assumed after such date, (a) in respect of money borrowed by NiSource (including any financial derivative, hedging or futures contract or similar instrument, to the extent any such item is primarily a financing transaction) and (b) evidenced by debentures, bonds, notes, credit or loan agreements or other similar instruments or agreements issued or entered into by NiSource; (ii) all finance lease obligations of NiSource; (iii) all obligations of NiSource issued or assumed as the deferred purchase price of property, all conditional sale obligations of NiSource and all obligations of NiSource under any title retention agreement (but excluding, for the avoidance of doubt, trade accounts payable arising in the ordinary course of business and long-term purchase obligations); (iv) all obligations of NiSource for the reimbursement of any letter of credit, banker’s acceptance, security purchase facility or similar credit transaction; and (v) all obligations of the type referred to in clauses (i) through (iv) above of other persons for the payment of which NiSource is responsible or liable as obligor, guarantor or otherwise, except for any obligations, instruments or agreements of the type referred to in any of clauses (i) through (v) above that, by the terms of the instruments or agreements creating or evidencing the same or pursuant to which the same is outstanding, are subordinated or equal in right of payment to the Notes.

Section 3.2 Disputes with Holders of Certain Senior Indebtedness. Any failure NiSource to make any payment of or on or perform any other obligation under any Senior Indebtedness, other than any Senior Indebtedness incurred by NiSource or assumed or guaranteed, directly or indirectly, by NiSource for money borrowed (or any deferral, renewal, extension or refunding thereof) or any indebtedness or obligation as to which the provisions of this Section shall have been waived by NiSource in the instrument or instruments by which NiSource incurred, assumed, guaranteed or otherwise created such indebtedness or obligation, shall not be deemed a default or event of default with respect to such Senior Indebtedness under clause (b) of the second paragraph of Section 3.1 if (i) NiSource shall be disputing its obligation to make such payment or perform such obligation and (ii) either (A) no final judgment relating to such dispute shall have been issued against NiSource which is in full force and effect and is not subject to further review, including a judgment that has become final by reason of the expiration of the time within which a party may seek further appeal or review, or (B) in the event of a judgment that is subject to further review or appeal has been issued, NiSource shall in good faith be prosecuting an appeal or other proceeding for review and a stay of execution shall have been obtained pending such appeal or review.

Section 3.3 Subrogation. Subject to the payment in full, in the case of clause (a) of the second paragraph of Section 3.1, of all amounts due and to become due on all Senior Indebtedness or, in the case of subclauses (i) or (ii) of clause (b) of the second paragraph of Section 3.1, of all amounts due on all such Senior Indebtedness, as the case may be, the Holders of the Notes shall be subrogated (equally and ratably with the holders of all obligations of NiSource which are subordinated in right of payment to Senior Indebtedness of NiSource to the same extent as the Notes are subordinated, or which by their express terms rank equally in right of payment with the Notes with regard to Senior Indebtedness, and which in each case are entitled to like rights of subrogation) to the rights of the holders of such Senior Indebtedness to receive payments or distributions of cash, property or securities of NiSource applicable to such Senior Indebtedness. Such subrogation shall continue until all amounts owing on the Notes shall be paid in full, and as between NiSource, its creditors other than holders of such Senior Indebtedness and the Holders of the Notes, no such payment or distribution made to the holders of such Senior Indebtedness by virtue of this Article that otherwise would have been made to the Holders of the Notes shall be deemed to be a payment by NiSource on account of such Senior Indebtedness. The provisions of this Article are and are intended solely for the purpose of defining the relative rights of the Holders of the Notes, on the one hand, and the holders of Senior Indebtedness, on the other hand.

Section 3.4 Obligation of NiSource Unconditional. Nothing contained in this Article or elsewhere in this Supplemental Indenture or in the Notes is intended to or shall impair, as among NiSource, its creditors other than the holders of Senior Indebtedness and the Holders of the Notes, the obligation of NiSource, which is absolute and unconditional, to pay to such Holders the principal of and any premium and interest on the Notes as and when the same shall become due and payable in accordance with their terms, or is intended to or shall affect the relative rights of such Holders and the creditors of NiSource other than the holders of such Senior Indebtedness, nor shall anything herein or therein prevent the Trustee or any Holder of the Notes from exercising all remedies otherwise permitted by the Indenture or applicable law upon default under this Supplemental Indenture, subject to the rights, if any, under this Article of the holders of such Senior Indebtedness in respect of cash, property or securities of NiSource received by the Trustee or the holders of the Notes upon the exercise of any such remedy and the rights of the holders of such Senior Indebtedness to enforce the provisions of subparagraph (3) of the second paragraph of Section 3.1 against the Trustee and the Holders of the Notes.

Upon payment or distribution of assets of NiSource referred to in this Article, the Trustee and the Holders of the Notes shall be entitled to rely upon any order or decree made by any court of competent jurisdiction in which any such dissolution, winding-up, liquidation or reorganization proceeding affecting the affairs of NiSource is pending or upon a certificate of the trustee in bankruptcy, receiver, assignee for the benefit of creditors, liquidating trustee or agent or other person making any payment or distribution, delivered to the Trustee or to the Holders of the Notes, for the purpose of ascertaining the Persons entitled to participate in such payment or distribution, the holders of the Senior Indebtedness and other indebtedness of NiSource, the amount thereof or payable thereon, the amount or amounts paid or distributed thereon and all other facts pertinent thereto or to this Article.

The Trustee shall be entitled to rely on the delivery to it of a written notice by a Person representing itself to be a holder of Senior Indebtedness (or a trustee or representative on behalf of such holder) to establish that such notice has been given by a holder of Senior Indebtedness or a trustee or representative on behalf of any such holder or holders. In the event that the Trustee determines in good faith that further evidence is required with respect to the right of any Person as a holder of Senior Indebtedness to participate in any payment or distribution pursuant to this Article, the Trustee may request such Person to furnish evidence to the reasonable satisfaction of the Trustee as to the amount of Senior Indebtedness held by such Person, the extent to which such Person is entitled to participate in such payment or distribution and any other facts pertinent to the rights of such Person under this Article, and, if such evidence is not furnished, the Trustee may defer payment to such Person pending judicial determination as to the right of such Person to receive such payment.

Section 3.5 Payments on the Notes Permitted. Nothing contained in this Article or elsewhere in this Supplemental Indenture or in the Notes shall affect the obligations of NiSource to make, or prevent NiSource from making, payment of the principal of or any premium or interest on the Notes in accordance with the provisions hereof and thereof, except as otherwise provided in this Article.

Section 3.6 Effectuation of Subordination by Trustee. Each Holder of the Notes, by his acceptance thereof, authorizes and directs the Trustee in his, her or its behalf to take such action as may be necessary or appropriate to effectuate the subordination provided in this Article and appoints the Trustee his, her or its attorney-in-fact, as the case maybe, for any and all such purposes.

Section 3.7 Rights of Holders of Senior Indebtedness Not Impaired. No right of any present or future holder of any Senior Indebtedness shall at any time or in any way be prejudiced or impaired by any act or failure to act on the part of NiSource or by any noncompliance by NiSource with the terms, provisions and covenants of the Indenture, regardless of any knowledge thereof which any such holder may have or be otherwise charged with.

With respect to the holders of Senior Indebtedness, (i) the duties and obligations of the Trustee shall be determined solely by the express provisions of the Indenture; (ii) the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in the Indenture; (iii) no implied covenants or obligations shall be read into the Indenture against the Trustee; and (iv) the Trustee shall not be deemed to be a fiduciary as to such holders of Senior Indebtedness.

ARTICLE 4
ACCELERATION OF MATURITY

Section 4.1 Acceleration of Maturity. Notwithstanding the provisions of Section 502 of the Base Indenture, neither the Trustee nor the Holders of the Notes shall be entitled to declare the principal of or accrued and unpaid interest on the Notes to be immediately due and payable by reason of the occurrence and continuation of an Event of Default specified in clause (4) of Section 501 of the Base Indenture, and any notice of declaration of acceleration based on such an Event of Default shall be null and void with respect to the Notes; provided that, notwithstanding the foregoing, so long as an Event of Default specified in clause (4) of Section 501 of the Base Indenture with respect to the Notes shall have occurred and shall be continuing, the Trustee and the Holders of the Notes may exercise the other rights and remedies available under the Indenture in connection with such Event of Default, as well as such other rights and remedies as may be available under applicable law or otherwise.

ARTICLE 5
OPTION TO DEFER INTEREST AND COVENANTS

Section 5.1 Option to Defer Interest Payments. So long as no Event of Default with respect to the Notes has occurred and is continuing, NiSource may, at its option, defer interest payments on the Notes, from time to time, for one or more deferral periods of up to 20 consecutive Interest Payment Periods (each such deferral period, commencing on the interest payment date on which the first such deferred interest payment otherwise would have been made, an “Optional Deferral Period”), except that no such Optional Deferral Period may extend beyond the final maturity date of the Notes or end on a day other than the day immediately preceding an interest payment date. During any Optional Deferral Period, interest on the Notes will continue to accrue at the then-applicable interest rate on the Notes (as reset from time to time on any Reset Date occurring during such Optional Deferral Period in accordance with the terms of the Notes). In addition, during any Optional Deferral Period, interest on the deferred interest (“compound interest”) will accrue at the then-applicable interest rate on the Notes (as reset from time to time on any Reset Date occurring during such Optional Deferral Period in accordance with the terms of the Notes), compounded semi-annually, to the extent permitted by applicable law. No interest will be due or payable on the Notes during an Optional Deferral Period, except upon a redemption of any Notes on any redemption date during such Optional Deferral Period (in which case all accrued and unpaid interest (including, to the extent permitted by applicable law, any compound interest) on the Notes to be redeemed to, but excluding, such redemption date will be due and payable on such redemption date), or unless the principal of and interest on the Notes shall have been declared due and payable as the result of an Event of Default with respect to the Notes (in which case all accrued and unpaid interest, including, to the extent permitted by applicable law, any compound interest, on the Notes shall become due and payable). All references in the Notes and, insofar as relates to the Notes, the Indenture, to “interest” on the Notes shall be deemed to include any such deferred interest and, to the extent permitted by applicable law, any compound interest, unless otherwise expressly stated or the context otherwise requires.

Before the end of any Optional Deferral Period that is shorter than 20 consecutive Interest Payment Periods, NiSource may elect, at its option, to extend such Optional Deferral Period, so long as the entire Optional Deferral Period does not exceed 20 consecutive Interest Payment Periods or extend beyond the final maturity date of the Notes. NiSource may also elect, at its option, to shorten the length of any Optional Deferral Period. No Optional Deferral Period (including as extended or shortened) may end on a day other than the day immediately preceding an interest payment date. At the end of any Optional Deferral Period, if all amounts then due on the Notes, including all accrued and unpaid interest thereon (including, without limitation and to the extent permitted by applicable law, any compound interest), are paid, NiSource may elect to begin a new Optional Deferral Period; provided, however, that, without limitation of the foregoing, NiSource may not begin a new Optional Deferral Period unless NiSource has paid all accrued and unpaid interest on the Notes (including, without limitation and to the extent permitted by applicable law, any compound interest) from any previous Optional Deferral Periods.

Section 5.2 Covenants. During any Optional Deferral Period, NiSource will not do any of the following:

- (i) declare or pay any dividends or distributions on any Capital Stock of NiSource;
- (ii) redeem, purchase, acquire or make a liquidation payment with respect to any Capital Stock of NiSource;
- (iii) pay any principal, interest or premium on, or repay, repurchase or redeem, any indebtedness of NiSource that ranks equally with or junior to the Notes in right of payment; or
- (iv) make any payments with respect to any guarantees by NiSource of any indebtedness if such guarantees rank equally with or junior to the Notes in right of payment;

provided; however, during an Optional Deferral Period, NiSource may (a) declare and pay dividends or distributions payable solely in shares of NiSource common stock (together, for the avoidance of doubt, with cash in lieu of any fractional share) or options, warrants or rights to subscribe for or purchase shares of NiSource common stock, (b) declare and pay any dividend in connection with the implementation of a plan (a "Rights Plan") providing for the issuance by NiSource to all holders of NiSource common stock of rights entitling them to subscribe for or purchase common stock or any class or series of NiSource preferred stock, which rights (1) are deemed to be transferred with such common stock, (2) are not exercisable until the occurrence of a specified event or events and (3) are also issued in respect of future issuances of NiSource common stock, (c) issue any of shares of NiSource Capital Stock under any Rights Plan or redeem or repurchase any rights distributed pursuant to a Rights Plan, (d) reclassify NiSource Capital Stock or exchange or convert one class or series of NiSource Capital Stock for another class or series of NiSource Capital Stock, (e) purchase fractional interests in shares of NiSource Capital Stock pursuant to the conversion or exchange provisions of such Capital Stock or the security being converted or exchanged, (f) purchase, acquire or withhold shares of NiSource common stock related to the issuance of NiSource common stock or rights under any dividend reinvestment plan or related to any of NiSource benefit plans for NiSource directors, officers, employees, consultants or advisors, including any employment contract, and (g) for the avoidance of doubt, convert convertible Capital Stock of NiSource into other Capital Stock of NiSource in accordance with the terms of such convertible Capital Stock (together, for the avoidance of doubt, with cash in lieu of any fractional share).

Section 5.3 Notice of Deferral. NiSource will give the Holders of the Notes and the Trustee written notice of its election of, or any shortening or extension of, an Optional Deferral Period at least 10 business days prior to the earlier of (1) the next succeeding interest payment date or (2) the date upon which NiSource is required to give notice to any applicable self-regulatory organization or to Holders of the Notes of the next succeeding interest payment date or the record date therefor. The record date for the payment of deferred interest and, to the extent permitted by applicable law, any compound interest payable on the interest payment date immediately following the last day of an Optional Deferral Period will be the regular record date with respect to such interest payment date.

ARTICLE 6 OPTIONAL REDEMPTION BY NISOURCE

Section 6.1 Optional Redemption. NiSource may redeem some or all of the Notes, at its option, in whole or in part (i) on any day in the period commencing on the date falling 90 days prior to the First Reset Date and ending on and including the First Reset Date and (ii) after the First Reset Date, on any interest payment date, at a redemption price in cash equal to 100% of the principal amount of the Notes being redeemed, plus, (subject to the provisions set forth in Section 6.4 regarding the payment of installments of interest on the Notes that are due and payable on any Interest Payment Date falling on or prior to a Redemption Date), accrued and unpaid interest on the Notes to be redeemed to, but excluding, the redemption date.

Section 6.2 Redemption Following a Tax Event. NiSource may at its option redeem the Notes, in whole but not in part, at any time following the occurrence and during the continuance of a Tax Event at a redemption price in cash equal to 100% of the principal amount of the Notes, plus, (subject to the provisions set forth in Section 6.4 regarding the payment of installments of interest on the Notes that are due and payable on any Interest Payment Date falling on or prior to a Redemption Date), accrued and unpaid interest on the Notes to, but excluding, the redemption date.

Section 6.3 Redemption Following a Rating Agency Event. NiSource may at its option redeem the Notes, in whole but not in part, at any time following the occurrence and during the continuance of a Rating Agency Event at a redemption price in cash equal to 102% of the principal amount of the Notes, plus, (subject to the provisions set forth in Section 6.4 regarding the payment of installments of interest on the Notes that are due and payable on any Interest Payment Date falling on or prior to a Redemption Date), accrued and unpaid interest on the Notes to, but excluding, the redemption date.

Section 6.4 Payments of Interest. Notwithstanding any statement in Article 6 to the contrary, installments of interest on the Notes that are due and payable on any interest payment date falling on or prior to a redemption date for the Notes will be payable on that interest payment date to the Holders thereof as of the close of business on the relevant record date according to the terms of the Notes and the Indenture, except that, if the redemption date for any Notes falls on any day during an Optional Deferral Period, accrued and unpaid interest (including, to the extent permitted by applicable law, any compound interest) on such Notes will be paid on such redemption date to the persons entitled to receive the redemption price of such Notes. For the avoidance of doubt, the interest payment date falling immediately after the last day of an Optional Deferral Period shall not be deemed to fall on a day during such Optional Deferral Period.

Section 6.5 Securities Called for Redemption. Section 1106 of the Base Indenture is replaced in its entirety as follows: Page 353 of 512

“Once notice of redemption is mailed, the Notes called for redemption will become due and payable on the redemption date at the applicable redemption price, plus, subject to the terms described in Section 6.4 of this Supplemental Indenture, accrued and unpaid interest to, but excluding, the redemption date, and will be paid upon surrender thereof for redemption, unless (a) the notice of redemption provides that such redemption shall be subject to the condition described in Section 6.6 of this Supplemental Indenture and (b) such redemption shall have been canceled in accordance with the provisions of Section 6.6 of this Supplemental Indenture because such condition shall not have been satisfied. If only part of a note is redeemed, the Trustee will issue in the name of the registered holder of the note and deliver to such holder a new note in a principal amount equal to the unredeemed portion of the principal of the note surrendered for redemption. If the Company elects to redeem all or a portion of the Notes, then, unless otherwise provided in such notice of redemption as described in the next succeeding paragraph, the redemption will not be conditional upon receipt by the paying agent or the Trustee of monies sufficient to pay the redemption price.”

Section 6.6 Notice of Redemption. The following paragraph is appended as the last paragraph of Section 1104 of the Base Indenture:

“If, at the time a notice of redemption is given, (i) the Company has not effected satisfaction and discharge of the Notes pursuant to Article Four of the Indenture and (ii) such notice of redemption is not being given in connection with or in order to effect satisfaction and discharge of the Notes, then, if the notice of redemption so provides and at the Company’s option, the redemption may be subject to the condition that the Trustee shall have received, on or before the applicable redemption date, monies in an amount sufficient to pay the redemption price and accrued and unpaid interest on the Notes called for redemption to, but excluding, the redemption date. If monies in such amount are not received by the Trustee on or before such redemption date, such notice of redemption shall be automatically canceled and of no force or effect, such proposed redemption shall be automatically canceled and the Company shall not be required to redeem the Notes called for redemption on such redemption date. In the event that a redemption is canceled, the Company will, not later than the business day immediately following the proposed redemption date, deliver, or cause to be delivered, notice of such cancellation to the Holders of the Notes called for redemption (which notice will also indicate that any Notes or portions thereof surrendered for redemption shall be returned to the applicable Holders), and the Company will direct the Trustee to, and the Trustee will, promptly return any Notes or portions thereof that have been surrendered for redemption to the applicable Holders.”

Section 6.7 Deposit of Redemption Price. Section 1105 of the Base Indenture is deleted in its entirety and does not apply to the Notes.

ARTICLE 7 OTHER AMENDMENTS

Section 7.1 Restrictions on Liens. Section 1008 of the Base Indenture will not apply to the Notes.

ARTICLE 8 MISCELLANEOUS

Section 8.1 Execution and Delivery. This Supplemental Indenture shall be effective upon execution by the parties hereto.

Section 8.2 Ratification of Indenture; Supplemental Indenture Part of Indenture. Except as expressly amended hereby, the Base Indenture is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect. This Supplemental Indenture shall form a part of the Base Indenture in the manner and to the extent herein and therein provided.

Section 8.3 Severability. In case any provision in this Supplemental Indenture shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby and such provision shall be ineffective only to the extent of such invalidity, illegality or unenforceability.

Section 8.4 Governing Law. THIS SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAW OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO ANY CONTRARY CONFLICT OF LAWS OR CHOICE OF LAW PROVISIONS OF THE LAW OF THE STATE OF NEW YORK OR ANY OTHER JURISDICTION.

Section 8.5 Waiver of Jury Trial. EACH OF NISOURCE AND THE TRUSTEE HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THE INDENTURE, THE SECURITIES OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 8.6 Counterparts. The parties may sign any number of copies of this Supplemental Indenture (including by electronic transmission). Each signed copy shall be an original, but all of them together represent the same agreement. The exchange of copies of this Supplemental Indenture and of signature pages by facsimile or PDF transmission shall constitute effective execution and delivery of this Supplemental Indenture as to the parties hereto and may be used in lieu of the original Supplemental Indenture for all purposes. Signatures of the parties hereto transmitted by facsimile or PDF shall be deemed to be their original signatures for all purposes.

Section 8.7 Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

Section 8.8 Trustee. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made solely by NiSource.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed as of the day and year first above written.

NISOURCE INC.

By: /s/ Tchapo Napoe
Name: Tchapo Napoe
Title: Vice President, Treasurer and Corporate Finance

THE BANK OF NEW YORK MELLON, as Trustee

By: /s/ Stacey B. Poindexter
Name: Stacey B. Poindexter
Title: Vice President

[Signature Page to First Supplemental Indenture]

EXHIBIT A

FORM OF 6.950% FIXED-TO-FIXED RESET RATE JUNIOR SUBORDINATED NOTES DUE 2054

UNLESS THIS GLOBAL NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), NEW YORK, NEW YORK, TO NISOURCE INC. OR ITS AGENT OR AGENTS FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY GLOBAL NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO., OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE INDENTURE REFERRED TO ON THE REVERSE HEREOF.

No.: [] \$[]
 CUSIP No.: 65473P AR6
 ISIN No.: US65473PAR64

6.950% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2054

NiSource Inc., a Delaware corporation (such corporation, and its successors and assigns under the Indenture hereinafter referred to, being herein called the "Company"), promises to pay to _____, or registered assigns, the principal sum of [] Dollars \$([]) on November 30, 2054 (the "Maturity Date"), and to pay interest thereon (i) from and including the May 16, 2024 (the "Original Issue Date") to, but excluding, November 30, 2029 (the "First Reset Date") at the rate of 6.950% per annum and (ii) from and including the First Reset Date, during each Reset Period (as defined on the reverse hereof) at a rate per annum equal to the Five-year U.S. Treasury Rate (as defined on the reverse hereof) as of the most recent Reset Interest Determination Date (as defined on the reverse hereof) plus a spread of 2.451%, to be reset on each Reset Date (as defined on the reverse hereof).

Interest Payment Dates: May 30 and November 30, beginning November 30, 2024, subject to the Company's right to defer interest payments pursuant to the provisions set forth below.

Record Dates: (i) if all of the Notes are in book-entry form represented by one or more Global Securities, the Business Day immediately preceding the applicable Interest Payment Date and (ii) if any of the Notes are not in book-entry form represented by one or more Global Securities, the 15th calendar day preceding such Interest Payment Date (whether or not a Business Day) (each such date in clauses (i) and (ii), a "Regular Record Date").

Additional provisions of this Note are set forth on the reverse of this Note.

Dated:

NISOURCE INC.

By: _____

Name: _____

Title: _____

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Notes of the series referred to
in the within-mentioned Indenture.

Dated:

THE BANK OF NEW YORK MELLON,
in its capacity as Trustee

By: _____
Authorized Officer

6.950% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2054

1. Interest

Interest on the Notes will accrue from the Original Issue Date and will be payable semi-annually in arrears on May 30 and November 30 (each, an “Interest Payment Date”) of each year, beginning on November 30, 2024, to Holders at the close of business on the Regular Record Date for the applicable Interest Payment Date, subject to the Company’s right to defer interest payments pursuant to the provisions set forth below.

Interest on the Notes will be computed on the basis of a 360-day year of twelve 30-day months.

The applicable interest rate for each Reset Period will be determined by the Calculation Agent (as defined below), as of the applicable Reset Interest Determination Date, in accordance with following provisions:

As provided above, the applicable interest rate for each Reset Period will be determined by the Calculation Agent, as of the applicable Reset Interest Determination Date. Promptly upon such determination, the Calculation Agent will notify the Company of the interest rate for the Reset Period and the Company will promptly notify, or cause the Calculation Agent to promptly notify, in writing, the Trustee and each Paying Agent of such interest rate. The Calculation Agent’s determination of any interest rate, and its calculation of the amount of interest for any Interest Payment Period beginning on or after the First Reset Date, will be on file at the Company’s principal offices, will be made available to any Holder or beneficial owner of the Notes upon request and will be final and binding in the absence of manifest error.

If an Interest Payment Date, redemption date, or Maturity Date falls on a day that is not a Business Day, payment will be made on the next succeeding Business Day with the same force and effect as if made on such payment date.

“Business Day” means, unless otherwise expressly stated, any day other than (i) a Saturday or Sunday or (ii) a day on which banks and trust companies in The City of New York are authorized or obligated by law, regulation or executive order to remain closed.

“Calculation Agent” means, at any time, the entity appointed by the Company and serving as such agent with respect to the Notes at such time. Unless the Company has validly called all of the outstanding Notes for redemption on a redemption date occurring prior to the First Reset Date, the Company will appoint a Calculation Agent for the Notes prior to the Reset Interest Determination Date immediately preceding the First Reset Date; *provided that*, if the Company has called all of the outstanding Notes for redemption on a redemption date occurring prior to the First Reset Date but the Company does not redeem all of the outstanding Notes on such redemption date, the Company will appoint a Calculation Agent for the Notes as promptly as practicable after such proposed redemption date. The Company may terminate any such appointment and may appoint a successor Calculation Agent at any time and from time to time (so long as there shall always be a Calculation Agent in respect of the Notes when so required). The Company may appoint itself or an affiliate of the Company as Calculation Agent.

“Five-year U.S. Treasury Rate” means, as of any Reset Interest Determination Date, (i) an interest rate (expressed as a decimal) determined to be the per annum rate equal to the arithmetic mean of the yields to maturity for U.S. Treasury securities adjusted to constant maturity with a maturity of five years from the next Reset Date and trading in the public securities markets, for the five consecutive Business Days immediately prior to the respective Reset Interest Determination Date as published (or, if

fewer than five consecutive Business Days are so published on the applicable Reset Interest Determination Date, for such number of Business Days published) in the most recent H.15, or (ii) if there is no such published U.S. Treasury security with a maturity of five years from the next Reset Date and trading in the public securities markets, then the rate will be determined by interpolation between the arithmetic mean of the yields to maturity for each of the two series of U.S. Treasury securities adjusted to constant maturity trading in the public securities markets, (A) one maturing as close as possible to, but earlier than, the Reset Date following the next succeeding Reset Interest Determination Date, and (B) the other maturing as close as possible to, but later than, the Reset Date following the next succeeding Reset Interest Determination Date, in each case for the five consecutive Business Days immediately prior to the respective Reset Interest Determination Date as published in the most recent H.15. If the Five-year U.S. Treasury Rate cannot be determined pursuant to the methods described in clause (i) or (ii) above, then the Five-year U.S. Treasury Rate will be the same interest rate determined for the prior Reset Interest Determination Date or, if the Five-year U.S. Treasury Rate cannot be so determined as of the Reset Interest Determination Date preceding the First Reset Date, then the interest rate applicable for the Reset Period beginning on and including the First Reset Date will be deemed to be 6.950% per annum, which is the same interest rate as in effect from and including the Original Issue Date to, but excluding, the First Reset Date.

“H.15” means the statistical release designated as such, or any successor publication, published by the Board of Governors of the U.S. Federal Reserve System (or any successor thereto).

“Interest Payment Period” means the semi-annual period from and including an Interest Payment Date to but excluding the next succeeding Interest Payment Date, except for the first Interest Payment Period which shall be the period from and including the Original Issue Date to but excluding November 30, 2024.

“most recent H.15” means the H.15 published closest in time but prior to the close of business on the second Business Day prior to the applicable Reset Date.

“redemption date” when used with respect to any Notes to be redeemed, means the date fixed for such redemption pursuant to the Indenture.

“Reset Date” means the First Reset Date and November 30 of every fifth year after 2029.

“Reset Interest Determination Date” means, in respect of any Reset Period, the day falling two Business Days prior to the first day of such Reset Period.

“Reset Period” means the period from and including the First Reset Date to, but excluding, the next following Reset Date and thereafter each period from and including a Reset Date to, but excluding, the next following Reset Date.

2. Optional Interest Deferral

So long as no Event of Default with respect to the Notes has occurred and is continuing, the Company may, at its option, defer interest payments on the Notes, from time to time, for one or more deferral periods of up to 20 consecutive Interest Payment Periods (each such deferral period, commencing on the interest payment date on which the first such deferred interest payment otherwise would have been made, an “Optional Deferral Period”), except that no such Optional Deferral Period may extend beyond the final maturity date of the Notes or end on a day other than the day immediately preceding an Interest Payment Date. During any Optional Deferral Period, interest on the Notes will continue to accrue at the then-applicable interest rate on the Notes (as reset from time to time on any Reset Date occurring during such Optional Deferral Period in accordance with the terms of the Notes). In addition, during any Optional Deferral Period, interest on the deferred interest (“compound interest”) will accrue at the then-applicable interest rate on the Notes (as reset from time to time on any Reset Date occurring during such Optional Deferral Period in accordance with the terms of the Notes), compounded

semi-annually, to the extent permitted by applicable law. No interest will be due or payable on the Notes during an Optional Deferral Period except upon a redemption of any Notes on any redemption date during such Optional Deferral Period (in which case all accrued and unpaid interest (including, to the extent permitted by applicable law, any compound interest) on the Notes to be redeemed to, but excluding, such redemption date will be due and payable on such redemption date), or unless the principal of and interest on the Notes shall have been declared due and payable as the result of an Event of Default with respect to the Notes (in which case all accrued and unpaid interest, including, to the extent permitted by applicable law, any compound interest, on the Notes shall become due and payable). All references in the Notes and, insofar as it relates to the Notes, the Indenture, to "interest" on the Notes shall be deemed to include any such deferred interest and, to the extent permitted by applicable law, any compound interest, unless otherwise expressly stated or the context otherwise requires.

Before the end of any Optional Deferral Period that is shorter than 20 consecutive Interest Payment Periods, the Company may elect, at its option, to extend such Optional Deferral Period, so long as the entire Optional Deferral Period does not exceed 20 consecutive Interest Payment Periods or extend beyond the final maturity date of the Notes. The Company may also elect, at its option, to shorten the length of any Optional Deferral Period. No Optional Deferral Period (including as extended or shortened) may end on a day other than the day immediately preceding an Interest Payment Date. At the end of any Optional Deferral Period, if all amounts then due on the Notes, including all accrued and unpaid interest thereon (including, without limitation and to the extent permitted by applicable law, any compound interest), are paid, the Company may elect to begin a new Optional Deferral Period; *provided, however*, that, without limitation of the foregoing, the Company may not begin a new Optional Deferral Period unless the Company has paid all accrued and unpaid interest on the Notes (including, without limitation and to the extent permitted by applicable law, any compound interest) from any previous Optional Deferral Periods.

During any Optional Deferral Period, the Company will not do any of the following:

- (i) declare or pay any dividends or distributions on any Capital Stock of the Company;
- (ii) redeem, purchase, acquire or make a liquidation payment with respect to any Capital Stock of the Company;
- (iii) pay any principal, interest or premium on, or repay, repurchase or redeem, any indebtedness of the Company that ranks equally with or junior to the Notes in right of payment; or
- (iv) make any payments with respect to any guarantees by the Company of any indebtedness if such guarantees rank equally with or junior to the Notes in right of payment;

provided; however, during an Optional Deferral Period, the Company may (a) declare and pay dividends or distributions payable solely in shares of the Company's common stock (together, for the avoidance of doubt, with cash in lieu of any fractional share) or options, warrants or rights to subscribe for or purchase shares of the Company's common stock, (b) declare and pay any dividend in connection with the implementation of a plan (a "Rights Plan") providing for the issuance by the Company to all holders of the Company's common stock of rights entitling them to subscribe for or purchase common stock or any class or series of the Company's preferred stock, which rights (1) are deemed to be transferred with such common stock, (2) are not exercisable until the occurrence of a specified event or events and (3) are also issued in respect of future issuances of the Company's common stock, (c) issue any of shares of the Company's Capital Stock under any Rights Plan or redeem or repurchase any rights distributed pursuant to a Rights Plan, (d) reclassify the Company's Capital Stock or exchange or convert one class or series of the Company's Capital Stock for another class or series of the Company's Capital Stock, (e) purchase fractional interests in shares of the Company's Capital Stock pursuant to the conversion or exchange provisions of such Capital Stock or the security being converted or exchanged, (f) purchase, acquire or withhold shares of the Company's common stock related to the issuance of the Company's common

stock or rights under any dividend reinvestment plan or related to any of the Company's benefit plans for the Company's directors, officers, employees, consultants or advisors, including any employment contract, and (g) for the avoidance of doubt, convert convertible Capital Stock of the Company into other Capital Stock of the Company in accordance with the terms of such convertible Capital Stock (together, for the avoidance of doubt, with cash in lieu of any fractional share).

The Company will give the Holders of the Notes and the Trustee notice of its election of, or any shortening or extension of, an Optional Deferral Period at least 10 Business Days prior to the earlier of (1) the next succeeding Interest Payment Date or (2) the date upon which the Company is required to give notice to any applicable self-regulatory organization or to Holders of the Notes of the next succeeding Interest Payment Date or the record date therefor. The record date for the payment of deferred interest and, to the extent permitted by applicable law, any compound interest payable on the Interest Payment Date immediately following the last day of an Optional Deferral Period will be the Regular Record Date with respect to such Interest Payment Date.

"Capital Stock" means (i) in the case of a corporation or a company, corporate stock or shares; (ii) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock; (iii) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and (iv) any other interest or participation that confers on a person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing person.

3. Subordination

The indebtedness represented by the Notes and the payment of the principal of and any premium or interest on each and all of the Notes of such series is subordinate in right of payment to the prior payment in full of all Senior Indebtedness (as defined below), to the extent set forth in the Indenture. Senior Indebtedness shall continue to be Senior Indebtedness with respect to the Notes irrespective of any amendment, modification or waiver of any term of the Notes or extension or renewal of the Notes (other than any such amendment, modification or waiver that makes the Notes subordinated or equal in right of payment to the Notes).

"Senior Indebtedness" means, with respect to the Notes, (i) indebtedness of the Company, whether outstanding at the date of the indenture or incurred, created or assumed after such date, (a) in respect of money borrowed by the Company (including any financial derivative, hedging or futures contract or similar instrument, to the extent any such item is primarily a financing transaction) and (b) evidenced by debentures, bonds, notes, credit or loan agreements or other similar instruments or agreements issued or entered into the Company; (ii) all finance lease obligations of the Company; (iii) all obligations of the Company issued or assumed as the deferred purchase price of property, all conditional sale obligations of the Company and all obligations of the Company under any title retention agreement (but excluding, for the avoidance of doubt, trade accounts payable arising in the ordinary course of business and long-term purchase obligations); (iv) all obligations of the Company for the reimbursement of any letter of credit, banker's acceptance, security purchase facility or similar credit transaction; and (v) all obligations of the type referred to in clauses (i) through (iv) above of other persons for the payment of which the Company is responsible or liable as obligor, guarantor or otherwise, except for any obligations, instruments or agreements of the type referred to in any of clauses (i) through (v) above that, by the terms of the instruments or agreements creating or evidencing the same or pursuant to which the same is outstanding, are subordinated or equal in right of payment to the Notes.

4. Method of Payment

The Company will pay interest on the Notes (except defaulted interest) to the Persons who are registered Holders of Notes at the close of business on the Regular Record Date next preceding each Interest Payment Date even if Notes are canceled after the Regular Record Date and on or before the Interest Payment Date. Holders must surrender Notes to a Paying Agent to collect principal payments. The Company will pay principal and interest in money of the United States that at the time of payment is legal tender for payment of public and private debts. Payments in respect of the Notes represented by a Global Security (including principal, premium, if any, and interest) will be made by wire transfer of immediately available funds to the accounts specified by DTC, as Depositary.

5. Paying Agent and Security Registrar

Initially, the Trustee will act as Paying Agent and Security Registrar. The Company may appoint and change any Paying Agent or Security Registrar without notice to the Holders. The Company may act as Paying Agent or Security Registrar.

6. Indenture

The Company issued the Notes under an Indenture dated as of May 16, 2024 (the “Base Indenture”), by and between the Company and The Bank of New York Mellon, a New York banking corporation, not in its individual capacity but solely as trustee (the “Trustee”), as supplemented by a First Supplemental Indenture dated as of May 16, 2024 (the “Supplemental Indenture”), by and between the Company and the Trustee (the Base Indenture, as amended and supplemented by the Supplemental Indenture, the “Indenture”). The terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939 (15 U.S.C. sections 77aaa-77bbb) as in effect on the date of the Supplemental Indenture (the “Act”). Capitalized terms used herein and defined in the Indenture but not defined herein have the respective meanings ascribed thereto in the Indenture. The Notes are subject to all such terms, and Holders of Notes are referred to the Indenture and the Act for a statement of those terms.

The Notes issued on the Original Issue Date will be treated as a single class for all purposes under the Indenture.

7. Optional Redemption

The Company may redeem some or all of the Notes, at its option, in whole or in part (i) on any day in the period commencing on the date falling 90 days prior to the First Reset Date and ending on and including the First Reset Date and (ii) after the First Reset Date, on any interest payment date, at a redemption price in cash equal to 100% of the principal amount of the Notes being redeemed, plus, (subject to the provisions set forth in the Indenture regarding the payment of installments of interest on the Notes that are due and payable on any Interest Payment Date falling on or prior to a redemption date), accrued and unpaid interest on the Notes to be redeemed to, but excluding, the redemption date.

The Company may at its option redeem the Notes, in whole but not in part, at any time following the occurrence and during the continuance of a Tax Event (as defined below) at a redemption price in cash equal to 100% of the principal amount of the Notes, plus, (subject to the provisions set forth in the Indenture regarding the payment of installments of interest on the Notes that are due and payable on any Interest Payment Date falling on or prior to a redemption date), accrued and unpaid interest on the Notes to, but excluding, the redemption date.

“Tax Event” means that the Company has received an opinion of counsel experienced in such matters to the effect that, as a result of:

- (i) any amendment to, clarification of, or change, including any announced prospective change, in the laws or treaties of the United States or any of its political subdivisions or taxing authorities, or any regulations under those laws or treaties;
- (ii) an administrative action, which means any judicial decision or any official administrative pronouncement, ruling, regulatory procedure, notice or announcement, including any notice or announcement of intent to issue or adopt any administrative pronouncement, ruling, regulatory procedure or regulation;

- (iii) any amendment to, clarification of, or change in the official position or the interpretation of any administrative action or judicial decision or any interpretation or pronouncement that provides for a position with respect to an administrative action or judicial decision that differs from the previously generally accepted position, in each case by any legislative body, court, governmental authority or regulatory body, regardless of the time or manner in which that amendment, clarification or change is introduced or made known; or
- (iv) a threatened challenge asserted in writing in connection with a tax audit of the Company or any of its subsidiaries, or a publicly-known threatened challenge asserted in writing against any other taxpayer that has raised capital through the issuance of securities that are substantially similar to the Notes,

which amendment, clarification or change is effective or the administrative action is taken or judicial decision, interpretation or pronouncement is issued or threatened challenge is asserted or becomes publicly-known after May 13, 2024, there is more than an insubstantial risk that interest payable by the Company on the Notes is not deductible, or within 90 days would not be deductible, in whole or in part, by the Company for United States federal income tax purposes.

The Company may at its option redeem the Notes, in whole but not in part, at any time following the occurrence and during the continuance of a Rating Agency Event (as defined below) at a redemption price in cash equal to 102% of the principal amount of the Notes, plus, (subject to the provisions set forth in the Indenture regarding the payment of installments of interest on the Notes that are due and payable on any Interest Payment Date falling on or prior to a redemption date), accrued and unpaid interest on the Notes to, but excluding, the redemption date.

“Rating Agency Event” means, as of any date, a change, clarification or amendment in the methodology published by any nationally recognized statistical rating organization within the meaning of Section 3(a)(62) of the Securities Exchange Act of 1934, as amended (or any successor provision thereto), that then publishes a rating for the Company (together with any successor thereto, a “rating agency”) in assigning equity credit to securities such as the Notes, (a) as such methodology was in effect on May 13, 2024, in the case of any rating agency that published a rating for the Company as of May 13, 2024, or (b) as such methodology was in effect on the date such rating agency first published a rating for the Company, in the case of any rating agency that first publishes a rating for the Company after May 13, 2024 (in the case of either clause (a) or (b), the “current methodology”), that results in (i) any shortening of the length of time for which a particular level of equity credit pertaining to the Notes by such rating agency would have been in effect had the current methodology not been changed or (ii) a lower equity credit (including up to a lesser amount) being assigned by such rating agency to the Notes as of the date of such change, clarification or amendment than the equity credit that would have been assigned to the Notes by such rating agency had the current methodology not been changed.

The Trustee shall have no duty to calculate the redemption price.

8. Notice of Redemption

Notice of any redemption will be mailed or electronically delivered (or otherwise transmitted in accordance with the depository’s procedures) at least 10 days but not more than 60 days before the redemption date to each Holder of Notes to be redeemed in accordance with Section 106 of the Indenture. In the case of a partial redemption, selection of the Notes for redemption will be made by lot or by such other customary method prescribed by the depository. No Notes of a principal amount of \$2,000 or less will be redeemed in part. If any Note is to be redeemed in part only, the notice of redemption that relates to such Note will state the portion of the principal amount of the Note to be redeemed. A new Note in a principal amount equal to the unredeemed portion of the original Note will be issued in the name of the

Holder of the original Note upon surrender for cancellation of the original Note. For so long as the Notes are held by DTC (or its depositary), the redemption of the Notes shall be done in accordance with the policies and procedures of the depositary, which may be on a pro rata pass-through distribution of principal basis. Unless the Company defaults in payment of the redemption price, on and after the redemption date interest will cease to accrue on the Notes or portions thereof called for redemption.

If, at the time a notice of redemption is given, (i) the Company has not effected satisfaction and discharge of the Notes pursuant to Article Four of the Indenture and (ii) such notice of redemption is not being given in connection with or in order to effect satisfaction and discharge of the Notes, then, if the notice of redemption so provides and at the Company's option, the redemption may be subject to the condition that the Trustee shall have received, on or before the applicable redemption date, monies in an amount sufficient to pay the redemption price and accrued and unpaid interest on the Notes called for redemption to, but excluding, the redemption date. If monies in such amount are not received by the Trustee on or before such redemption date, such notice of redemption shall be automatically canceled and of no force or effect, such proposed redemption shall be automatically canceled and the Company shall not be required to redeem the Notes called for redemption on such redemption date. In the event that a redemption is canceled, the Company will, not later than the business day immediately following the proposed redemption date, deliver, or cause to be delivered, notice of such cancellation to the Holders of the Notes called for redemption (which notice will also indicate that any Notes or portions thereof surrendered for redemption shall be returned to the applicable Holders), and the Company will direct the Trustee to, and the Trustee will, promptly return any Notes or portions thereof that have been surrendered for redemption to the applicable Holders.

9. Additional Notes

The Company may, without the consent of the Holders of the Notes, create and issue additional Notes ranking equally with the Notes in all respects, including having the same terms (except for the price to public, the issue date and the initial interest accrual date and the first Interest Payment Date, as applicable), so that such additional Notes shall be consolidated and form a single series with the Notes and shall have the same terms as to status, redemption or otherwise as the Notes. Such additional Notes will have the same CUSIP number as the Notes being authenticated on the date hereof, provided that such additional Notes are part of the same issue as the Notes being authenticated on the date hereof for U.S. federal income tax purposes. If such additional Notes are not part of the same issue for U.S. federal income tax purposes, such additional Notes must be issued with a separate CUSIP number. No additional Notes may be issued if an Event of Default has occurred and is continuing with respect to the Notes.

10. Denominations; Transfer; Exchange

The Notes are in registered form without coupons in denominations of \$2,000 principal amount and integral multiples of \$1,000. A Holder may transfer or exchange Notes in accordance with the Indenture. The Security Registrar may require a Holder, among other things, to furnish appropriate endorsements or transfer documents and to pay any taxes and fees required by law or permitted by the Indenture. The Security Registrar need not register the transfer or exchange of any Notes selected for redemption (except, in the case of a Note to be redeemed in part, the portion of the Note not to be redeemed) for a period of fifteen (15) Business Days before a selection of Notes to be redeemed.

11. Persons Deemed Owners

The registered Holder of this Note may be treated as the owner of it for all purposes.

12. Unclaimed Money

If money for the payment of principal or interest remains unclaimed for two years, the Trustee or Paying Agent shall pay the money back to the Company at its request. After any such payment, Holders entitled to the money must look only to the Company and not to the Trustee or the Paying Agent for payment.

13. Satisfaction and Discharge

Under the Indenture, the Company can terminate its obligations with respect to the Notes not previously delivered to the Trustee for cancellation when those Notes have become due and payable or will become due and payable at their Stated Maturity within one year or are to be called for redemption within one year under arrangements satisfactory to the Trustee for giving notice of redemption. The Company may terminate its obligations with respect to the Notes by depositing with the Trustee, as funds in trust dedicated solely for that purpose, an amount sufficient to pay and discharge the entire indebtedness on the Notes. In that case, the Indenture will cease to be of further effect and the Company's obligations will be satisfied and discharged with respect to the Notes (except as to the Company's obligations to pay all other amounts due under the Indenture and to provide certain Officers' Certificates and Opinions of Counsel to the Trustee). At the expense of the Company, the Trustee will execute proper instruments acknowledging the satisfaction and discharge.

14. Amendment, Waiver

Subject to certain exceptions set forth in the Indenture, (i) the Indenture may be amended with the written consent of the Holders of a majority in principal amount of the then Outstanding Securities of each series affected by such amendment, (ii) the Notes may be amended with the written consent of the Holders of at least a majority in principal amount of the Outstanding Notes and (iii) any default or noncompliance with any provision may be waived with the written consent of the Holders of a majority in principal amount of the Outstanding Notes. Subject to certain exceptions set forth in the Indenture, without the consent of any Holder, the Company and the Trustee shall be entitled to amend the Indenture to, among other things, cure any ambiguity, defect or inconsistency, or to evidence the succession of another Person as obligor under the Indenture, or to add to the Company's covenants or to surrender any right or power conferred on the Company under the Indenture, or to add events of default, or to secure the Notes, or to evidence or provide for the acceptance or appointment by a successor Trustee or facilitate the administration of the trusts under the Indenture by more than one trustee, or to conform the Indenture to any amendment of the Act.

15. Defaults and Remedies

Under the Indenture, Events of Default include: (i) a default by the Company in the payment of any interest upon any Note and the continuance of such default for 60 days; (ii) a default by the Company in the payment of principal of or any premium on any Note when due at Maturity, on redemption, by declaration or otherwise, and the continuance of such default for three (3) Business Days; (iii) a default by the Company in the performance of or breach of any covenant or warranty in the Indenture and continuance of such default for 90 days after written notice has been given to the Company by the Trustee or to the Company and the Trustee by the Holders of at least 33% in principal amount of the Outstanding Notes; (iv) a default by the Company under any bond, debenture, note or other evidence of indebtedness for money borrowed by the Company, or the Company defaults under any mortgage, indenture or instrument under which there may be issued, secured or evidenced indebtedness constituting a failure to pay in excess of \$50,000,000 of the principal or interest when due and payable, subject to certain cure rights; or (v) certain events of bankruptcy, insolvency or reorganization involving the Company. If an Event of Default occurs and is continuing, the Trustee or the Holders of at least 33% in principal amount of the Outstanding Notes may declare all the Notes to be due and payable immediately.

Neither the Trustee nor the Holders of the Notes shall be entitled to declare the principal of or accrued and unpaid interest on the Notes to be immediately due and payable by reason of the occurrence and continuation of an Event of Default specified in clause (4) of Section 501 of the Base Indenture, and any notice of declaration of acceleration based on such an Event of Default shall be null and void with respect to the Notes; provided that, notwithstanding the foregoing, so long as an Event of Default specified in clause (4) of Section 501 of the Base Indenture with respect to the Notes shall have occurred and shall be continuing, the Trustee and the Holders of the Notes may exercise the other rights and remedies available under the Indenture in connection with such Event of Default, as well as such other rights and remedies as may be available under applicable law or otherwise.

Holders may not enforce the Indenture or the Notes except as provided in the Indenture. The Trustee may refuse to enforce the Indenture or the Notes unless it receives indemnity or security satisfactory to it. Subject to certain limitations, Holders of a majority in principal amount of the Notes may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from Holders notice of any continuing default (except a default in payment of principal or interest) if it determines that withholding notice is in the interest of the Holders.

16. Trustee Dealings with the Company

Subject to certain limitations imposed by the Act, the Trustee under the Indenture, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with and collect obligations owed to it by the Company or its Affiliates and may otherwise deal with the Company or its Affiliates with the same rights it would have if it were not Trustee.

17. No Recourse Against Others

A director, officer, employee or stockholder, as such, of the Company or the Trustee shall not have any liability for any obligations of the Company under the Notes or the Indenture or for any claim based on, in respect of or by reason of such obligations or their creation. By accepting a Note, each Holder waives and releases all such liability. The waiver and release are part of the consideration for the issue of the Notes.

18. Authentication

This Note shall not be valid until an authorized signatory of the Trustee (or an Authenticating Agent) signs the certificate of authentication on the other side of this Note in accordance with requirements set forth in the Indenture and the Officers' Certificate.

19. Abbreviations

Customary abbreviations may be used in the name of a Holder or an assignee, such as TEN COM (=tenants in common), TEN ENT (=tenants by the entireties), JT TEN (=joint tenants with rights of survivorship and not as tenants in common), CUST (=custodian), and U/G/M/A (=Uniform Gift to Minors Act).

20. CUSIP and ISIN Numbers

Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused the applicable CUSIP number to be printed on the Notes and has directed the Trustee to use such CUSIP number in any notice of redemption as a convenience to the Holders. To the extent such number has been issued, the Company has caused the applicable ISIN number to be similarly printed on the Notes and has similarly instructed the Trustee. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption and reliance may be placed only on the other identification numbers placed thereon.

21. Governing Law.

THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO CONTRARY CONFLICT OF LAWS OR CHOICE OF LAWS PROVISIONS OF THE STATE OF NEW YORK OR ANY OTHER JURISDICTION.

The Company will furnish to any Holder upon written request and without charge to the Holder a copy of the Indenture. Requests may be made to:

NiSource Inc.

801 East 86th Avenue

Merrillville, Indiana 46410

Attention: Corporate Secretary

ASSIGNMENT FORM

To assign this Note, fill in the form below: I or
we assign and transfer this Note to

(Print or type assignee's name, address and zip
code) (Insert assignee's soc. Sec. or tax I.D. No.)

and irrevocably appoint _____ agent to transfer this Note on the books of the Company. The agent may substitute another to act
for him.

Date: _____

Your Signature: _____

Sign exactly as your name appears on the other side
of this Note.

Signature Guarantee:

Signature must be guaranteed

Signature

Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Security Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("STAMP") or such other "signature guarantee program" as may be determined by the Security Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.



May 16, 2024

NiSource Inc.
801 East 86th Avenue
Merrillville, Indiana 46410

NiSource Inc.
6.950% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2054

Ladies and Gentlemen:

We refer to the Registration Statement on Form S-3 (File No. 333-268084) (the “Registration Statement”), filed by NiSource Inc., a Delaware corporation (the “Company”), with the Securities and Exchange Commission (the “SEC”). Pursuant to the Registration Statement, the Company is offering \$500,000,000 aggregate principal amount of its 6.950% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2054 (the “Notes”), as described in the Company’s Prospectus, dated November 1, 2022 (the “Base Prospectus”) and Prospectus Supplement, dated May 13, 2024 (the “Prospectus Supplement” and, together with the Base Prospectus, the “Prospectus”). The Registration Statement became effective upon filing on November 1, 2022. This opinion letter is being furnished in accordance with the requirements of Item 16 of Form S-3 and Item 601(b)(5)(i) of Regulation S-K promulgated under the Securities Act of 1933, as amended (the “Securities Act”).

The Notes are being issued under that certain subordinated indenture dated as of May 16, 2024 (the “Base Indenture”), between the Company and The Bank of New York Mellon (the “Trustee”), as supplemented by the First Supplemental Indenture dated as of May 16, 2024 (the “Supplemental Indenture” and, together with the Base Indenture, the “Indenture”), and are being offered to the public in accordance with the Terms Agreement, dated May 13, 2024 (the “Terms Agreement”), among the Company and BofA Securities, Inc., Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, Morgan Stanley & Co, LLC and Wells Fargo Securities, LLC, as lead underwriters of the underwriters (the “Underwriters”) named therein. The Terms Agreement incorporates by reference the provisions of that certain Underwriting Agreement dated November 30, 2017 (the “Underwriting Agreement” and, together with the Terms Agreement, the “Agreements”). Capitalized terms used and not defined herein shall have the meanings assigned to them in the Registration Statement or the Indenture.

Documents Reviewed

In connection with this opinion letter, we have examined the following documents:

- (a) the Registration Statement;
- (b) the Base Prospectus;
- (c) the Prospectus Supplement;
- (d) the Base Indenture;

- (e) the Supplemental Indenture;
- (f) the global note certificate, dated May 16, 2024, representing the Notes;
- (g) the Terms Agreement; and
- (h) the Underwriting Agreement.

The documents referred to in clauses (d) through (f) above are referred to collectively as the “Subject Documents” and each, individually, as a “Subject Document.”

In addition we have examined and relied upon the following:

(i) a certificate from the Assistant Corporate Secretary of the Company certifying as to (A) true and correct copies of the Amended and Restated Certificate of Incorporation, as amended, and the Amended and Restated Bylaws of the Company, as amended (together, the “Organizational Documents”) and (B) the resolutions of the Board of Directors of the Company authorizing (1) the filing of the Registration Statement by the Company and (2) the offer, sale and issuance of the Notes by the Company pursuant to the Agreements (the “Authorizing Resolutions”); and

(ii) originals, or copies identified to our satisfaction as being true copies, of such other records, documents, instruments, certificates of officers of and statements of the Company, and certificates and assurances of public officials, as we have deemed necessary for the purposes of this opinion letter.

“Applicable Law” means the Delaware General Corporation Law (the “DGCL”) and the laws of the State of New York.

Assumptions Underlying Our Opinions

For all purposes of the opinions expressed herein, we have assumed, without independent investigation, the following:

(a) Factual Matters. To the extent that we have reviewed and relied upon (i) certificates of the Company or authorized representatives thereof, (ii) representations of the Company set forth in the Subject Documents and (iii) certificates and assurances from public officials, all of such certificates, representations and assurances are accurate with regard to factual matters and all official records (including filings with public authorities) are properly indexed and filed and are accurate and complete.

(b) Authentic and Conforming Documents. All documents submitted to us as originals are authentic, complete and accurate, and all documents submitted to us as copies conform to authentic original documents.

(c) Signatures; Legal Capacity. The signatures of individuals who have signed or will sign the Subject Documents are genuine. All individuals who have signed or will sign the Subject Documents have the legal capacity to execute such Subject Documents.

(d) Organizational Status, Power and Authority of Certain Parties. All parties to the Subject Documents (other than any individual) are validly existing and in good standing in their respective jurisdictions of formation, except that no such assumption is made as to the Company as of the date hereof and (ii) have the power and authority to execute, deliver and perform the Subject Documents and the documents required or permitted to be delivered and performed thereunder, except that no such assumption is made as to the Company as of the date hereof.

(e) Authorization, Execution and Delivery of Subject Documents by Certain Parties. The Subject Documents and the documents required or permitted to be delivered thereunder have been duly authorized by all necessary corporate, limited liability company, business trust, partnership or other action on the part of the parties thereto and have been duly executed and delivered by such parties, except that no such assumptions are made as to the Company as of the date hereof.

(f) Subject Documents Binding on Certain Parties. The Subject Documents and the documents required or permitted to be delivered thereunder are valid and binding obligations enforceable against the parties thereto in accordance with their terms, except that no such assumption is made as to the Company as of the date hereof.

(g) Noncontravention. Neither the issuance of the Notes by the Company or the execution and delivery of the Subject Documents by any party thereto nor the performance by such party of its obligations thereunder will conflict with or result in a breach of (i) the certificate or articles of incorporation, bylaws, certificate or articles of organization, operating agreement, certificate of limited partnership, partnership agreement, trust agreement or other similar organizational documents of any such party, except that no such assumption is made as to the Company as to the Organizational Documents as of the date hereof, (ii) any law or regulation of any jurisdiction applicable to any such party except that no such assumption is made as to the Company as to any Applicable Law as of the date hereof, or (iii) any order, writ, injunction or decree of any court or governmental instrumentality or agency applicable to any such party or any agreement or instrument to which any such party may be a party or by which its properties are subject or bound, except that no such assumption is made as to the Company as to the Subject Documents as of the date hereof.

(h) Governmental Approvals. All consents, approvals and authorizations of, or filings with, all governmental authorities that are required as a condition to the issuance of the Notes by the Company or to the execution and delivery of the Subject Documents by the parties thereto or the performance by such parties of their obligations thereunder have been obtained or made, except that no such assumption is made with respect to any consent, approval, authorization or filing that is applicable to the Company as of the date hereof.

(i) No Mutual Mistake, Amendments, etc. There has not been any mutual mistake of fact, fraud, duress or undue influence in connection with the issuance of the Notes as contemplated by the Registration Statement and the Prospectus. There are no oral or written statements or agreements that modify, amend or vary, or purport to modify, amend or vary, any of the terms of the Subject Documents except for, in the case of the terms of the Base Indenture, the Supplemental Indenture.

Our Opinions

Based on and subject to the foregoing and the exclusions, qualifications, limitations and other assumptions set forth in this opinion letter, we are of the opinion that:

1. Organizational Status. The Company is a validly existing corporation under the laws of the Delaware and is in good standing under such laws.
2. Power and Authority. The Company has the corporate power and authority to issue the Notes.
3. Validity of the Notes. When (i) the Notes have been issued and sold as contemplated by the Registration Statement, the Agreements and the Prospectus, (ii) the Company has received the consideration provided for in the Prospectus Supplement and the Agreements, and (iii) the Notes have been authenticated in accordance with the provisions of the Indenture, the Notes will constitute the valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, under the laws of State of New York.

Matters Excluded from Our Opinions

We express no opinion with respect to the following matters:

- (a) Indemnification and Change of Control. The enforceability of any agreement relating to (i) indemnification, contribution or exculpation from costs, expenses or other liabilities or (ii) changes in the organizational control or ownership of any party, which agreement (in the case of clause (i) or clause (ii)) is contrary to public policy or Applicable Law.
- (b) Jurisdiction, Venue, etc. The enforceability of any agreement to submit to the jurisdiction of any specific federal or state court (other than the enforceability in a court of the State of New York of any such agreement to submit to the jurisdiction of a court of the State of New York), to waive any objection to the laying of the venue, to waive the defense of *forum non conveniens* in any action or proceeding referred to therein, to waive trial by jury, to effect service of process in any particular manner or to establish evidentiary standards, and any agreement regarding the choice of law governing any Subject Document (other than the enforceability in a court of the State of New York or in a federal court sitting in the State of New York and applying New York law to any such agreement that the laws of the State of New York shall govern).
- (c) Remedies. The enforceability of any provision in any Subject Document to the effect that rights or remedies are not exclusive, that every right or remedy is cumulative and may be exercised in addition to any other right or remedy, that the election of some particular remedy does not preclude recourse to one or more others or that failure to exercise or delay in exercising rights or remedies will not operate as a waiver of any such right or remedy.

Qualifications and Limitations Applicable to Our Opinions

The opinions set forth above are subject to the following qualifications and limitations:

- (a) Applicable Law. Our opinions are limited to the Applicable Law, and we do not express any opinion concerning any other law.
- (b) Bankruptcy. Our opinions are subject to the effect of any applicable bankruptcy, insolvency (including, without limitation, laws relating to preferences, fraudulent transfers and equitable subordination), reorganization, moratorium and other similar laws affecting creditors' rights generally.

(c) Equitable Principles. Our opinions are subject to the effect of general principles of equity (regardless of whether considered in a proceeding in equity or at law), including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing. In applying such principles, a court, among other things, might limit the availability of specific equitable remedies (such as injunctive relief and the remedy of specific performance), might not allow a creditor to accelerate maturity of debt or exercise other remedies upon the occurrence of a default deemed immaterial or for non-credit reasons or might decline to order a debtor to perform covenants in a Subject Document.

(d) Unenforceability of Certain Provisions. Provisions contained in the Notes or the Subject Documents which require waivers or amendments to be made only in writing may be unenforceable or ineffective, in whole or in part. The inclusion of such provisions, however, does not render any of the Notes or the Subject Documents invalid as a whole.

(e) Choice of New York Law and Forum. To the extent that any of our opinions relate to the enforceability of the choice of New York law or any choice of New York forum provisions of any Subject Document, our opinion is rendered in reliance upon N.Y. Gen. Oblig. Law §§ 5-1401 and 5-1402 and N.Y. CPLR 327(b) and is subject to the qualification that such enforceability may be limited by principles of public policy, comity and constitutionality. We express no opinion as to whether a United States federal court would have subject-matter or personal jurisdiction over a controversy arising under the Subject Documents.

Miscellaneous

The foregoing opinions are being furnished only for the purpose referred to in the first paragraph of this opinion letter. Our opinions are based on statutes, regulations and administrative and judicial interpretations which are subject to change. We undertake no responsibility to update or supplement these opinions subsequent to the date hereof. Headings in this opinion letter are intended for convenience of reference only and shall not affect its interpretation. We hereby consent to the filing of this opinion as an exhibit to the Company's Current Report on Form 8-K filed on the date hereof, to the incorporation by reference of this opinion of counsel into the Registration Statement, and to the reference to our firm in the Prospectus Supplement under the caption "Legal Matters." In giving this consent, we do not admit that we are within the category of persons whose consent is required by Section 7 of the Securities Act or the rules and regulations of the SEC promulgated thereunder.

Very truly yours,

/s/ McGuireWoods LLP



May 16, 2024

NiSource Inc.
801 East 86th Avenue
Merrillville, Indiana 46410

Ladies and Gentlemen:

We have acted as United States federal income tax counsel for NiSource Inc. (the “Company”) in connection with (i) the Registration Statement on Form S-3 (File No. 333-268084) (the “Registration Statement”), which was filed by the Company with the Securities and Exchange Commission (the “SEC”) in connection with the registration under the Securities Act of 1933, as amended (the “Act”), of certain securities of the Company, including debt securities, and (ii) the issuance by the Company of 6.950% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due in 2054 (the “Junior Subordinated Notes”), as described in the Company’s Prospectus, dated November 1, 2022 (the “Prospectus”) and Prospectus Supplement, dated May 13, 2024 (the “Prospectus Supplement”). The Registration Statement became effective on November 1, 2022. This opinion letter is being furnished in accordance with the requirements of Item 16 of Form S-3 and Item 601(b)(5)(i) of Regulation S-K promulgated under the Act.

In rendering our opinion, we have examined originals or copies, certified or otherwise identified to our satisfaction, of (i) the Registration Statement, (ii) the Prospectus, (iii) the Prospectus Supplement, (iv) the Indenture as defined in the terms agreement relating to the offer and sale of the Junior Subordinated Notes (the “Terms Agreement”), (v) the Terms Agreement, and (vi) such other agreements and documents as we have deemed relevant and necessary, and we have made such investigations of law as we have deemed appropriate as a basis for the opinion expressed below.

In our examination, we have assumed, with your permission, (i) the authenticity of original documents, (ii) the accuracy of copies and the genuineness of signatures, (iii) that the execution and delivery by each party to a document and the performance by such party of its obligations thereunder have been authorized by all necessary measures and do not violate or result in a breach of or default under such party’s certificate or instrument of formation and by-laws or the laws of such party’s jurisdiction of organization, (iv) that each agreement represents the entire agreement between the parties with respect to the subject matter thereof, (v) that the parties to each agreement have complied, and will comply, with all of their respective covenants, agreements and undertakings contained therein, (vi) that the transactions provided for by each agreement were and will be carried out in accordance with their terms, (vii) that the factual representations made to us by the Company in its officer’s certificate dated as of the date hereof and delivered to us for purposes of this opinion (the “Officer’s Certificate”) are true, correct and complete and will be true, correct and complete at the time of closing of the offering and delivery of the Junior Subordinated Notes (as if made as of such time), and (viii) that any factual representations made in the Prospectus, the Prospectus Supplement or the Officer’s Certificate “to the best knowledge of,” “in the belief of,” or similarly qualified are true, correct and complete without such qualification. If any of the above described assumptions are untrue for any reason or if the issuance of the Junior Subordinated Notes is consummated in a manner that is inconsistent with the manner in which it is described in the Prospectus Supplement, our opinion as expressed below may be adversely affected and may not be relied upon.

In rendering our opinion, with your permission, we have not undertaken any independent investigation or verification of any fact or matter set forth in any document or materials or any assumption upon which we have relied (including, without limitation, any statement or representation contained in the Officer's Certificate), and we expressly disclaim any intent, undertaking, or obligation to make any such investigation or verification.

The opinion set forth below is based upon the Internal Revenue Code of 1986, as amended, Treasury Regulations (including temporary and proposed Treasury Regulations) issued thereunder, Internal Revenue Service ("IRS") rulings and pronouncements and judicial decisions now in effect, all of which are subject to change, possibly with retroactive effect. Our opinion is limited to the matters expressly stated herein. Our opinion is rendered only as of the date hereof, and its validity could be affected by subsequent changes in applicable law. We disclaim any undertaking to advise you or any other person with respect to any such change subsequent to the date hereof. An opinion of counsel with respect to an issue represents counsel's best judgment as to the outcome on the merits with respect to such issue and is not binding on the IRS or the courts. Thus, there can be no assurance or guarantee that the IRS will not assert a contrary position with respect to an issue or any conclusions contained herein, or that a court will not sustain such a position if asserted by the IRS.

Based upon and subject to the foregoing, the discussion contained in the Prospectus Supplement under the caption "Material U.S. Federal Income Tax Considerations," insofar as such discussion relates to legal conclusions with respect to matters of United States federal income tax law, represents our opinion and, subject to the qualifications, exceptions and limitations stated therein and herein, such discussion is accurate in all material respects. Such discussion does not, however, purport to discuss all United States federal income tax consequences to holders of the Junior Subordinated Notes and is limited to those United States federal income tax consequences to holders of the Junior Subordinated Notes specifically discussed therein and subject to the qualifications set forth therein and herein.

We are rendering this opinion to you solely in connection with the offering of the Junior Subordinated Notes, and this opinion may not be relied upon by any other person or for any other purpose without our prior written consent. We hereby consent to use of this opinion as an exhibit to the Company's Current Report on Form 8-K regarding the issuance and sale of the Junior Subordinated Notes and the incorporation of this opinion by reference in the Registration Statement and to references to us under the heading "Legal Matters" in the Registration Statement and in the Prospectus Supplement relating to the Junior Subordinated Notes. In giving this consent, we do not thereby admit that we come within the category of persons whose consent is required by the Act or the rules and regulations promulgated thereunder.

Very truly yours,

/s/ McGuireWoods LLP

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): June 24, 2024

NiSource Inc.
(Exact Name of Registrant as Specified in Charter)

DE
(State or other jurisdiction
of incorporation)

001-16189
(Commission
file number)

35-2108964
(I.R.S. Employer
Identification No.)

801 East 86th Avenue
Merrillville, Indiana
(Address of Principal Executive Offices)

46410
(Zip Code)

Registrant's telephone number, including area code: (877) 647-5990

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	NI	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 8.01 Other Events.

Senior Notes Due 2029

On June 17, 2024, NiSource Inc. (the “Company”) and Barclays Capital Inc., BNP Paribas Securities Corp., KeyBanc Capital Markets Inc., MUFG Securities Americas Inc. and Scotia Capital (USA) Inc., as representatives of the underwriters, entered into a Terms Agreement (the “Terms Agreement”) with respect to the offering and sale of \$600,000,000 aggregate principal amount of the Company’s 5.200% Notes due 2029 (the “Notes”) under the Company’s Registration Statement on Form S-3 (File No. 333-268084) (the “Registration Statement”). The Terms Agreement incorporates by reference the provisions of the Company’s Underwriting Agreement, dated November 30, 2017 (a form of which was filed with the Securities and Exchange Commission (the “SEC”) on November 30, 2017).

The sale closed on June 24, 2024. The Notes were issued pursuant to an Indenture, dated as of November 14, 2000, between the Company, as issuer and successor-in-interest to NiSource Finance Corp., and The Bank of New York Mellon, as successor trustee, as amended and supplemented. The Company intends to use the net proceeds from the sale of the Notes for general corporate purposes, including to finance capital expenditures, for working capital and to repay existing indebtedness.

The preceding is a summary of the terms of the Notes and is qualified in its entirety by reference to the form of the Notes filed as Exhibit 4.1 to this Current Report on Form 8-K and which is incorporated herein by reference. The Company is filing Exhibit 5.1 with this Current Report on Form 8-K in connection with the Registration Statement.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
4.1	Form of 5.200% Notes due 2029
5.1	Opinion of McGuireWoods LLP
23.1	Consent of McGuireWoods LLP (included in Exhibit 5.1)
104	Cover page Interactive Data File (embedded within the Inline XBRL document)

Cautionary Statement Concerning Forward-Looking Statements

This current report on Form 8-K contains forward-looking statements that are not historical facts, including statements about the anticipated use of proceeds from the sale of the Notes. These statements are based on current expectations and assumptions, which management believes are reasonable, and on information currently available to management, but are necessarily subject to various risks and uncertainties. In addition to the risk that these assumptions prove to be inaccurate, factors that could cause actual results to differ materially from those contemplated by the forward-looking statements include factors disclosed in the Company’s Annual Report on Form 10-K for the year ended December 31, 2023, and its subsequent filings with the SEC, which are available on the Company’s website at www.nisource.com and on the SEC’s website at www.sec.gov. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether due to new information, future events or otherwise, except to the extent required by law.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NiSource Inc.

(Registrant)

Date: June 24, 2024

By: /s/ Shawn Anderson

Shawn Anderson

Executive Vice President and Chief Financial Officer

UNLESS THIS GLOBAL NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), NEW YORK, NEW YORK, TO NISOURCE INC. OR ITS AGENT OR AGENTS FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY GLOBAL NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO., OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE INDENTURE REFERRED TO ON THE REVERSE HEREOF.

No.: [] \$[]
CUSIP No.: 65473P AS4
ISIN No.: US65473PAS48

5.200% Notes due 2029

NiSource Inc., a Delaware corporation, promises to _____, or registered assigns, the principal sum of \$[] Dollars on July 1, 2029.

Interest Payment Dates: January 1 and July 1, beginning January 1, 2025.

Record Dates: (i) if all of the Notes are in book-entry form represented by one or more Global Securities, the Business Day immediately preceding the applicable Interest Payment Date and (ii) if any of the Notes are not in bookentry form represented by one or more Global Securities, on each June 15 and December 15 (whether or not a Business Day) (each such date in clauses (i) and (ii), a "Regular Record Date").

Additional provisions of this Note are set forth on the other side of this Note.

Dated:

NISOURCE INC.

By: _____
Name: _____
Title: _____

ATTEST:

By: _____
Name: _____
Title: _____

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Notes of the series referred to
in the within-mentioned Indenture.

Dated:

THE BANK OF NEW YORK MELLON, as Trustee

By: _____
Authorized Officer

1. Interest

NiSource Inc., a Delaware corporation (such corporation, and its successors and assigns under the Indenture hereinafter referred to, being herein called the “Company”), promises to pay interest on the principal amount of this Note at the rate per annum shown above. The Company will pay interest semiannually on January 1 and July 1 of each year, beginning January 1, 2025. Interest on the Notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from June 24, 2024. Interest will be computed on the basis of a 360-day year of twelve 30-day months. The Company will pay interest on overdue principal and premium at the above rate and will pay interest on overdue installments of interest at such rate to the extent lawful.

2. Method of Payment

The Company will pay interest on the Notes (except defaulted interest) to the Persons who are registered Holders of Notes at the close of business on the Regular Record Date next preceding each Interest Payment Date even if Notes are canceled after the Regular Record Date and on or before the Interest Payment Date. Holders must surrender Notes to a Paying Agent to collect principal payments. The Company will pay principal and interest in money of the United States that at the time of payment is legal tender for payment of public and private debts. Payments in respect of the Notes represented by a Global Note (including principal, premium, if any, and interest) will be made by wire transfer of immediately available funds to the accounts specified by DTC, as Depositary.

3. Paying Agent and Security Registrar

Initially, the Trustee will act as Paying Agent and Security Registrar. The Company may appoint and change any Paying Agent or Security Registrar without notice to the Holders. The Company may act as Paying Agent or Security Registrar.

4. Indenture

The Company issued the Notes under an Indenture dated as of November 14, 2000, by and between the Company, in its own capacity and as successor to NiSource Finance Corp., and the Trustee (as successor trustee) (as amended and supplemented, the “Indenture”) and pursuant to an Officers’ Certificate of the Company dated June 24, 2024 (the “Officers’ Certificate”). The terms of the Notes include those stated in the Indenture and the Officers’ Certificate and those made part of the Indenture by reference to the Trust Indenture Act of 1939 (15 U.S.C. sections 77aaa-77bbbb) as in effect on the date of the Officers’ Certificate (the “Act”). Capitalized terms used herein and defined in the Indenture but not defined herein have the respective meanings ascribed thereto in the Indenture. The Notes are subject to all such terms, and Holders of Notes are referred to the Indenture and the Act for a statement of those terms.

The Notes are senior unsecured obligations of the Company. The Notes issued on the original issue date will be treated as a single class for all purposes under the Indenture. The Indenture contains covenants that limit the ability of the Company and its Subsidiaries (other than Utilities) to incur additional indebtedness and create liens on assets unless the total amount of all the secured debt would not exceed 10% of Consolidated Net Tangible Assets (excluding the Utilities). These covenants are subject to important exceptions and qualifications.

5. Optional Redemption

Prior to June 1, 2029 (one month prior to the maturity date of the Notes) (the “Par Call Date”), the Company will have the right to redeem the Notes, at its option, in whole or in part, at any time and from time to time, at a Redemption Price (expressed as a percentage of principal amount and rounded to three decimal places) equal to the greater of (1)(a) the sum of the present values of the remaining scheduled payments of principal and interest thereon discounted to the Redemption Date (assuming the Notes matured on the Par Call Date) on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 15 basis points less (b) interest accrued to the Redemption Date, and (2) 100% of the principal amount of the Notes to be redeemed, plus, in either case, accrued and unpaid interest thereon to, but excluding, the Redemption Date.

On or after the Par Call Date, the Company will have the right to redeem the Notes, at its option, in whole or in part, at any time and from time to time, at a Redemption Price equal to 100% of the principal amount of the Notes being redeemed plus accrued and unpaid interest thereon to, but excluding, the Redemption Date.

“Treasury Rate” means, with respect to any Redemption Date, the yield determined by the Company in accordance with the following two paragraphs.

The Treasury Rate shall be determined by the Company after 4:15 p.m., New York City time (or after such time as yields on U.S. government securities are posted daily by the Board of Governors of the Federal Reserve System), on the third Business Day preceding the Redemption Date based upon the yield or yields for the most recent day that appear after such time on such day in the most recent statistical release published by the Board of Governors of the Federal Reserve System designated as “Selected Interest Rates (Daily) - H.15” (or any successor designation or publication) (“H.15”) under the caption “U.S. government securities–Treasury constant maturities–Nominal” (or any successor caption or heading) (“H.15 TCM”). In determining the Treasury Rate, the Company shall select, as applicable: (1) the yield for the Treasury constant maturity on H.15 exactly equal to the period from the Redemption Date to the Par Call Date (the “Remaining Life”); or (2) if there is no such Treasury constant maturity on H.15 exactly equal to the Remaining Life, the two yields – one yield corresponding to the Treasury constant maturity on H.15 immediately shorter than and one yield corresponding to the Treasury constant maturity on H.15 immediately longer than the Remaining Life – and shall interpolate to the Par Call Date on a straight-line basis (using the actual number of days) using such yields and rounding the result to three decimal places; or (3) if there is no such Treasury constant maturity on H.15 shorter than or longer than the Remaining Life, the yield for the single Treasury constant maturity on H.15 closest to the Remaining Life. For purposes of this paragraph, the applicable Treasury constant maturity or maturities on H.15 shall be deemed to have a maturity date equal to the relevant number of months or years, as applicable, of such Treasury constant maturity from the Redemption Date.

If on the third Business Day preceding the Redemption Date H.15 TCM is no longer published, the Company shall calculate the Treasury Rate based on the rate per annum equal to the semi-annual equivalent yield to maturity at 11:00 a.m., New York City time, on the second Business Day preceding such Redemption Date of the United States Treasury security maturing on, or with a maturity that is closest to, the Par Call Date, as applicable. If there is no United States Treasury security maturing on the Par Call Date but there are two or more United States Treasury securities with a maturity date equally distant from the Par Call Date, one with a maturity date preceding the Par Call Date and one with a maturity date following the Par Call Date, the Company shall select the United States Treasury security with a maturity date preceding the Par Call Date. If there are two or more United States Treasury securities maturing on the Par Call Date or two or more United States Treasury securities meeting the criteria of the preceding sentence, the Company shall select from among these two or more United States Treasury securities the United States

Treasury security that is trading closest to par based upon the average of the bid and asked prices for such United States Treasury security at 11:00 a.m., New York City time. In determining the Treasury Rate in accordance with the terms of this paragraph, the semi-annual yield to maturity of the applicable United States Treasury security shall be based upon the average of the bid and asked prices (expressed as a percentage of principal amount) at 11:00 a.m., New York City time, of such United States Treasury security, and rounded to three decimal places.

The Trustee shall have no duty to calculate the Redemption Price.

6. Notice of Redemption

Notice of any redemption will be mailed or electronically delivered (or otherwise transmitted in accordance with the depository's procedures) at least 10 days but not more than 60 days before the Redemption Date to each Holder of Notes to be redeemed in accordance with Section 106 of the Indenture. In the case of a partial redemption, if the Notes to be redeemed are held in certificated form, selection of the Notes for redemption will be made by the Trustee, by lot. No Notes of a principal amount of \$2,000 or less will be redeemed in part. If any Note is to be redeemed in part only, the notice of redemption that relates to such Note will state the portion of the principal amount of the Note to be redeemed. A new Note in a principal amount equal to the unredeemed portion of the original Note will be issued in the name of the Holder of the original Note upon surrender for cancellation of the original Note. For so long as the Notes are held by DTC (or another depository), the redemption of the Notes, including selection of the Notes for redemption, shall be done in accordance with the policies and procedures of the depository and may be made on a pro rata pass-through distribution of principal basis. The Company will not know the exact Redemption Price until approximately two (2) to three (3) Business Days before the Redemption Date. Therefore, the notice of redemption will only describe how the Redemption Price will be calculated. Unless the Company defaults in payment of the Redemption Price, on and after the Redemption Date interest will cease to accrue on the Notes or portions thereof called for redemption.

7. Additional Notes

The Company may, without the consent of the Holders of the Notes, create and issue additional Notes ranking equally with the Notes in all respects, including having the same terms (except for the price to public, the issue date and the initial interest accrual date and the first Interest Payment Date, as applicable), so that such additional Notes shall be consolidated and form a single series with the Notes and shall have the same terms as to status, redemption or otherwise as the Notes. Such additional Notes will have the same CUSIP number as the Notes being authenticated on the date hereof, provided that such additional Notes are part of the same issue as the Notes being authenticated on the date hereof for U.S. federal income tax purposes. If such additional Notes are not part of the same issue for U.S. federal income tax purposes, such additional Notes must be issued with a separate CUSIP number. No additional Notes may be issued if an Event of Default has occurred and is continuing with respect to the Notes.

8. Denominations; Transfer; Exchange

The Notes are in registered form without coupons in denominations of \$2,000 principal amount and integral multiples of \$1,000. A Holder may transfer or exchange Notes in accordance with the Indenture. The Security Registrar may require a Holder, among other things, to furnish appropriate endorsements or transfer documents and to pay any taxes and fees required by law or permitted by the Indenture. The Security Registrar need not register the transfer or exchange of any Notes selected for redemption (except, in the case of a Note to be redeemed in part, the portion of the Note not to be redeemed) for a period of fifteen (15) Business Days before a selection of Notes to be redeemed.

9. Persons Deemed Owners

The registered Holder of this Note may be treated as the owner of it for all purposes.

10. Unclaimed Money

If money for the payment of principal or interest remains unclaimed for two years, the Trustee or Paying Agent shall pay the money back to the Company at its request. After any such payment, Holders entitled to the money must look only to the Company and not to the Trustee or the Paying Agent for payment.

11. Satisfaction and Discharge

Under the Indenture, the Company can terminate its obligations with respect to the Notes not previously delivered to the Trustee for cancellation when those Notes have become due and payable or will become due and payable at their Stated Maturity within one year or are to be called for redemption within one year under arrangements satisfactory to the Trustee for giving notice of redemption. The Company may terminate its obligations with respect to the Notes by depositing with the Trustee, as funds in trust dedicated solely for that purpose, an amount sufficient to pay and discharge the entire indebtedness on the Notes. In that case, the Indenture will cease to be of further effect and the Company's obligations will be satisfied and discharged with respect to the Notes (except as to the Company's obligations to pay all other amounts due under the Indenture and to provide certain Officers' Certificates and Opinions of Counsel to the Trustee). At the expense of the Company, the Trustee will execute proper instruments acknowledging the satisfaction and discharge.

12. Amendment, Waiver

Subject to certain exceptions set forth in the Indenture, (i) the Indenture may be amended with the written consent of the Holders of a majority in principal amount of the then Outstanding Securities of each series affected by such amendment, (ii) the Notes may be amended with the written consent of the Holders of at least a majority in principal amount of the Outstanding Notes and (iii) any default or noncompliance with any provision may be waived with the written consent of the Holders of a majority in principal amount of the Outstanding Notes. Subject to certain exceptions set forth in the Indenture, without the consent of any Holder, the Company and the Trustee shall be entitled to amend the Indenture to, among other things, cure any ambiguity, defect or inconsistency, or to evidence the succession of another Person as obligor under the Indenture, or to add to the Company's covenants or to surrender any right or power conferred on the Company under the Indenture, or to add events of default, or to secure the Notes, or to evidence or provide for the acceptance or appointment by a successor Trustee or facilitate the administration of the trusts under the Indenture by more than one trustee, or to conform the Indenture to any amendment of the Act.

13. Defaults and Remedies

Under the Indenture, Events of Default include: (i) a default by the Company in the payment of any interest upon any Note and the continuance of such default for 60 days; (ii) a default by the Company in the payment of principal of or any premium on any Note when due at Maturity, on redemption, by declaration or otherwise, and the continuance of such default for three (3) Business Days; (iii) a default by the Company in the performance of or breach of any covenant or warranty in the Indenture and continuance of such default for 90 days after written notice has been given to the Company by the Trustee or to the Company and the Trustee by the Holders of at least 33% in principal amount of the Outstanding Notes; (iv) a default by the Company under any bond, debenture, note or other evidence of indebtedness for money

borrowed by the Company, or the Company defaults under any mortgage, indenture or instrument under which there may be issued or evidenced indebtedness constituting a failure to pay in excess of \$50,000,000 of the principal or interest when due and payable, subject to certain cure rights; or (v) certain events of bankruptcy, insolvency or reorganization involving the Company. If an Event of Default occurs and is continuing, the Trustee or the Holders of at least 33% in principal amount of the Outstanding Notes may declare all the Notes to be due and payable immediately.

Holders may not enforce the Indenture or the Notes except as provided in the Indenture. The Trustee may refuse to enforce the Indenture or the Notes unless it receives indemnity or security satisfactory to it. Subject to certain limitations, Holders of a majority in principal amount of the Notes may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from Holders notice of any continuing default (except a default in payment of principal or interest) if it determines that withholding notice is in the interest of the Holders.

14. Trustee Dealings with the Company

Subject to certain limitations imposed by the Act, the Trustee under the Indenture, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with and collect obligations owed to it by the Company or its Affiliates and may otherwise deal with the Company or its Affiliates with the same rights it would have if it were not Trustee.

15. No Recourse Against Others

A director, officer, employee or stockholder, as such, of the Company or the Trustee shall not have any liability for any obligations of the Company under the Notes or the Indenture or for any claim based on, in respect of or by reason of such obligations or their creation. By accepting a Note, each Holder waives and releases all such liability. The waiver and release are part of the consideration for the issue of the Notes.

16. Authentication

This Note shall not be valid until an authorized signatory of the Trustee (or an Authenticating Agent) signs the certificate of authentication on the other side of this Note in accordance with requirements set forth in the Indenture and the Officers' Certificate.

17. Abbreviations

Customary abbreviations may be used in the name of a Holder or an assignee, such as TEN COM (=tenants in common), TEN ENT (=tenants by the entireties), JT TEN (=joint tenants with rights of survivorship and not as tenants in common), CUST (=custodian), and U/G/M/A (=Uniform Gift to Minors Act).

18. CUSIP and ISIN Numbers

Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused the applicable CUSIP number to be printed on the Notes and has directed the Trustee to use such CUSIP number in any notice of redemption as a convenience to the Holders. To the extent such number has been issued, the Company has caused the applicable ISIN number to be similarly printed on the Notes and has similarly instructed the Trustee. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption and reliance may be placed only on the other identification numbers placed thereon.

19. Governing Law.

THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO CONTRARY CONFLICT OF LAWS OR CHOICE OF LAWS PROVISIONS OF THE STATE OF NEW YORK OR ANY OTHER JURISDICTION.

The Company will furnish to any Holder upon written request and without charge to the Holder a copy of the Indenture. Requests may be made to:

NiSource Inc.

801 East 86th Avenue

Merrillville, Indiana 46410

Attention: Corporate Secretary

ASSIGNMENT FORM

To assign this Note, fill in the form below: I or
we assign and transfer this Note to

(Print or type assignee's name, address and zip
code) (Insert assignee's soc. Sec. or tax I.D. No.)

_____ and irrevocably appoint _____ agent to transfer this Note on the books of the Company. The agent may substitute another to act for him.

Date: _____

Your Signature: _____

Sign exactly as your name appears on the other side of this Note.

Signature Guarantee:

Signature must be guaranteed

Signature

Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Security Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("STAMP") or such other "signature guarantee program" as may be determined by the Security Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.



June 24, 2024

NiSource Inc.
801 East 86th Avenue
Merrillville, Indiana 46410

NiSource Inc.
5.200% Notes due 2029

Ladies and Gentlemen:

We refer to the Registration Statement on Form S-3 (File No. 333-268084) (the “Registration Statement”), filed by NiSource Inc., a Delaware corporation (the “Company”), with the Securities and Exchange Commission (the “SEC”). Pursuant to the Registration Statement, the Company is offering \$600,000,000 aggregate principal amount of its 5.200% Notes due 2029 (the “Notes”), as described in the Company’s Prospectus, dated November 1, 2022 (the “Base Prospectus”) and Prospectus Supplement, dated June 17, 2024 (the “Prospectus Supplement” and, together with the Base Prospectus, the “Prospectus”). The Registration Statement became effective upon filing on November 1, 2022. This opinion letter is being furnished in accordance with the requirements of Item 16 of Form S-3 and Item 601(b)(5)(i) of Regulation S-K promulgated under the Securities Act of 1933, as amended (the “Securities Act”).

The Notes are being issued under that certain indenture dated as of November 14, 2000 (the “Original Indenture”), between the Company (as successor to NiSource Finance Corp.) and The Bank of New York Mellon, as successor trustee (the “Trustee”), as supplemented by the Second Supplemental Indenture dated as of November 20, 2017 (the “Supplemental Indenture” and, together with the Original Indenture, the “Indenture”), and are being offered to the public in accordance with the Terms Agreement, dated June 17, 2024 (the “Terms Agreement”), among the Company and Barclays Capital Inc., BNP Paribas Securities Corp., KeyBanc Capital Markets Inc., MUFG Securities Americas Inc. and Scotia Capital (USA) Inc., as lead underwriters of the underwriters (the “Underwriters”) named therein. The Terms Agreement incorporates by reference the provisions of that certain Underwriting Agreement dated November 30, 2017 (the “Underwriting Agreement” and, together with the Terms Agreement, the “Agreements”). Capitalized terms used and not defined herein shall have the meanings assigned to them in the Registration Statement or the Indenture.

Documents Reviewed

In connection with this opinion letter, we have examined the following documents:

- (a) the Registration Statement;
- (b) the Base Prospectus;
- (c) the Prospectus Supplement;

- (d) the Original Indenture;
- (e) the Supplemental Indenture;
- (f) the global note certificates, dated June 24, 2024, representing the Notes;
- (g) the Terms Agreement; and
- (h) the Underwriting Agreement.

The documents referred to in clauses (d) through (f) above are referred to collectively as the “Subject Documents” and each, individually, as a “Subject Document.”

In addition we have examined and relied upon the following:

(i) a certificate from the Assistant Corporate Secretary of the Company certifying as to (A) true and correct copies of the Amended and Restated Certificate of Incorporation, as amended, and the Amended and Restated Bylaws of the Company, as amended (together, the “Organizational Documents”) and (B) the resolutions of the Board of Directors of the Company authorizing (1) the filing of the Registration Statement by the Company and (2) the offer, sale and issuance of the Notes by the Company pursuant to the Agreements (the “Authorizing Resolutions”); and

(ii) originals, or copies identified to our satisfaction as being true copies, of such other records, documents, instruments, certificates of officers of and statements of the Company, and certificates and assurances of public officials, as we have deemed necessary for the purposes of this opinion letter.

“Applicable Law” means the Delaware General Corporation Law (the “DGCL”) and the laws of the State of New York.

Assumptions Underlying Our Opinions

For all purposes of the opinions expressed herein, we have assumed, without independent investigation, the following:

- (a) Factual Matters. To the extent that we have reviewed and relied upon (i) certificates of the Company or authorized representatives thereof, (ii) representations of the Company set forth in the Subject Documents and (iii) certificates and assurances from public officials, all of such certificates, representations and assurances are accurate with regard to factual matters and all official records (including filings with public authorities) are properly indexed and filed and are accurate and complete.
- (b) Authentic and Conforming Documents. All documents submitted to us as originals are authentic, complete and accurate, and all documents submitted to us as copies conform to authentic original documents.
- (c) Signatures; Legal Capacity. The signatures of individuals who have signed or will sign the Subject Documents are genuine. All individuals who have signed or will sign the Subject Documents have the legal capacity to execute such Subject Documents.

(d) Organizational Status, Power and Authority of Certain Parties. All parties to the Subject Documents (other than any individual) are validly existing and in good standing in their respective jurisdictions of formation, except that no such assumption is made as to the Company as of the date hereof and (ii) have the power and authority to execute, deliver and perform the Subject Documents and the documents required or permitted to be delivered and performed thereunder, except that no such assumption is made as to the Company as of the date hereof.

(e) Authorization, Execution and Delivery of Subject Documents by Certain Parties. The Subject Documents and the documents required or permitted to be delivered thereunder have been duly authorized by all necessary corporate, limited liability company, business trust, partnership or other action on the part of the parties thereto and have been duly executed and delivered by such parties, except that no such assumptions are made as to the Company as of the date hereof.

(f) Subject Documents Binding on Certain Parties. The Subject Documents and the documents required or permitted to be delivered thereunder are valid and binding obligations enforceable against the parties thereto in accordance with their terms, except that no such assumption is made as to the Company as of the date hereof.

(g) Noncontravention. Neither the issuance of the Notes by the Company or the execution and delivery of the Subject Documents by any party thereto nor the performance by such party of its obligations thereunder will conflict with or result in a breach of (i) the certificate or articles of incorporation, bylaws, certificate or articles of organization, operating agreement, certificate of limited partnership, partnership agreement, trust agreement or other similar organizational documents of any such party, except that no such assumption is made as to the Company as to the Organizational Documents as of the date hereof, (ii) any law or regulation of any jurisdiction applicable to any such party except that no such assumption is made as to the Company as to any Applicable Law as of the date hereof, or (iii) any order, writ, injunction or decree of any court or governmental instrumentality or agency applicable to any such party or any agreement or instrument to which any such party may be a party or by which its properties are subject or bound, except that no such assumption is made as to the Company as to the Subject Documents as of the date hereof.

(h) Governmental Approvals. All consents, approvals and authorizations of, or filings with, all governmental authorities that are required as a condition to the issuance of the Notes by the Company or to the execution and delivery of the Subject Documents by the parties thereto or the performance by such parties of their obligations thereunder have been obtained or made, except that no such assumption is made with respect to any consent, approval, authorization or filing that is applicable to the Company as of the date hereof.

(i) No Mutual Mistake, Amendments, etc. There has not been any mutual mistake of fact, fraud, duress or undue influence in connection with the issuance of the Notes as contemplated by the Registration Statement and the Prospectus. There are no oral or written statements or agreements that modify, amend or vary, or purport to modify, amend or vary, any of the terms of the Subject Documents except for, in the case of the terms of the Indenture, the officers' certificate establishing the terms of the Notes.

Our Opinions

Based on and subject to the foregoing and the exclusions, qualifications, limitations and other assumptions set forth in this opinion letter, we are of the opinion that:

1. **Organizational Status**. The Company is a validly existing corporation under the laws of the Delaware and is in good standing under such laws.
2. **Power and Authority**. The Company has the corporate power and authority to issue the Notes.
3. **Validity of the Notes**. When (i) the Notes have been issued and sold as contemplated by the Registration Statement, the Agreements and the Prospectus, (ii) the Company has received the consideration provided for in the Prospectus Supplement and the Agreements, and (iii) the Notes have been authenticated in accordance with the provisions of the Indenture, the Notes will constitute the valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, under the laws of State of New York.

Matters Excluded from Our Opinions

We express no opinion with respect to the following matters:

- (a) **Indemnification and Change of Control**. The enforceability of any agreement relating to (i) indemnification, contribution or exculpation from costs, expenses or other liabilities or (ii) changes in the organizational control or ownership of any party, which agreement (in the case of clause (i) or clause (ii)) is contrary to public policy or Applicable Law.
- (b) **Jurisdiction, Venue, etc.** The enforceability of any agreement to submit to the jurisdiction of any specific federal or state court (other than the enforceability in a court of the State of New York of any such agreement to submit to the jurisdiction of a court of the State of New York), to waive any objection to the laying of the venue, to waive the defense of *forum non conveniens* in any action or proceeding referred to therein, to waive trial by jury, to effect service of process in any particular manner or to establish evidentiary standards, and any agreement regarding the choice of law governing any Subject Document (other than the enforceability in a court of the State of New York or in a federal court sitting in the State of New York and applying New York law to any such agreement that the laws of the State of New York shall govern).
- (c) **Remedies**. The enforceability of any provision in any Subject Document to the effect that rights or remedies are not exclusive, that every right or remedy is cumulative and may be exercised in addition to any other right or remedy, that the election of some particular remedy does not preclude recourse to one or more others or that failure to exercise or delay in exercising rights or remedies will not operate as a waiver of any such right or remedy.

Qualifications and Limitations Applicable to Our Opinions

The opinions set forth above are subject to the following qualifications and limitations:

- (a) **Applicable Law**. Our opinions are limited to the Applicable Law, and we do not express any opinion concerning any other law.
- (b) **Bankruptcy**. Our opinions are subject to the effect of any applicable bankruptcy, insolvency (including, without limitation, laws relating to preferences, fraudulent transfers and equitable subordination), reorganization, moratorium and other similar laws affecting creditors' rights generally.

(c) Equitable Principles. Our opinions are subject to the effect of general principles of equity (regardless of whether considered in a proceeding in equity or at law), including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing. In applying such principles, a court, among other things, might limit the availability of specific equitable remedies (such as injunctive relief and the remedy of specific performance), might not allow a creditor to accelerate maturity of debt or exercise other remedies upon the occurrence of a default deemed immaterial or for non-credit reasons or might decline to order a debtor to perform covenants in a Subject Document.

(d) Unenforceability of Certain Provisions. Provisions contained in the Notes or the Subject Documents which require waivers or amendments to be made only in writing may be unenforceable or ineffective, in whole or in part. The inclusion of such provisions, however, does not render any of the Notes or the Subject Documents invalid as a whole.

(e) Choice of New York Law and Forum. To the extent that any of our opinions relate to the enforceability of the choice of New York law or any choice of New York forum provisions of any Subject Document, our opinion is rendered in reliance upon N.Y. Gen. Oblig. Law §§ 5-1401 and 5-1402 and N.Y. CPLR 327(b) and is subject to the qualification that such enforceability may be limited by principles of public policy, comity and constitutionality. We express no opinion as to whether a United States federal court would have subject-matter or personal jurisdiction over a controversy arising under the Subject Documents.

Miscellaneous

The foregoing opinions are being furnished only for the purpose referred to in the first paragraph of this opinion letter. Our opinions are based on statutes, regulations and administrative and judicial interpretations which are subject to change. We undertake no responsibility to update or supplement these opinions subsequent to the date hereof. Headings in this opinion letter are intended for convenience of reference only and shall not affect its interpretation. We hereby consent to the filing of this opinion as an exhibit to the Company's Current Report on Form 8-K filed on the date hereof, to the incorporation by reference of this opinion of counsel into the Registration Statement, and to the reference to our firm in the Prospectus Supplement under the caption "Legal Matters." In giving this consent, we do not admit that we are within the category of persons whose consent is required by Section 7 of the Securities Act or the rules and regulations of the SEC promulgated thereunder.

Very truly yours,

/s/ McGuireWoods LLP

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant To Section 13 OR 15(d) of The
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 7, 2024

NiSource Inc.

(Exact name of registrant as specified in its charter)

DE
(State or other jurisdiction
of incorporation or organization)

001-16189
Commission
file number

35-2108964
(I.R.S. Employer
Identification No.)

801 East 86th Avenue
Merrillville, IN
(Address of principal executive offices)

46410
(Zip Code)

Registrant's telephone number, including area code (877) 647-5990

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions.

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	NI	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On August 7, 2024, NiSource Inc. (the “Company”) reported its financial results for the period ended June 30, 2024. The Company’s press release, dated August 7, 2024, is attached as Exhibit 99.1.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

Exhibit Number	Description
99.1	Press Release, dated August 7, 2024, issued by NiSource Inc.
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Schema Document
101.CAL	Inline XBRL Calculation Linkbase Document
101.LAB	Inline XBRL Labels Linkbase Document
101.PRE	Inline XBRL Presentation Linkbase Document
101.DEF	Inline XBRL Definition Linkbase Document
104	Cover page Interactive Data File (formatted as inline XBRL, and contained in Exhibit 101.)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: August 7, 2024

By:

NiSource Inc.
(Registrant)

/s/ Gunnar J. Gode
Gunnar J. Gode
Vice President, Chief Accounting Officer
(Principal Accounting Officer)



FOR IMMEDIATE RELEASE: August 7, 2024

NSource announces second quarter 2024 results

- Reaffirming 2024 non-GAAP adjusted EPS guidance
- Reaffirming 2023-2028 annual non-GAAP adjusted EPS growth of 6-8%

MERRILLVILLE, Ind. - NSource Inc. (NYSE: NI) today announced, on a GAAP basis, net income available to common shareholders for the three months ended June 30, 2024, of \$85.8 million, or \$0.19 of earnings per diluted share, compared to net income available to common shareholders of \$39.9 million, or \$0.09 of earnings per diluted share, for the same period of 2023.

NSource also reported second quarter 2024 non-GAAP adjusted net income available to common shareholders of \$94.7 million, or \$0.21 of adjusted earnings per share ("EPS") compared to non-GAAP adjusted net income available to common shareholders of \$50.3 million, or \$0.11 of adjusted EPS, for the same period of 2023. Schedule 1 of this press release contains a complete reconciliation of GAAP measures to non-GAAP measures. **

NSource is reaffirming 2024 adjusted EPS guidance of \$1.70-1.74 as well as annual 6-8% adjusted EPS growth and annual 8-10% rate base growth* for the 2023-2028 period. The 2024-2028 base capital expenditure plan is \$16.4 billion.

"During the second quarter NSource placed the Cavalry Solar & Storage project into service and reported strong earnings results, executing our investment plan and delivering consistent shareholder returns," said NSource President and CEO, Lloyd Yates. "Implementation of capital trackers as well as progress on renewable project approvals and our integrated resource planning process are continuing evidence of the superior regulatory and stakeholder foundation that make this possible. In July, our team was put to the test in responding to a major windstorm in our Indiana service area. I want to thank our employees and contractors for their preparation and around-the-clock response in restoring service to our communities."

*core business rate base growth; select years may exceed range

****Non-GAAP Disclosure Statement**

Beginning with the first quarter of 2024, NiSource Inc. changed its disclosure of non-GAAP results and guidance for net operating earnings available to common shareholders to adjusted net income available to common shareholders and for net operating EPS to adjusted EPS to better align with the presentation used by many companies to report their non-GAAP results. The change reflects a name change only and the calculations of each of these non-GAAP metrics remains consistent with the historical calculations.

This press release includes financial results and guidance for NiSource with respect to adjusted net income available to common shareholders and adjusted EPS, which are non-GAAP financial measures as defined by the SEC. 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 guidance on adjusted EPS, NiSource reminds investors that it does not provide a GAAP equivalent of its guidance on adjusted net income available to common shareholders due to the impact of unpredictable factors such as fluctuations in weather, impact of asset sales and impairments and other unusual or infrequent items included in the comparable GAAP measures. The company is not able to estimate the impact of such factors on the comparable GAAP measures and, as such, is not providing guidance on a GAAP basis. In addition, the company is not able to provide a reconciliation of its non-GAAP adjusted EPS guidance to the comparable GAAP equivalents without unreasonable efforts.

Additional Information

Additional information for the quarter ended June 30, 2024, is available on the Investors section of www.nisource.com, including segment and financial information and a presentation, as well as NiSource's social media channels. The company alerts investors that it intends to use the Investors section of its website www.nisource.com and as well as the company's social media channels to disseminate important information about the company to its investors. Investors are advised to look at NiSource's website and its social media channels for future important information about the company.

About NiSource

NiSource Inc. (NYSE: NI) is one of the largest fully-regulated utility companies in the United States, serving approximately 3.3 million natural gas customers and 500,000 electric customers across six states through its local Columbia Gas and NIPSCO brands. The mission of our approximately 7,400 employees is to deliver safe, reliable energy that drives value to our customers. NiSource is a member of the Dow Jones Sustainability - North America Index and is on Forbes lists of America's Best Employers for Women and Diversity. Learn more about NiSource's record of leadership in sustainability, investments in the communities it serves and how we live our vision to be an innovative and trusted energy partner at www.NiSource.com. NI-F

The content of our website is not incorporated by reference into this document or any other report or document NiSource files with the Securities and Exchange Commission ("SEC").

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FOR ADDITIONAL INFORMATION

Media

Christopher Beard
Corporate Media Relations
(224) 399-5705
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Investors

Christopher Turnure
Investor Relations
(614) 404-9426
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Forward-Looking Statements

This Press Release 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. Forward-looking statements in this press release include, but are not limited to, statements concerning our 2024 guidance on adjusted EPS, 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 Press Release 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 work successfully with our third-party investors; our ability to adapt to, and manage costs related to, advances in technology, including alternative energy sources and changes in laws and regulations; our increased dependency on 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 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 demand; our ability to attract, retain or re-skill a qualified, diverse workforce and maintain good labor relations; our ability to manage new initiatives and organizational changes; the actions of activist stockholders; the performance and quality of third-party suppliers and service providers; potential cybersecurity attacks or security breaches; increased requirements and costs related to cybersecurity; any damage to our reputation; the impacts of natural disasters, potential terrorist attacks or other catastrophic events; the physical impacts of climate change and the transition to a lower carbon future; our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals, including our Net Zero Goal; our debt obligations; any changes to our credit rating or the credit rating of certain of our subsidiaries; adverse economic and capital market conditions, including increases in inflation or interest rates, recession, or changes in investor sentiment; economic regulation and the impact of regulatory rate reviews; our ability to obtain expected financial or regulatory outcomes; 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; the outcome of legal and regulatory

proceedings, investigations, incidents, claims and litigation; compliance with changes in, or new interpretations of applicable laws, regulations and tariffs; the cost of compliance with environmental laws and regulations and the costs of associated liabilities; changes in tax laws or the interpretation thereof; and other matters set forth in 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 fiscal year ended December 31, 2023 and matters set forth in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2024, some 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.

(in millions, except per share amounts)	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
GAAP Net Income Available to Common Shareholders	\$ 85.8	\$ 39.9	\$ 430.1	\$ 359.1
Adjustments to Operating Income :				
Operating Revenues:				
Weather - compared to normal	12.1	5.9	45.0	38.2
Total adjustments to operating income	12.1	5.9	45.0	38.2
Income Taxes:				
Tax effect of above items ⁽¹⁾	(3.2)	(1.7)	(11.6)	(10.2)
Preferred Dividends:				
Preferred dividends redemption premium ⁽²⁾	—	6.2	14.0	6.2
Total adjustments to net income	8.9	10.4	47.4	34.2
Adjusted Net Income Available to Common Shareholders	\$ 94.7	\$ 50.3	\$ 477.5	\$ 393.3
Diluted Average Common Shares	450.2	446.8	449.8	446.9
GAAP Diluted Earnings Per Share⁽³⁾	\$ 0.19	\$ 0.09	\$ 0.95	\$ 0.80
Adjustments to diluted earnings per share	0.02	0.02	0.11	0.08
Adjusted Earnings Per Share	\$ 0.21	\$ 0.11	\$ 1.06	\$ 0.88

⁽¹⁾Represents income tax expense calculated using the statutory tax rates for legal entity.

⁽²⁾Represents the difference between the carrying value on the redemption date of the Series B Preferred Stock and the total amount of consideration paid to redeem, net of the fair value of common shares issued during 2024.

⁽³⁾GAAP Diluted Earnings Per Share includes the effects of income allocated to participating securities and adds back the dilutive effect of Equity Units in the prior year. Please refer to Note 5, "Earnings Per Share," within the Company's Quarterly Report on Form 10-Q for the period ended June 30, 2024.

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 OR 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): September 9, 2024

NiSource Inc.
(Exact Name of Registrant as Specified in Charter)

DE
(State or other jurisdiction
of incorporation)

001-16189
(Commission
file number)

35-2108964
(I.R.S. Employer
Identification No.)

**801 East 86th Avenue
Merrillville, Indiana**
(Address of Principal Executive Offices)

46410
(Zip Code)

Registrant's telephone number, including area code: (877) 647-5990

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	NI	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 8.01 Other Events.

6.375% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2055

On September 3, 2024, NiSource Inc. (the “Company”) and BofA Securities, Inc., Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, Morgan Stanley & Co, LLC and Wells Fargo Securities, LLC, as underwriters, entered into a Terms Agreement (the “Terms Agreement”) with respect to the offering and sale of \$500,000,000 aggregate principal amount of the Company’s 6.375% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2055 (the “Notes”) under the Company’s Registration Statement on Form S-3 (File No. 333-268084) (the “Registration Statement”). The Terms Agreement incorporates by reference the provisions of the Company’s Underwriting Agreement, dated November 30, 2017 (a form of which was filed with the Securities and Exchange Commission (the “SEC”) on November 30, 2017). The sale closed on September 9, 2024.

Interest on the Notes accrues from and including September 9, 2024 and is payable semi-annually in arrears on March 31 and September 30 of each year, beginning on March 31, 2025. The Notes bear interest (i) from and including September 9, 2024 to, but excluding, March 31, 2035 at the rate of 6.375% per annum and (ii) from and including March 31, 2035, during each reset period at a rate per annum equal to the Five-year U.S. Treasury Rate (as defined in the prospectus supplement described below) as of the most recent reset interest determination date plus a spread of 2.527%, to be reset on each reset date.

The Notes mature on March 31, 2055. The Company, at its option, may redeem some or all of the Notes during specified periods, and upon the occurrence of certain ratings or tax events, all as described in the prospectus supplement.

In accordance with the terms of the Notes, so long as no event of default (as defined in the prospectus supplement) with respect to the Notes has occurred and is continuing, the Company may, at its option, defer interest payments on the Notes, from time to time, for one or more deferral periods of up to 20 consecutive semi-annual interest payment periods each. During any such period during which such payments are deferred, the Company will not (with certain exceptions as described in the prospectus supplement): (1) declare or pay any dividends or distributions on any Capital Stock (as defined in the prospectus supplement), including the common stock, of the Company; (2) redeem, purchase, acquire or make a liquidation payment with respect to any Capital Stock of the Company; (3) pay any principal, interest or premium on, or repay, repurchase or redeem, any indebtedness of the Company that ranks equally with or junior to the Notes in right of payment; or (4) make any payments with respect to any guarantees by the Company of any indebtedness if such guarantees rank equally with or junior to the Notes in right of payment.

The Notes were issued pursuant to a Subordinated Indenture, dated as of May 16, 2024, between the Company and The Bank of New York Mellon (the “Subordinated Indenture”), as supplemented by the Second Supplemental Indenture thereto, dated as of September 9, 2024 (the “Second Supplemental Indenture”). The Company intends to use the net proceeds from the sale of the Notes for general corporate purposes, including to finance capital expenditures, for working capital and to repay existing indebtedness. Further information concerning the Notes and related matters is set forth in the Company’s prospectus supplement dated September 3, 2024, which was filed with the SEC on September 4, 2024.

The preceding is a summary of the terms of the Notes and is qualified in its entirety by reference to the form of the Notes attached hereto as Exhibit 4.1 and the Second Supplemental Indenture attached hereto as Exhibit 4.2, each of which is incorporated herein by reference as though it was fully set forth herein.

The Company is filing Exhibits 5.1 and 8.1 with this Current Report on Form 8-K in connection with the Registration Statement.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
4.1	Form of 6.375% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2055 (included in Exhibit 4.2 hereto)
4.2	Second Supplemental Indenture, dated as of September 9, 2024, between NiSource Inc. and The Bank of New York Mellon, as trustee
5.1	Opinion of McGuireWoods LLP regarding validity of the Notes
8.1	Opinion of McGuireWoods LLP regarding certain tax matters related to the Notes
23.1	Consent of McGuireWoods LLP (included in Exhibit 5.1)
23.2	Consent of McGuireWoods LLP (included in Exhibit 8.1)
104	Cover page Interactive Data File (embedded within the Inline XBRL document)

Cautionary Statement Concerning Forward-Looking Statements

This current report on Form 8-K contains forward-looking statements that are not historical facts, including statements about the anticipated use of proceeds from the sale of the Notes. These statements are based on current expectations and assumptions, which management believes are reasonable, and on information currently available to management, but are necessarily subject to various risks and uncertainties. In addition to the risk that these assumptions prove to be inaccurate, factors that could cause actual results to differ materially from those contemplated by the forward-looking statements include factors disclosed in the Company's Annual Report on Form 10-K for the year ended December 31, 2023, and its subsequent filings with the SEC, which are available on the Company's website at www.nisource.com and on the SEC's website at www.sec.gov. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether due to new information, future events or otherwise, except to the extent required by law.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NiSource Inc.

(Registrant)

Date: September 9, 2024

By: /s/ Shawn Anderson

Shawn Anderson

Executive Vice President and Chief Financial Officer

NISOURCE INC.

TO

THE BANK OF NEW YORK MELLON

Trustee

Second Supplemental Indenture

Dated as of September 9, 2024

6.375% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2055

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SECOND SUPPLEMENTAL INDENTURE (“Supplemental Indenture”), dated as of September 9, 2024, between NiSource Inc., a Delaware corporation (“NiSource” or the “Company”), and The Bank of New York Mellon, a New York banking corporation, not in its individual capacity but solely as trustee (the “Trustee”), under the Indenture dated as of the date hereof between NiSource and the Trustee (the “Base Indenture” and, together with the Supplemental Indenture, the “Indenture”).

WITNESSETH

WHEREAS, NiSource and the Trustee are parties to the Base Indenture providing for the issuance by NiSource of unsecured subordinated debentures, notes or other evidences of indebtedness to be issued in one or more series as determined by NiSource, in an unlimited principal amount which may be authenticated and delivered as provided in the Base Indenture.

WHEREAS, pursuant to Section 301 of the Base Indenture, NiSource desires to provide for the establishment of a new series of its junior subordinated notes to be known as the 6.375% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2055 (the “Notes”), in an initial aggregate principal amount of \$500,000,000, and pursuant to Section 201 of the Base Indenture, NiSource desires to establish the form of the Notes.

WHEREAS, NiSource has requested that the Trustee execute and deliver this Supplemental Indenture. All conditions precedent and requirements necessary to make this Supplemental Indenture a valid and legally binding instrument in accordance with its terms have been complied with, performed and fulfilled, and the execution and delivery hereof has been duly authorized in all respects.

NOW, THEREFORE, in consideration of the agreements and obligations set forth herein and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE 1 DEFINITIONS

Section 1.1 Defined Terms. Unless the context otherwise requires, capitalized terms used but not defined herein shall have the meaning set forth in the Base Indenture. As used in this Supplemental Indenture, terms defined in the Base Indenture or in the preamble or recitals hereto are used as so defined. The words “herein,” “hereof” and “hereby” and other words of similar import used in this Supplemental Indenture refer to this Supplemental Indenture as a whole and not to any particular section hereof.

The following additional terms are hereby established for the purposes of this Supplemental Indenture and shall have the meanings set forth in this Supplemental Indenture solely for the purposes of this Supplemental Indenture:

“business day” means, unless otherwise expressly stated, any day other than (i) a Saturday or Sunday or (ii) a day on which banks and trust companies in The City of New York are authorized or obligated by law, regulation or executive order to remain closed.

“compound interest” has the meaning set forth in Section 5.1.

“calculation agent” means, at any time, the entity appointed by NiSource and serving as such agent with respect to the Notes at such time. Unless NiSource has validly called all of the outstanding Notes for redemption on a redemption date occurring prior to the First Reset Date, NiSource will appoint a calculation agent for the Notes prior to the Reset Interest Determination Date immediately preceding the First Reset Date; provided that, if NiSource has called all of the outstanding Notes for redemption on a redemption date occurring prior to the First Reset Date but NiSource does not redeem all of the outstanding Notes on such redemption date, NiSource will appoint a calculation agent for the Notes as promptly as practicable after such proposed redemption date. NiSource may terminate any such appointment and may appoint a successor calculation agent at any time and from time to time (so long as there shall always be a calculation agent in respect of the Notes when so required). NiSource may appoint NiSource or an affiliate of NiSource as calculation agent.

“Capital Stock” means (i) in the case of a corporation or a company, corporate stock or shares; (ii) in the case of a partnership or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock; (iii) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and (iv) any other interest or participation that confers on a person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing person.

“Five-year U.S. Treasury Rate” means, as of any Reset Interest Determination Date, (i) an interest rate (expressed as a decimal) determined to be the per annum rate equal to the arithmetic mean of the yields to maturity for U.S. Treasury securities adjusted to constant maturity with a maturity of five years from the next Reset Date and trading in the public securities markets, for the five consecutive business days immediately prior to the respective Reset Interest Determination Date as published (or, if fewer than five consecutive business days are so published on the applicable Reset Interest Determination Date, for such number of business days published) in the most recent H.15, or (ii) if there is no such published U.S. Treasury security with a maturity of five years from the next Reset Date and trading in the public securities markets, then the rate will be determined by interpolation between the arithmetic mean of the yields to maturity for each of the two series of U.S. Treasury securities adjusted to constant maturity trading in the public securities markets, (A) one maturing as close as possible to, but earlier than, the Reset Date following the next succeeding Reset Interest Determination Date, and (B) the other maturing as close as possible to, but later than, the Reset Date following the next succeeding Reset Interest Determination Date, in each case for the five consecutive business days immediately prior to the respective Reset Interest Determination Date as published in the most recent H.15. If the Five-year U.S. Treasury Rate cannot be determined pursuant to the methods described in clause (i) or (ii) above, then the Five-year U.S. Treasury Rate will be the same interest rate determined for the prior Reset Interest Determination Date or, if the Five-year U.S. Treasury Rate cannot be so determined as of the Reset Interest Determination Date preceding the First Reset Date, then the interest rate applicable for the Reset Period beginning on and including the First Reset Date will be deemed to be 6.375% per annum, which is the same interest rate as in effect from and including the Original Issue Date to, but excluding, the First Reset Date.

“First Reset Date” has the meaning set forth in Section 2.4.

“H.15” means the statistical release designated as such, or any successor publication, published by the Board of Governors of the U.S. Federal Reserve System (or any successor thereto).

“interest payment date” has the meaning set forth in Section 2.4.

“Interest Payment Period” means the semi-annual period from and including an interest payment date to but excluding the next succeeding interest payment date, except for the first Interest Payment Period which shall be the period from and including the Original Issue Date to but excluding March 31, 2025.

“Maturity Date” has the meaning set forth in Section 2.3.

“most recent H.15” means the H.15 published closest in time but prior to the close of business on the second business day prior to the applicable Reset Date.

“Optional Deferral Period” has the meaning set forth in Section 5.1.

“Original Issue Date” means September 9, 2024.

“record date” has the meaning set forth in Section 2.4.

“redemption date” when used with respect to any Notes to be redeemed, means the date fixed for such redemption pursuant to this Supplemental Indenture.

“Reset Date” means the First Reset Date and March 31 of every fifth year after 2035.

“Reset Interest Determination Date” means, in respect of any Reset Period, the day falling two business days prior to the first day of such Reset Period.

“Reset Period” means the period from and including the First Reset Date to, but excluding, the next following Reset Date and thereafter each period from and including a Reset Date to, but excluding, the next following Reset Date.

“Rating Agency Event” means, as of any date, a change, clarification or amendment in the methodology published by any nationally recognized statistical rating organization within the meaning of Section 3(a)(62) of the Securities Exchange Act of 1934, as amended (or any successor provision thereto), that then publishes a rating for NiSource (together with any successor thereto, a “rating agency”) in assigning equity credit to securities such as the Notes, (a) as such methodology was in effect on September 3, 2024, in the case of any rating agency that published a rating for NiSource as of September 3, 2024, or (b) as such methodology was in effect on the date such rating agency first published a rating for NiSource, in the case of any rating agency that first publishes a rating for NiSource after September 3, 2024 (in the case of either clause (a) or (b), the “current methodology”), that results in (i) any shortening of the length of time for which a particular level of equity credit pertaining to the Notes by such rating agency would have been in effect had the current methodology not been changed or (ii) a lower equity credit (including up to a lesser amount) being assigned by such rating agency to the Notes as of the date of such change, clarification or amendment than the equity credit that would have been assigned to the Notes by such rating agency had the current methodology not been changed.

“Rights Plan” has the meaning set forth in Section 5.1.

“Senior Indebtedness” has the meaning set forth in Section 3.1.

“Tax Event” means that NiSource has received an opinion of counsel experienced in such matters to the effect that, as a result of:

- (i) any amendment to, clarification of, or change, including any announced prospective change, in the laws or treaties of the United States or any of its political subdivisions or taxing authorities, or any regulations under those laws or treaties;
- (ii) an administrative action, which means any judicial decision or any official administrative pronouncement, ruling, regulatory procedure, notice or announcement, including any notice or announcement of intent to issue or adopt any administrative pronouncement, ruling, regulatory procedure or regulation;
- (iii) any amendment to, clarification of, or change in the official position or the interpretation of any administrative action or judicial decision or any interpretation or pronouncement that provides for a position with respect to an administrative action or judicial decision that differs from the previously generally accepted position, in each case by any legislative body, court, governmental authority or regulatory body, regardless of the time or manner in which that amendment, clarification or change is introduced or made known; or
- (iv) a threatened challenge asserted in writing in connection with a tax audit of NiSource or any of its subsidiaries, or a publicly-known threatened challenge asserted in writing against any other taxpayer that has raised capital through the issuance of securities that are substantially similar to the Notes,

which amendment, clarification or change is effective or the administrative action is taken or judicial decision, interpretation or pronouncement is issued or threatened challenge is asserted or becomes publicly-known after September 3, 2024, there is more than an insubstantial risk that interest payable by NiSource on the Notes is not deductible, or within 90 days would not be deductible, in whole or in part, by NiSource for United States federal income tax purposes.

ARTICLE 2 DESIGNATION OF THE NOTES

Section 2.1 Designation and Principal Amount.

(a) Pursuant to the terms hereof and Section 301 of the Base Indenture, NiSource hereby establishes a series of Securities designated as the “6.375% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2055”, the principal amount of which to be issued shall be in accordance with Section 2.1(b) and the form and terms of which shall be as set forth hereinafter.

(b) The Notes shall be issued in an initial aggregate principal amount of \$500,000,000. NiSource may, without the consent of the Holders, create and issue an unlimited amount of additional Notes ranking equally with the Notes in all respects and having the same terms (except for the price to public, the issue date and the initial interest accrual date and the first interest payment date, as applicable) as the Notes, so that such additional Notes shall be

consolidated and form a single series with, and shall have the same terms as to status, redemption or otherwise as, the Notes being authenticated and delivered on the date hereof. Such additional Notes will have the same CUSIP number as the Notes being authenticated on the date hereof, provided that such additional Notes must be part of the same issue as the Notes being authenticated on the date hereof for U.S. federal income tax purposes or, if they are not part of the same issue for such purposes, such additional Notes must be issued with a separate CUSIP number. No additional Notes may be issued if an Event of Default has occurred and is continuing with respect to the Notes.

Section 2.2 Form of the Notes. The Notes shall be issued in the form of one or more Global Securities substantially in the form attached in Exhibit A hereto, which is hereby incorporated in and expressly made a part of this Supplemental Indenture. The Trustee's certificate of authentication for such Notes shall be substantially in the form required by Section 202 of the Base Indenture. The Notes shall bear the legend set forth in Exhibit A.

Section 2.3 Maturity Date of the Notes. The Notes will mature on March 31, 2055 (the "Maturity Date"), subject to earlier redemption at NiSource's option as set forth in Article 6.

Section 2.4 Interest on the Notes. The Notes will bear interest (i) from and including the Original Issue Date to, but excluding, March 31, 2035 (the "First Reset Date") at the rate of 6.375% per annum and (ii) from and including the First Reset Date, during each Reset Period at a rate per annum equal to the Five-year U.S. Treasury Rate as of the most recent Reset Interest Determination Date plus a spread of 2.527%, to be reset on each Reset Date. Interest on the Notes will accrue from the Original Issue Date and will be payable semi-annually in arrears on March 31 and September 30 (each, an "interest payment date") of each year, beginning on March 31, 2025, to Holders at the close of business on the record date for the applicable interest payment date, which will be (i) the business day immediately preceding such interest payment date so long as all of the Notes remain in book-entry only form or (ii) the 15th calendar day preceding such interest payment date (whether or not a business day) if any of the Notes do not remain in book-entry only form (each, a "record date"), subject to NiSource's right to defer interest payments as described in Article 5 below. Interest on the Notes will be computed on the basis of a 360-day year of twelve 30-day months.

The applicable interest rate for each Reset Period will be determined by the calculation agent, as of the applicable Reset Interest Determination Date. Promptly upon such determination, the calculation agent will notify NiSource of the interest rate for the Reset Period and NiSource will promptly notify, or cause the calculation agent to promptly notify, in writing, the Trustee and each paying agent of such interest rate. The calculation agent's determination of any interest rate, and its calculation of the amount of interest for any Interest Payment Period beginning on or after the First Reset Date, will be on file at NiSource's principal offices, will be made available to any Holder or beneficial owner of the Notes upon request and will be final and binding in the absence of manifest error.

If an interest payment date, redemption date, or Maturity Date falls on a day that is not a business day, payment will be made on the next succeeding business day with the same force and effect as if made on such payment date.

Section 2.5 Minimum Denominations. The Notes shall be issued in denominations of \$2,000 and integral multiples of \$1,000 in excess thereof.

Section 2.6 No Sinking Fund. No sinking fund is provided for the Notes.

Section 2.7 Paying Agent and Security Registrar. The Trustee is hereby appointed as initial Paying Agent and initial Security Registrar for the Notes. The Notes shall be payable at the Corporate Trust Office of the Trustee.

Section 2.8 Other Terms of the Notes. The other terms of the Notes shall be as expressly set forth herein and in Exhibit A hereto.

ARTICLE 3 SUBORDINATION

The following subordination provisions for the Notes are established pursuant to Section 1501 of the Base Indenture and are in addition to the provision of Article 15 of the Base Indenture, which shall apply to the Notes, except that Section 3.3 of this Supplemental Indenture replaces in its entirety Section 1504 of the Base Indenture and the definition of Senior Indebtedness included in Section 3.1 of this Supplemental Indenture replaces the definition of Senior Indebtedness in Section 101 of the Base Indenture.

Section 3.1 Notes Subordinated to Senior Indebtedness. NiSource covenants and agrees, and each Holder of the Notes by its acceptance thereof, likewise covenants and agrees, that (a) the indebtedness represented by the Notes and the payment of the principal of and any premium or interest on each and all of the Notes of such series is subordinate, to the extent and in the manner hereinafter set forth, in right of payment to the prior payment in full of all Senior Indebtedness; and (b) Senior Indebtedness shall continue to be Senior Indebtedness with respect to the Notes irrespective of any amendment, modification or waiver of any term of such Senior Indebtedness or extension or renewal of such Senior Indebtedness (other than any such amendment, modification or waiver that makes such Senior Indebtedness subordinated or equal in right of payment to the Notes).

With respect to the Notes, in the event (a) of any payment by, or distribution of assets of, NiSource of any kind or character, whether in cash, property or securities, to creditors upon any dissolution, winding-up, liquidation or reorganization of NiSource, whether voluntary or involuntary or in bankruptcy, insolvency, receivership or other similar proceedings, or (b) subject to the provisions of Section 3.2, that (i) a default shall have occurred and be continuing with respect to the payment of principal, interest or any other monetary amounts due and payable on any Senior Indebtedness and such default shall have continued beyond the period of grace, if any, specified in the instrument evidencing such Senior Indebtedness (and the Trustee shall have received written notice thereof from NiSource or one or more holders of such Senior Indebtedness or their representative or representatives or the trustee or trustees under any indenture pursuant to which any such Senior Indebtedness may have been issued), or (ii) the maturity of any such Senior Indebtedness shall have been accelerated because of a default in respect of such Senior Indebtedness (and the Trustee shall have received written notice thereof from NiSource or one or more holders of such Senior Indebtedness or their representative or representatives or the trustee or trustees under any indenture pursuant to which any such Senior Indebtedness may have been issued), then:

(1) the holders of all such Senior Indebtedness shall first be entitled to receive, in the case of clause (a) above, payment of all amounts due or to become due upon all such Senior Indebtedness or, in the case of subclauses (i) and (ii) of clause (b) above, payment of all amounts due upon all such Senior Indebtedness, or provision shall be made for such payment in money or money's worth, before the Holders of any of the Notes are entitled to receive any payment on account of the principal of or any premium or interest on the indebtedness evidenced by the Notes, including, without limitation, any payments made pursuant to Article Eleven or Article Twelve of this Base Indenture;

(2) so long as any of the events in clause (a) or subclauses (i) or (ii) of clause (b) above has occurred and is continuing, any payment by, or distribution of assets of, NiSource of any kind or character, whether in cash, property or securities, to which the Holders of any of the Notes would be entitled except for the provisions of this Article, including any such payment or distribution which may be payable or deliverable by reason of the payment of any other indebtedness of NiSource being subordinated to the payment of the Notes, shall be paid or distributed, as the case may be, by the Person making such payment or distribution, whether a trustee in bankruptcy, receiver or liquidating trustee or otherwise, directly to the holders of such Senior Indebtedness or their representative or representatives or to the trustee or trustees under any indenture under which any instruments evidencing any such Senior Indebtedness may have been issued, ratably according to aggregate amounts remaining unpaid on account of such Senior Indebtedness held or represented by each, to the extent necessary to make payment, in the case of clause (a) above, of all amounts due and to become due upon all such Senior Indebtedness, or, in the case of subclauses (i) and (ii) of clause (b) above, of all amounts due upon all such Senior Indebtedness, in each case remaining unpaid after giving effect to any concurrent payment or distribution (or provision therefor) to the holders of such Senior Indebtedness, before any payment or distribution is made to the Holders of the indebtedness evidenced by the Notes; and

(3) so long as any of the events in clause (a) or subclauses (i) or (ii) of clause (b) above has occurred and is continuing, in the event that, notwithstanding the foregoing, any payment by, or distribution of assets of, NiSource of any kind or character, whether in cash, property or securities, including any such payment or distribution which may be payable or deliverable by reason of the payment of any other indebtedness of NiSource being subordinated to the payment of the Notes, in respect of principal of or any premium or interest on any of the Notes or in connection with the repurchase by NiSource of any of the Notes, shall be received by the Trustee or the Holders of any of the Notes before, in the case of clause (a) above, all amounts due or to become due upon all such Senior Indebtedness or, in the case of subclauses (i) or (ii) of clause (b) above, all amounts due upon all such Senior Indebtedness is paid in full (or provision is made for such payment), then such payment or distribution shall be paid over to the holders of such Senior Indebtedness or their representative or representatives or to the trustee or trustees under any indenture pursuant to which any instruments evidencing any such Senior Indebtedness may have been

issued, ratably as aforesaid, for application to the payment of, in the case of clause (a) above, all amounts due and to become due upon all such Senior Indebtedness or, in the case of subclauses (i) or (ii) of clause (b) above, all amounts due upon all such Senior Indebtedness, in each case until all such amounts shall have been paid in full, after giving effect to any concurrent payment or distribution (or provision therefor) to the holders of such Senior Indebtedness.

For purposes of this Article 3, the words “cash, property or securities” shall not be deemed to include shares of stock of NiSource as reorganized or readjusted, or securities of NiSource or any other Person provided for by a plan of reorganization or readjustment, the payment of which is subordinated at least to the extent provided in this Article with respect to the Notes to the payment of all Senior Indebtedness which may at the time be outstanding; provided that (i) all such Senior Indebtedness is assumed by the Person, if any, resulting from any such reorganization or readjustment, and (ii) the rights of the holders of such Senior Indebtedness are not, without the consent of each such holder adversely affected thereby, altered by such reorganization or readjustment. The consolidation of NiSource with, or the merger of NiSource into, another Person or the liquidation or dissolution of NiSource following the conveyance or transfer of its properties and assets as an entirety, or substantially as an entirety, to any winding-up, liquidation or reorganization for the purposes of this Section if such other Person shall, as part of such consolidation, merger, conveyance or transfer, comply with the conditions stated in Article Eight of the Base Indenture. Nothing in this Section 3.1 shall apply to claims of, or payments to, the Trustee under or pursuant to Section 607 of the Base Indenture.

“Senior Indebtedness” means, with respect to the Notes, (i) indebtedness of NiSource, whether outstanding at the date of the indenture or incurred, created or assumed after such date, (a) in respect of money borrowed by NiSource (including any financial derivative, hedging or futures contract or similar instrument, to the extent any such item is primarily a financing transaction) and (b) evidenced by debentures, bonds, notes, credit or loan agreements or other similar instruments or agreements issued or entered into by NiSource; (ii) all finance lease obligations of NiSource; (iii) all obligations of NiSource issued or assumed as the deferred purchase price of property, all conditional sale obligations of NiSource and all obligations of NiSource under any title retention agreement (but excluding, for the avoidance of doubt, trade accounts payable arising in the ordinary course of business and long-term purchase obligations); (iv) all obligations of NiSource for the reimbursement of any letter of credit, banker’s acceptance, security purchase facility or similar credit transaction; and (v) all obligations of the type referred to in clauses (i) through (iv) above of other persons for the payment of which NiSource is responsible or liable as obligor, guarantor or otherwise, except for any obligations, instruments or agreements of the type referred to in any of clauses (i) through (v) above that, by the terms of the instruments or agreements creating or evidencing the same or pursuant to which the same is outstanding, are subordinated or equal in right of payment to the Notes.

For the avoidance of doubt, Senior Indebtedness shall not include the Other Junior Subordinated Notes. “Other Junior Subordinated Notes” means NiSource’s existing 6.950% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2054, which constitute a separate series of NiSource’s subordinated indebtedness under the Base Indenture and were originally issued on May 16, 2024, together with any additional unsecured indebtedness of the same series which may in the future be issued under the Base Indenture upon any re-opening of such series.

Section 3.2 Disputes with Holders of Certain Senior Indebtedness. Any failure NiSource to make any payment of or on or perform any other obligation under any Senior Indebtedness, other than any Senior Indebtedness incurred by NiSource or assumed or guaranteed, directly or indirectly, by NiSource for money borrowed (or any deferral, renewal, extension or refunding thereof) or any indebtedness or obligation as to which the provisions of this Section shall have been waived by NiSource in the instrument or instruments by which NiSource incurred, assumed, guaranteed or otherwise created such indebtedness or obligation, shall not be deemed a default or event of default with respect to such Senior Indebtedness under clause (b) of the second paragraph of Section 3.1 if (i) NiSource shall be disputing its obligation to make such payment or perform such obligation and (ii) either (A) no final judgment relating to such dispute shall have been issued against NiSource which is in full force and effect and is not subject to further review, including a judgment that has become final by reason of the expiration of the time within which a party may seek further appeal or review, or (B) in the event of a judgment that is subject to further review or appeal has been issued, NiSource shall in good faith be prosecuting an appeal or other proceeding for review and a stay of execution shall have been obtained pending such appeal or review.

Section 3.3 Subrogation. Subject to the payment in full, in the case of clause (a) of the second paragraph of Section 3.1, of all amounts due and to become due on all Senior Indebtedness or, in the case of subclauses (i) or (ii) of clause (b) of the second paragraph of Section 3.1, of all amounts due on all such Senior Indebtedness, as the case may be, the Holders of the Notes shall be subrogated (equally and ratably with the holders of all obligations of NiSource which are subordinated in right of payment to Senior Indebtedness of NiSource to the same extent as the Notes are subordinated, or which by their express terms rank equally in right of payment with the Notes with regard

to Senior Indebtedness, and which in each case are entitled to like rights of subrogation) to the rights of the holders of such Senior Indebtedness to receive payments or distributions of cash, property or securities of NiSource applicable to such Senior Indebtedness. Such subrogation shall continue until all amounts owing on the Notes shall be paid in full, and as between NiSource, its creditors other than holders of such Senior Indebtedness and the Holders of the Notes, no such payment or distribution made to the holders of such Senior Indebtedness by virtue of this Article that otherwise would have been made to the Holders of the Notes shall be deemed to be a payment by NiSource on account of such Senior Indebtedness. The provisions of this Article are and are intended solely for the purpose of defining the relative rights of the Holders of the Notes, on the one hand, and the holders of Senior Indebtedness, on the other hand.

Section 3.4 Obligation of NiSource Unconditional. Nothing contained in this Article or elsewhere in this Supplemental Indenture or in the Notes is intended to or shall impair, as among NiSource, its creditors other than the holders of Senior Indebtedness and the Holders of the Notes, the obligation of NiSource, which is absolute and unconditional, to pay to such Holders the principal of and any premium and interest on the Notes as and when the same shall become due and payable in accordance with their terms, or is intended to or shall affect the relative rights of such Holders and the creditors of NiSource other than the holders of such Senior Indebtedness, nor shall anything herein or therein prevent the Trustee or any Holder of the Notes from exercising all remedies otherwise permitted by the Indenture or applicable law upon default under this Supplemental Indenture, subject to the rights, if any, under this Article of the holders of such Senior Indebtedness in respect of cash, property or securities of NiSource received by the Trustee or the holders of the Notes upon the exercise of any such remedy and the rights of the holders of such Senior Indebtedness to enforce the provisions of subparagraph (3) of the second paragraph of Section 3.1 against the Trustee and the Holders of the Notes.

Upon payment or distribution of assets of NiSource referred to in this Article, the Trustee and the Holders of the Notes shall be entitled to rely upon any order or decree made by any court of competent jurisdiction in which any such dissolution, winding-up, liquidation or reorganization proceeding affecting the affairs of NiSource is pending or upon a certificate of the trustee in bankruptcy, receiver, assignee for the benefit of creditors, liquidating trustee or agent or other person making any payment or distribution, delivered to the Trustee or to the Holders of the Notes, for the purpose of ascertaining the Persons entitled to participate in such payment or distribution, the holders of the Senior Indebtedness and other indebtedness of NiSource, the amount thereof or payable thereon, the amount or amounts paid or distributed thereon and all other facts pertinent thereto or to this Article.

The Trustee shall be entitled to rely on the delivery to it of a written notice by a Person representing itself to be a holder of Senior Indebtedness (or a trustee or representative on behalf of such holder) to establish that such notice has been given by a holder of Senior Indebtedness or a trustee or representative on behalf of any such holder or holders. In the event that the Trustee determines in good faith that further evidence is required with respect to the right of any Person as a holder of Senior Indebtedness to participate in any payment or distribution pursuant to this Article, the Trustee may request such Person to furnish evidence to the reasonable satisfaction of the Trustee as to the amount of Senior Indebtedness held by such Person, the extent to which such Person is entitled to participate in such payment or distribution and any other facts pertinent to the rights of such Person under this Article, and, if such evidence is not furnished, the Trustee may defer payment to such Person pending judicial determination as to the right of such Person to receive such payment.

Section 3.5 Payments on the Notes Permitted. Nothing contained in this Article or elsewhere in this Supplemental Indenture or in the Notes shall affect the obligations of NiSource to make, or prevent NiSource from making, payment of the principal of or any premium or interest on the Notes in accordance with the provisions hereof and thereof, except as otherwise provided in this Article.

Section 3.6 Effectuation of Subordination by Trustee. Each Holder of the Notes, by his acceptance thereof, authorizes and directs the Trustee in his, her or its behalf to take such action as may be necessary or appropriate to effectuate the subordination provided in this Article and appoints the Trustee his, her or its attorney-in-fact, as the case maybe, for any and all such purposes.

Section 3.7 Rights of Holders of Senior Indebtedness Not Impaired. No right of any present or future holder of any Senior Indebtedness shall at any time or in any way be prejudiced or impaired by any act or failure to act on the part of NiSource or by any noncompliance by NiSource with the terms, provisions and covenants of the Indenture, regardless of any knowledge thereof which any such holder may have or be otherwise charged with.

With respect to the holders of Senior Indebtedness, (i) the duties and obligations of the Trustee shall be determined solely by the express provisions of the Indenture; (ii) the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in the Indenture; (iii) no implied covenants or obligations shall be read into the Indenture against the Trustee; and (iv) the Trustee shall not be deemed to be a fiduciary as to such holders of Senior Indebtedness.

**ARTICLE 4
REMEDIES**

Section 4.1 Events of Default. The Events of Default specified in clauses (3) and (5) of Section 501 of the Base Indenture shall not apply to the Notes.

Section 4.2 Acceleration of Maturity. Notwithstanding the provisions of Section 502 of the Base Indenture, neither the Trustee nor the Holders of the Notes shall be entitled to declare the principal of or accrued and unpaid interest on the Notes to be immediately due and payable by reason of the occurrence and continuation of an Event of Default specified in clause (4) of Section 501 of the Base Indenture, and any notice of declaration of acceleration based on such an Event of Default shall be null and void with respect to the Notes; provided that, notwithstanding the foregoing, so long as an Event of Default specified in clause (4) of Section 501 of the Base Indenture with respect to the Notes shall have occurred and shall be continuing, the Trustee and the Holders of the Notes may exercise the other rights and remedies available under the Indenture in connection with such Event of Default, as well as such other rights and remedies as may be available under applicable law or otherwise.

**ARTICLE 5
OPTION TO DEFER INTEREST AND COVENANTS**

Section 5.1 Option to Defer Interest Payments. So long as no Event of Default with respect to the Notes has occurred and is continuing, NiSource may, at its option, defer interest payments on the Notes, from time to time, for one or more deferral periods of up to 20 consecutive Interest Payment Periods (each such deferral period, commencing on the interest payment date on which the first such deferred interest payment otherwise would have been made, an “Optional Deferral Period”), except that no such Optional Deferral Period may extend beyond the final maturity date of the Notes or end on a day other than the day immediately preceding an interest payment date. During any Optional Deferral Period, interest on the Notes will continue to accrue at the then-applicable interest rate on the Notes (as reset from time to time on any Reset Date occurring during such Optional Deferral Period in accordance with the terms of the Notes). In addition, during any Optional Deferral Period, interest on the deferred interest (“compound interest”) will accrue at the then-applicable interest rate on the Notes (as reset from time to time on any Reset Date occurring during such Optional Deferral Period in accordance with the terms of the Notes), compounded semi-annually, to the extent permitted by applicable law. No interest will be due or payable on the Notes during an Optional Deferral Period, except upon a redemption of any Notes on any redemption date during such Optional Deferral Period (in which case all accrued and unpaid interest (including, to the extent permitted by applicable law, any compound interest) on the Notes to be redeemed to, but excluding, such redemption date will be due and payable on such redemption date), or unless the principal of and interest on the Notes shall have been declared due and payable as the result of an Event of Default with respect to the Notes (in which case all accrued and unpaid interest, including, to the extent permitted by applicable law, any compound interest, on the Notes shall become due and payable). All references in the Notes and, insofar as relates to the Notes, the Indenture, to “interest” on the Notes shall be deemed to include any such deferred interest and, to the extent permitted by applicable law, any compound interest, unless otherwise expressly stated or the context otherwise requires.

Before the end of any Optional Deferral Period that is shorter than 20 consecutive Interest Payment Periods, NiSource may elect, at its option, to extend such Optional Deferral Period, so long as the entire Optional Deferral Period does not exceed 20 consecutive Interest Payment Periods or extend beyond the final maturity date of the Notes. NiSource may also elect, at its option, to shorten the length of any Optional Deferral Period. No Optional Deferral Period (including as extended or shortened) may end on a day other than the day immediately preceding an interest payment date. At the end of any Optional Deferral Period, if all amounts then due on the Notes, including all accrued and unpaid interest thereon (including, without limitation and to the extent permitted by applicable law, any compound interest), are paid, NiSource may elect to begin a new Optional Deferral Period; provided, however, that, without limitation of the foregoing, NiSource may not begin a new Optional Deferral Period unless NiSource has paid all accrued and unpaid interest on the Notes (including, without limitation and to the extent permitted by applicable law, any compound interest) from any previous Optional Deferral Periods.

Section 5.2 Covenants. During any Optional Deferral Period, NiSource will not do any of the following:

- (i) declare or pay any dividends or distributions on any Capital Stock of NiSource;
- (ii) redeem, purchase, acquire or make a liquidation payment with respect to any Capital Stock of NiSource;
- (iii) pay any principal, interest or premium on, or repay, repurchase or redeem, any indebtedness of NiSource that ranks equally with or junior to the Notes in right of payment; or
- (iv) make any payments with respect to any guarantees by NiSource of any indebtedness if such guarantees rank equally with or junior to the Notes in right of payment;

provided; however, during an Optional Deferral Period, NiSource may (a) declare and pay dividends or distributions payable solely in shares of NiSource common stock (together, for the avoidance of doubt, with cash in lieu of any fractional share) or options, warrants or rights to subscribe for or purchase shares of NiSource common stock, (b) declare and pay any dividend in connection with the implementation of a plan (a "Rights Plan") providing for the issuance by NiSource to all holders of NiSource common stock of rights entitling them to subscribe for or purchase common stock or any class or series of NiSource preferred stock, which rights (1) are deemed to be transferred with such common stock, (2) are not exercisable until the occurrence of a specified event or events and (3) are also issued in respect of future issuances of NiSource common stock, (c) issue any of shares of NiSource Capital Stock under any Rights Plan or redeem or repurchase any rights distributed pursuant to a Rights Plan, (d) reclassify NiSource Capital Stock or exchange or convert one class or series of NiSource Capital Stock for another class or series of NiSource Capital Stock, (e) purchase fractional interests in shares of NiSource Capital Stock pursuant to the conversion or exchange provisions of such Capital Stock or the security being converted or exchanged, (f) purchase, acquire or withhold shares of NiSource common stock related to the issuance of NiSource common stock or rights under any dividend reinvestment plan or related to any of NiSource benefit plans for NiSource directors, officers, employees, consultants or advisors, including any employment contract, and (g) for the avoidance of doubt, convert convertible Capital Stock of NiSource into other Capital Stock of NiSource in accordance with the terms of such convertible Capital Stock (together, for the avoidance of doubt, with cash in lieu of any fractional share).

Section 5.3 Notice of Deferral. NiSource will give the Holders of the Notes and the Trustee written notice of its election of, or any shortening or extension of, an Optional Deferral Period at least 10 business days prior to the earlier of (1) the next succeeding interest payment date or (2) the date upon which NiSource is required to give notice to any applicable self-regulatory organization or to Holders of the Notes of the next succeeding interest payment date or the record date therefor. The record date for the payment of deferred interest and, to the extent permitted by applicable law, any compound interest payable on the interest payment date immediately following the last day of an Optional Deferral Period will be the regular record date with respect to such interest payment date.

ARTICLE 6 OPTIONAL REDEMPTION BY NISOURCE

Section 6.1 Optional Redemption. NiSource may redeem some or all of the Notes, at its option, in whole or in part (i) on any day in the period commencing on the date falling 90 days prior to the First Reset Date and ending on and including the First Reset Date and (ii) after the First Reset Date, on any interest payment date, at a redemption price in cash equal to 100% of the principal amount of the Notes being redeemed, plus, (subject to the provisions set forth in Section 6.4 regarding the payment of installments of interest on the Notes that are due and payable on any Interest Payment Date falling on or prior to a Redemption Date), accrued and unpaid interest on the Notes to be redeemed to, but excluding, the redemption date.

Section 6.2 Redemption Following a Tax Event. NiSource may at its option redeem the Notes, in whole but not in part, at any time following the occurrence and during the continuance of a Tax Event at a redemption price in cash equal to 100% of the principal amount of the Notes, plus, (subject to the provisions set forth in Section 6.4 regarding the payment of installments of interest on the Notes that are due and payable on any Interest Payment Date falling on or prior to a Redemption Date), accrued and unpaid interest on the Notes to, but excluding, the redemption date.

Section 6.3 Redemption Following a Rating Agency Event. NiSource may at its option redeem the Notes, in whole but not in part, at any time following the occurrence and during the continuance of a Rating Agency Event at a redemption price in cash equal to 102% of the principal amount of the Notes, plus, (subject to the provisions set forth in Section 6.4 regarding the payment of installments of interest on the Notes that are due and payable on any Interest Payment Date falling on or prior to a Redemption Date), accrued and unpaid interest on the Notes to, but excluding, the redemption date.

Section 6.4 Payments of Interest. Notwithstanding any statement in Article 6 to the contrary, installments of interest on the Notes that are due and payable on any interest payment date falling on or prior to a redemption date for the Notes will be payable on that interest payment date to the Holders thereof as of the close of business on the relevant record date according to the terms of the Notes and the Indenture, except that, if the redemption date for any Notes falls on any day during an Optional Deferral Period, accrued and unpaid interest (including, to the extent permitted by applicable law, any compound interest) on such Notes will be paid on such redemption date to the persons entitled to receive the redemption price of such Notes. For the avoidance of doubt, the interest payment date falling immediately after the last day of an Optional Deferral Period shall not be deemed to fall on a day during such Optional Deferral Period.

Section 6.5 Securities Called for Redemption. Section 1106 of the Base Indenture is replaced in its entirety as follows:

“Once notice of redemption is mailed, the Notes called for redemption will become due and payable on the redemption date at the applicable redemption price, plus, subject to the terms described in Section 6.4 of this Supplemental Indenture, accrued and unpaid interest to, but excluding, the redemption date, and will be paid upon surrender thereof for redemption, unless (a) the notice of redemption provides that such redemption shall be subject to the condition described in Section 6.6 of this Supplemental Indenture and (b) such redemption shall have been canceled in accordance with the provisions of Section 6.6 of this Supplemental Indenture because such condition shall not have been satisfied. If only part of a note is redeemed, the Trustee will issue in the name of the registered holder of the note and deliver to such holder a new note in a principal amount equal to the unredeemed portion of the principal of the note surrendered for redemption. If the Company elects to redeem all or a portion of the Notes, then, unless otherwise provided in such notice of redemption as described in the next succeeding paragraph, the redemption will not be conditional upon receipt by the paying agent or the Trustee of monies sufficient to pay the redemption price.”

Section 6.6 Notice of Redemption. The following paragraph is appended as the last paragraph of Section 1104 of the Base Indenture:

“If, at the time a notice of redemption is given, (i) the Company has not effected satisfaction and discharge of the Notes pursuant to Article Four of the Indenture and (ii) such notice of redemption is not being given in connection with or in order to effect satisfaction and discharge of the Notes, then, if the notice of redemption so provides and at the Company’s option, the redemption may be subject to the condition that the Trustee shall have received, on or before the applicable redemption date, monies in an amount sufficient to pay the redemption price and accrued and unpaid interest on the Notes called for redemption to, but excluding, the redemption date. If monies in such amount are not received by the Trustee on or before such redemption date, such notice of redemption shall be automatically canceled and of no force or effect, such proposed redemption shall be automatically canceled and the Company shall not be required to redeem the Notes called for redemption on such redemption date. In the event that a redemption is canceled, the Company will, not later than the business day immediately following the proposed redemption date, deliver, or cause to be delivered, notice of such cancellation to the Holders of the Notes called for redemption (which notice will also indicate that any Notes or portions thereof surrendered for redemption shall be returned to the applicable Holders), and the Company will direct the Trustee to, and the Trustee will, promptly return any Notes or portions thereof that have been surrendered for redemption to the applicable Holders.”

Section 6.7 Deposit of Redemption Price. Section 1105 of the Base Indenture is deleted in its entirety and does not apply to the Notes.

ARTICLE 7 OTHER AMENDMENTS

Section 7.1 Restrictions on Liens. Section 1008 of the Base Indenture will not apply to the Notes.

ARTICLE 8
MISCELLANEOUS

Section 8.1 Execution and Delivery. This Supplemental Indenture shall be effective upon execution by the parties hereto.

Section 8.2 Ratification of Indenture; Supplemental Indenture Part of Indenture. Except as expressly amended hereby, the Base Indenture is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect. This Supplemental Indenture shall form a part of the Base Indenture in the manner and to the extent herein and therein provided.

Section 8.3 Severability. In case any provision in this Supplemental Indenture shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby and such provision shall be ineffective only to the extent of such invalidity, illegality or unenforceability.

Section 8.4 Governing Law. THIS SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAW OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO ANY CONTRARY CONFLICT OF LAWS OR CHOICE OF LAW PROVISIONS OF THE LAW OF THE STATE OF NEW YORK OR ANY OTHER JURISDICTION.

Section 8.5 Waiver of Jury Trial. EACH OF NISOURCE AND THE TRUSTEE HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THE INDENTURE, THE SECURITIES OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 8.6 Counterparts. The parties may sign any number of copies of this Supplemental Indenture (including by electronic transmission). Each signed copy shall be an original, but all of them together represent the same agreement. The exchange of copies of this Supplemental Indenture and of signature pages by facsimile or PDF transmission shall constitute effective execution and delivery of this Supplemental Indenture as to the parties hereto and may be used in lieu of the original Supplemental Indenture for all purposes. Signatures of the parties hereto transmitted by facsimile or PDF shall be deemed to be their original signatures for all purposes.

Section 8.7 Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

Section 8.8 Trustee. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made solely by NiSource.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed as of the day and year first above written.

NISOURCE INC.

By: /s/ Tchapo Napoe
Name: Tchapo Napoe
Title: Vice President, Treasurer and Corporate Finance

THE BANK OF NEW YORK MELLON, as Trustee

By: /s/ Francine Kincaid
Name: Francine Kincaid
Title: Vice President

[Signature Page to Second Supplemental Indenture]

EXHIBIT A

FORM OF 6.375% FIXED-TO-FIXED RESET RATE JUNIOR SUBORDINATED NOTES DUE 2055

UNLESS THIS GLOBAL NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), NEW YORK, NEW YORK, TO NISOURCE INC. OR ITS AGENT OR AGENTS FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY GLOBAL NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO., OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE INDENTURE REFERRED TO ON THE REVERSE HEREOF.

No.: []

\$[]

CUSIP No.: 65473P AT2

ISIN No.: US65473PAT21

6.375% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2055

NiSource Inc., a Delaware corporation (such corporation, and its successors and assigns under the Indenture hereinafter referred to, being herein called the "Company"), promises to pay to _____, or registered assigns, the principal sum of [] Dollars (\$[]) on March 31, 2055 (the "Maturity Date"), and to pay interest thereon (i) from and including the September 9, 2024 (the "Original Issue Date") to, but excluding, March 31, 2035 (the "First Reset Date") at the rate of 6.375% per annum and (ii) from and including the First Reset Date, during each Reset Period (as defined on the reverse hereof) at a rate per annum equal to the Five-year U.S. Treasury Rate (as defined on the reverse hereof) as of the most recent Reset Interest Determination Date (as defined on the reverse hereof) plus a spread of 2.527%, to be reset on each Reset Date (as defined on the reverse hereof).

Interest Payment Dates: March 31 and September 30, beginning March 31, 2025, subject to the Company's right to defer interest payments pursuant to the provisions set forth below.

Record Dates: (i) if all of the Notes are in book-entry form represented by one or more Global Securities, the Business Day immediately preceding the applicable Interest Payment Date and (ii) if any of the Notes are not in book-entry form represented by one or more Global Securities, the 15th calendar day preceding such Interest Payment Date (whether or not a Business Day) (each such date in clauses (i) and (ii), a "Regular Record Date").

Additional provisions of this Note are set forth on the reverse of this Note.

Dated:

NISOURCE INC.

By: _____

Name: _____

Title: _____

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Notes of the series referred to
in the within-mentioned Indenture.

Dated:

THE BANK OF NEW YORK MELLON, as
Trustee

By: _____
Authorized Officer

6.375% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2055

1. Interest

Interest on the Notes will accrue from the Original Issue Date and will be payable semi-annually in arrears on March 31 and September 30 (each, an “Interest Payment Date”) of each year, beginning on March 31, 2025, to Holders at the close of business on the Regular Record Date for the applicable Interest Payment Date, subject to the Company’s right to defer interest payments pursuant to the provisions set forth below.

Interest on the Notes will be computed on the basis of a 360-day year of twelve 30-day months.

The applicable interest rate for each Reset Period will be determined by the Calculation Agent (as defined below), as of the applicable Reset Interest Determination Date, in accordance with following provisions:

As provided above, the applicable interest rate for each Reset Period will be determined by the Calculation Agent, as of the applicable Reset Interest Determination Date. Promptly upon such determination, the Calculation Agent will notify the Company of the interest rate for the Reset Period and the Company will promptly notify, or cause the Calculation Agent to promptly notify, in writing, the Trustee and each Paying Agent of such interest rate. The Calculation Agent’s determination of any interest rate, and its calculation of the amount of interest for any Interest Payment Period beginning on or after the First Reset Date, will be on file at the Company’s principal offices, will be made available to any Holder or beneficial owner of the Notes upon request and will be final and binding in the absence of manifest error.

If an Interest Payment Date, redemption date, or Maturity Date falls on a day that is not a Business Day, payment will be made on the next succeeding Business Day with the same force and effect as if made on such payment date.

“Business Day” means, unless otherwise expressly stated, any day other than (i) a Saturday or Sunday or (ii) a day on which banks and trust companies in The City of New York are authorized or obligated by law, regulation or executive order to remain closed.

“Calculation Agent” means, at any time, the entity appointed by the Company and serving as such agent with respect to the Notes at such time. Unless the Company has validly called all of the outstanding Notes for redemption on a redemption date occurring prior to the First Reset Date, the Company will appoint a Calculation Agent for the Notes prior to the Reset Interest Determination Date immediately preceding the First Reset Date; *provided that*, if the Company has called all of the outstanding Notes for redemption on a redemption date occurring prior to the First Reset Date but the Company does not redeem all of the outstanding Notes on such redemption date, the Company will appoint a Calculation Agent for the Notes as promptly as practicable after such proposed redemption date. The Company may terminate any such appointment and may appoint a successor Calculation Agent at any time and from time to time (so long as there shall always be a Calculation Agent in respect of the Notes when so required). The Company may appoint itself or an affiliate of the Company as Calculation Agent.

“Five-year U.S. Treasury Rate” means, as of any Reset Interest Determination Date, (i) an interest rate (expressed as a decimal) determined to be the per annum rate equal to the arithmetic mean of the yields to maturity for U.S. Treasury securities adjusted to constant maturity with a maturity of five years from the next Reset Date and trading in the public securities markets, for the five consecutive Business Days immediately prior to the respective Reset Interest Determination Date as published (or, if

fewer than five consecutive Business Days are so published on the applicable Reset Interest Determination Date, for such number of Business Days published) in the most recent H.15, or (ii) if there is no such published U.S. Treasury security with a maturity of five years from the next Reset Date and trading in the public securities markets, then the rate will be determined by interpolation between the arithmetic mean of the yields to maturity for each of the two series of U.S. Treasury securities adjusted to constant maturity trading in the public securities markets, (A) one maturing as close as possible to, but earlier than, the Reset Date following the next succeeding Reset Interest Determination Date, and (B) the other maturing as close as possible to, but later than, the Reset Date following the next succeeding Reset Interest Determination Date, in each case for the five consecutive Business Days immediately prior to the respective Reset Interest Determination Date as published in the most recent H.15. If the Five-year U.S. Treasury Rate cannot be determined pursuant to the methods described in clause (i) or (ii) above, then the Five-year U.S. Treasury Rate will be the same interest rate determined for the prior Reset Interest Determination Date or, if the Five-year U.S. Treasury Rate cannot be so determined as of the Reset Interest Determination Date preceding the First Reset Date, then the interest rate applicable for the Reset Period beginning on and including the First Reset Date will be deemed to be 6.375% per annum, which is the same interest rate as in effect from and including the Original Issue Date to, but excluding, the First Reset Date.

“H.15” means the statistical release designated as such, or any successor publication, published by the Board of Governors of the U.S. Federal Reserve System (or any successor thereto).

“Interest Payment Period” means the semi-annual period from and including an Interest Payment Date to but excluding the next succeeding Interest Payment Date, except for the first Interest Payment Period which shall be the period from and including the Original Issue Date to but excluding March 31, 2025.

“most recent H.15” means the H.15 published closest in time but prior to the close of business on the second Business Day prior to the applicable Reset Date.

“redemption date” when used with respect to any Notes to be redeemed, means the date fixed for such redemption pursuant to the Indenture.

“Reset Date” means the First Reset Date and March 31 of every fifth year after 2035.

“Reset Interest Determination Date” means, in respect of any Reset Period, the day falling two Business Days prior to the first day of such Reset Period.

“Reset Period” means the period from and including the First Reset Date to, but excluding, the next following Reset Date and thereafter each period from and including a Reset Date to, but excluding, the next following Reset Date.

2. Optional Interest Deferral

So long as no Event of Default with respect to the Notes has occurred and is continuing, the Company may, at its option, defer interest payments on the Notes, from time to time, for one or more deferral periods of up to 20 consecutive Interest Payment Periods (each such deferral period, commencing on the interest payment date on which the first such deferred interest payment otherwise would have been made, an “Optional Deferral Period”), except that no such Optional Deferral Period may extend beyond the final maturity date of the Notes or end on a day other than the day immediately preceding an Interest Payment Date. During any Optional Deferral Period, interest on the Notes will continue to accrue at the then-applicable interest rate on the Notes (as reset from time to time on any Reset Date occurring during such Optional Deferral Period in accordance with the terms of the Notes). In addition, during any Optional Deferral Period, interest on the deferred interest (“compound interest”) will accrue at the then-applicable interest rate on the Notes (as reset from time to time on any Reset Date occurring during such Optional Deferral Period in accordance with the terms of the Notes), compounded

semi-annually, to the extent permitted by applicable law. No interest will be due or payable on the Notes during an Optional Deferral Period except upon a redemption of any Notes on any redemption date during such Optional Deferral Period (in which case all accrued and unpaid interest (including, to the extent permitted by applicable law, any compound interest) on the Notes to be redeemed to, but excluding, such redemption date will be due and payable on such redemption date), or unless the principal of and interest on the Notes shall have been declared due and payable as the result of an Event of Default with respect to the Notes (in which case all accrued and unpaid interest, including, to the extent permitted by applicable law, any compound interest, on the Notes shall become due and payable). All references in the Notes and, insofar as it relates to the Notes, the Indenture, to "interest" on the Notes shall be deemed to include any such deferred interest and, to the extent permitted by applicable law, any compound interest, unless otherwise expressly stated or the context otherwise requires.

Before the end of any Optional Deferral Period that is shorter than 20 consecutive Interest Payment Periods, the Company may elect, at its option, to extend such Optional Deferral Period, so long as the entire Optional Deferral Period does not exceed 20 consecutive Interest Payment Periods or extend beyond the final maturity date of the Notes. The Company may also elect, at its option, to shorten the length of any Optional Deferral Period. No Optional Deferral Period (including as extended or shortened) may end on a day other than the day immediately preceding an Interest Payment Date. At the end of any Optional Deferral Period, if all amounts then due on the Notes, including all accrued and unpaid interest thereon (including, without limitation and to the extent permitted by applicable law, any compound interest), are paid, the Company may elect to begin a new Optional Deferral Period; *provided, however*, that, without limitation of the foregoing, the Company may not begin a new Optional Deferral Period unless the Company has paid all accrued and unpaid interest on the Notes (including, without limitation and to the extent permitted by applicable law, any compound interest) from any previous Optional Deferral Periods.

During any Optional Deferral Period, the Company will not do any of the following:

- (i) declare or pay any dividends or distributions on any Capital Stock of the Company;
- (ii) redeem, purchase, acquire or make a liquidation payment with respect to any Capital Stock of the Company;
- (iii) pay any principal, interest or premium on, or repay, repurchase or redeem, any indebtedness of the Company that ranks equally with or junior to the Notes in right of payment; or
- (iv) make any payments with respect to any guarantees by the Company of any indebtedness if such guarantees rank equally with or junior to the Notes in right of payment;

provided; however, during an Optional Deferral Period, the Company may (a) declare and pay dividends or distributions payable solely in shares of the Company's common stock (together, for the avoidance of doubt, with cash in lieu of any fractional share) or options, warrants or rights to subscribe for or purchase shares of the Company's common stock, (b) declare and pay any dividend in connection with the implementation of a plan (a "Rights Plan") providing for the issuance by the Company to all holders of the Company's common stock of rights entitling them to subscribe for or purchase common stock or any class or series of the Company's preferred stock, which rights (1) are deemed to be transferred with such common stock, (2) are not exercisable until the occurrence of a specified event or events and (3) are also issued in respect of future issuances of the Company's common stock, (c) issue any of shares of the Company's Capital Stock under any Rights Plan or redeem or repurchase any rights distributed pursuant to a Rights Plan, (d) reclassify the Company's Capital Stock or exchange or convert one class or series of the Company's Capital Stock for another class or series of the Company's Capital Stock, (e) purchase fractional interests in shares of the Company's Capital Stock pursuant to the conversion or exchange provisions of such Capital Stock or the security being converted or exchanged, (f) purchase, acquire or withhold shares of the Company's common stock related to the issuance of the Company's common

stock or rights under any dividend reinvestment plan or related to any of the Company's benefit plans for the Company's directors, officers, employees, consultants or advisors, including any employment contract, and (g) for the avoidance of doubt, convert convertible Capital Stock of the Company into other Capital Stock of the Company in accordance with the terms of such convertible Capital Stock (together, for the avoidance of doubt, with cash in lieu of any fractional share).

The Company will give the Holders of the Notes and the Trustee notice of its election of, or any shortening or extension of, an Optional Deferral Period at least 10 Business Days prior to the earlier of (1) the next succeeding Interest Payment Date or (2) the date upon which the Company is required to give notice to any applicable self-regulatory organization or to Holders of the Notes of the next succeeding Interest Payment Date or the record date therefor. The record date for the payment of deferred interest and, to the extent permitted by applicable law, any compound interest payable on the Interest Payment Date immediately following the last day of an Optional Deferral Period will be the Regular Record Date with respect to such Interest Payment Date.

"Capital Stock" means (i) in the case of a corporation or a company, corporate stock or shares; (ii) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock; (iii) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and (iv) any other interest or participation that confers on a person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing person.

3. Subordination

The indebtedness represented by the Notes and the payment of the principal of and any premium or interest on each and all of the Notes of such series is subordinate in right of payment to the prior payment in full of all Senior Indebtedness (as defined below), to the extent set forth in the Indenture. Senior Indebtedness shall continue to be Senior Indebtedness with respect to the Notes irrespective of any amendment, modification or waiver of any term of such Senior Indebtedness or extension or renewal of such Senior Indebtedness (other than any such amendment, modification or waiver that makes such Senior Indebtedness subordinated or equal in right of payment to the Notes).

"Senior Indebtedness" means, with respect to the Notes, (i) indebtedness of the Company, whether outstanding at the date of the indenture or incurred, created or assumed after such date, (a) in respect of money borrowed by the Company (including any financial derivative, hedging or futures contract or similar instrument, to the extent any such item is primarily a financing transaction) and (b) evidenced by debentures, bonds, notes, credit or loan agreements or other similar instruments or agreements issued or entered into the Company; (ii) all finance lease obligations of the Company; (iii) all obligations of the Company issued or assumed as the deferred purchase price of property, all conditional sale obligations of the Company and all obligations of the Company under any title retention agreement (but excluding, for the avoidance of doubt, trade accounts payable arising in the ordinary course of business and long-term purchase obligations); (iv) all obligations of the Company for the reimbursement of any letter of credit, banker's acceptance, security purchase facility or similar credit transaction; and (v) all obligations of the type referred to in clauses (i) through (iv) above of other persons for the payment of which the Company is responsible or liable as obligor, guarantor or otherwise, except for any obligations, instruments or agreements of the type referred to in any of clauses (i) through (v) above that, by the terms of the instruments or agreements creating or evidencing the same or pursuant to which the same is outstanding, are subordinated or equal in right of payment to the Notes.

For the avoidance of doubt, Senior Indebtedness shall not include the Other Junior Subordinated Notes. "Other Junior Subordinated Notes" means the Company's existing 6.950% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2054, which constitute a separate series of the Company's subordinated indebtedness under the Base Indenture (defined below) and were originally issued on May 16, 2024, together with any additional unsecured indebtedness of the same series which may in the future be issued under the Base Indenture upon any re-opening of such series.

4. Method of Payment

The Company will pay interest on the Notes (except defaulted interest) to the Persons who are registered Holders of Notes at the close of business on the Regular Record Date next preceding each Interest Payment Date even if Notes are canceled after the Regular Record Date and on or before the Interest Payment Date. Holders must surrender Notes to a Paying Agent to collect principal payments. The Company will pay principal and interest in money of the United States that at the time of payment is legal tender for payment of public and private debts. Payments in respect of the Notes represented by a Global Security (including principal, premium, if any, and interest) will be made by wire transfer of immediately available funds to the accounts specified by DTC, as Depositary.

5. Paying Agent and Security Registrar

Initially, the Trustee will act as Paying Agent and Security Registrar. The Company may appoint and change any Paying Agent or Security Registrar without notice to the Holders. The Company may act as Paying Agent or Security Registrar.

6. Indenture

The Company issued the Notes under an Indenture dated as of May 16, 2024 (the “Base Indenture”), by and between the Company and The Bank of New York Mellon, a New York banking corporation, not in its individual capacity but solely as trustee (the “Trustee”), as supplemented by a Second Supplemental Indenture dated as of September 9, 2024 (the “Supplemental Indenture”), by and between the Company and the Trustee (the Base Indenture, as amended and supplemented by the Supplemental Indenture, the “Indenture”). The terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939 (15 U.S.C. sections 77aaa-77bbb) as in effect on the date of the Supplemental Indenture (the “Act”). Capitalized terms used herein and defined in the Indenture but not defined herein have the respective meanings ascribed thereto in the Indenture. The Notes are subject to all such terms, and Holders of Notes are referred to the Indenture and the Act for a statement of those terms.

The Notes issued on the Original Issue Date will be treated as a single class for all purposes under the Indenture.

7. Optional Redemption

The Company may redeem some or all of the Notes, at its option, in whole or in part (i) on any day in the period commencing on the date falling 90 days prior to the First Reset Date and ending on and including the First Reset Date and (ii) after the First Reset Date, on any interest payment date, at a redemption price in cash equal to 100% of the principal amount of the Notes being redeemed, plus, (subject to the provisions set forth in the Indenture regarding the payment of installments of interest on the Notes that are due and payable on any Interest Payment Date falling on or prior to a redemption date), accrued and unpaid interest on the Notes to be redeemed to, but excluding, the redemption date.

The Company may at its option redeem the Notes, in whole but not in part, at any time following the occurrence and during the continuance of a Tax Event (as defined below) at a redemption price in cash equal to 100% of the principal amount of the Notes, plus, (subject to the provisions set forth in the Indenture regarding the payment of installments of interest on the Notes that are due and payable on any Interest Payment Date falling on or prior to a redemption date), accrued and unpaid interest on the Notes to, but excluding, the redemption date.

“Tax Event” means that the Company has received an opinion of counsel experienced in such matters to the effect that the result of:

- (i) any amendment to, clarification of, or change, including any announced prospective change, in the laws or treaties of the United States or any of its political subdivisions or taxing authorities, or any regulations under those laws or treaties;
- (ii) an administrative action, which means any judicial decision or any official administrative pronouncement, ruling, regulatory procedure, notice or announcement, including any notice or announcement of intent to issue or adopt any administrative pronouncement, ruling, regulatory procedure or regulation;
- (iii) any amendment to, clarification of, or change in the official position or the interpretation of any administrative action or judicial decision or any interpretation or pronouncement that provides for a position with respect to an administrative action or judicial decision that differs from the previously generally accepted position, in each case by any legislative body, court, governmental authority or regulatory body, regardless of the time or manner in which that amendment, clarification or change is introduced or made known; or
- (iv) a threatened challenge asserted in writing in connection with a tax audit of the Company or any of its subsidiaries, or a publicly-known threatened challenge asserted in writing against any other taxpayer that has raised capital through the issuance of securities that are substantially similar to the Notes,

which amendment, clarification or change is effective or the administrative action is taken or judicial decision, interpretation or pronouncement is issued or threatened challenge is asserted or becomes publicly-known after September 3, 2024, there is more than an insubstantial risk that interest payable by the Company on the Notes is not deductible, or within 90 days would not be deductible, in whole or in part, by the Company for United States federal income tax purposes.

The Company may at its option redeem the Notes, in whole but not in part, at any time following the occurrence and during the continuance of a Rating Agency Event (as defined below) at a redemption price in cash equal to 102% of the principal amount of the Notes, plus, (subject to the provisions set forth in the Indenture regarding the payment of installments of interest on the Notes that are due and payable on any Interest Payment Date falling on or prior to a redemption date), accrued and unpaid interest on the Notes to, but excluding, the redemption date.

“Rating Agency Event” means, as of any date, a change, clarification or amendment in the methodology published by any nationally recognized statistical rating organization within the meaning of Section 3(a)(62) of the Securities Exchange Act of 1934, as amended (or any successor provision thereto), that then publishes a rating for the Company (together with any successor thereto, a “rating agency”) in assigning equity credit to securities such as the Notes, (a) as such methodology was in effect on September 3, 2024, in the case of any rating agency that published a rating for the Company as of September 3, 2024, or (b) as such methodology was in effect on the date such rating agency first published a rating for the Company, in the case of any rating agency that first publishes a rating for the Company after September 3, 2024 (in the case of either clause (a) or (b), the “current methodology”), that results in (i) any shortening of the length of time for which a particular level of equity credit pertaining to the Notes by such rating agency would have been in effect had the current methodology not been changed or (ii) a lower equity credit (including up to a lesser amount) being assigned by such rating agency to the Notes as of the date of such change, clarification or amendment than the equity credit that would have been assigned to the Notes by such rating agency had the current methodology not been changed.

The Trustee shall have no duty to calculate the redemption price.

8. Notice of Redemption

Notice of any redemption will be mailed or electronically delivered (or otherwise transmitted in accordance with the depositary's procedures) at least 10 days but not more than 60 days before the redemption date to each Holder of Notes to be redeemed in accordance with Section 106 of the Indenture. In the case of a partial redemption, selection of the Notes for redemption will be made by lot or by such other customary method prescribed by the depositary. No Notes of a principal amount of \$2,000 or less will be redeemed in part. If any Note is to be redeemed in part only, the notice of redemption that relates to such Note will state the portion of the principal amount of the Note to be redeemed. A new Note in a principal amount equal to the unredeemed portion of the original Note will be issued in the name of the Holder of the original Note upon surrender for cancellation of the original Note. For so long as the Notes are held by DTC (or another depositary), the redemption of the Notes shall be done in accordance with the policies and procedures of the depositary, which may be on a pro rata pass-through distribution of principal basis. Unless the Company defaults in payment of the redemption price, on and after the redemption date interest will cease to accrue on the Notes or portions thereof called for redemption.

If, at the time a notice of redemption is given, (i) the Company has not effected satisfaction and discharge of the Notes pursuant to Article Four of the Indenture and (ii) such notice of redemption is not being given in connection with or in order to effect satisfaction and discharge of the Notes, then, if the notice of redemption so provides and at the Company's option, the redemption may be subject to the condition that the Trustee shall have received, on or before the applicable redemption date, monies in an amount sufficient to pay the redemption price and accrued and unpaid interest on the Notes called for redemption to, but excluding, the redemption date. If monies in such amount are not received by the Trustee on or before such redemption date, such notice of redemption shall be automatically canceled and of no force or effect, such proposed redemption shall be automatically canceled and the Company shall not be required to redeem the Notes called for redemption on such redemption date. In the event that a redemption is canceled, the Company will, not later than the business day immediately following the proposed redemption date, deliver, or cause to be delivered, notice of such cancellation to the Holders of the Notes called for redemption (which notice will also indicate that any Notes or portions thereof surrendered for redemption shall be returned to the applicable Holders), and the Company will direct the Trustee to, and the Trustee will, promptly return any Notes or portions thereof that have been surrendered for redemption to the applicable Holders.

9. Additional Notes

The Company may, without the consent of the Holders of the Notes, create and issue additional Notes ranking equally with the Notes in all respects, including having the same terms (except for the price to public, the issue date and the initial interest accrual date and the first Interest Payment Date, as applicable), so that such additional Notes shall be consolidated and form a single series with the Notes and shall have the same terms as to status, redemption or otherwise as the Notes. Such additional Notes will have the same CUSIP number as the Notes being authenticated on the date hereof, provided that such additional Notes are part of the same issue as the Notes being authenticated on the date hereof for U.S. federal income tax purposes. If such additional Notes are not part of the same issue for U.S. federal income tax purposes, such additional Notes must be issued with a separate CUSIP number. No additional Notes may be issued if an Event of Default has occurred and is continuing with respect to the Notes.

10. Denominations; Transfer; Exchange

The Notes are in registered form without coupons in denominations of \$2,000 principal amount and integral multiples of \$1,000. A Holder may transfer or exchange Notes in accordance with the Indenture. The Security Registrar may require a Holder, among other things, to furnish appropriate endorsements or transfer documents and to pay any taxes and fees required by law or permitted by the Indenture. The Security Registrar need not register the transfer or exchange of any Notes selected for redemption (except, in the case of a Note to be redeemed in part, the portion of the Note not to be redeemed) for a period of fifteen (15) Business Days before a selection of Notes to be redeemed.

11. Persons Deemed Owners

The registered Holder of this Note may be treated as the owner of it for all purposes.

12. Unclaimed Money

If money for the payment of principal or interest remains unclaimed for two years, the Trustee or Paying Agent shall pay the money back to the Company at its request. After any such payment, Holders entitled to the money must look only to the Company and not to the Trustee or the Paying Agent for payment.

13. Satisfaction and Discharge

Under the Indenture, the Company can terminate its obligations with respect to the Notes not previously delivered to the Trustee for cancellation when those Notes have become due and payable or will become due and payable at their Stated Maturity within one year or are to be called for redemption within one year under arrangements satisfactory to the Trustee for giving notice of redemption. The Company may terminate its obligations with respect to the Notes by depositing with the Trustee, as funds in trust dedicated solely for that purpose, an amount sufficient to pay and discharge the entire indebtedness on the Notes. In that case, the Indenture will cease to be of further effect and the Company's obligations will be satisfied and discharged with respect to the Notes (except as to the Company's obligations to pay all other amounts due under the Indenture and to provide certain Officers' Certificates and Opinions of Counsel to the Trustee). At the expense of the Company, the Trustee will execute proper instruments acknowledging the satisfaction and discharge.

14. Amendment, Waiver

Subject to certain exceptions set forth in the Indenture, (i) the Indenture may be amended with the written consent of the Holders of a majority in principal amount of the then Outstanding Securities of each series affected by such amendment, (ii) the Notes may be amended with the written consent of the Holders of at least a majority in principal amount of the Outstanding Notes and (iii) any default or noncompliance with any provision may be waived with the written consent of the Holders of a majority in principal amount of the Outstanding Notes. Subject to certain exceptions set forth in the Indenture, without the consent of any Holder, the Company and the Trustee shall be entitled to amend the Indenture to, among other things, cure any ambiguity, defect or inconsistency, or to evidence the succession of another Person as obligor under the Indenture, or to add to the Company's covenants or to surrender any right or power conferred on the Company under the Indenture, or to add events of default, or to secure the Notes, or to evidence or provide for the acceptance or appointment by a successor Trustee or facilitate the administration of the trusts under the Indenture by more than one trustee, or to conform the Indenture to any amendment of the Act.

15. Defaults and Remedies

Under the Indenture, Events of Default include: (i) a default by the Company in the payment of any interest upon any Note and the continuance of such default for 60 days; (ii) a default by the Company in the payment of principal of or any premium on any Note when due at Maturity, on redemption, by declaration or otherwise, and the continuance of such default for three (3) Business Days; (iii) a default by the Company in the performance of or breach of any covenant or warranty in the Indenture and continuance of such default for 90 days after written notice has been given to the Company by the Trustee or to the Company and the Trustee by the Holders of at least 33% in principal amount of the Outstanding Notes; or (iv) certain events of bankruptcy, insolvency or reorganization involving the Company. If an Event of Default occurs and is continuing, the Trustee or the Holders of at least 33% in principal amount of the Outstanding Notes may declare all the Notes to be due and payable immediately.

Neither the Trustee nor the Holders of the Notes shall be entitled to declare the principal of or accrued and unpaid interest on the Notes to be immediately due and payable by reason of the occurrence and continuation of an Event of Default specified in clause (4) of Section 501 of the Base Indenture, and any notice of declaration of acceleration based on such an Event of Default shall be null and void with respect to the Notes; provided that, notwithstanding the foregoing, so long as an Event of Default specified in clause (4) of Section 501 of the Base Indenture with respect to the Notes shall have occurred and shall be continuing, the Trustee and the Holders of the Notes may exercise the other rights and remedies available under the Indenture in connection with such Event of Default, as well as such other rights and remedies as may be available under applicable law or otherwise.

Holders may not enforce the Indenture or the Notes except as provided in the Indenture. The Trustee may refuse to enforce the Indenture or the Notes unless it receives indemnity or security satisfactory to it. Subject to certain limitations, Holders of a majority in principal amount of the Notes may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from Holders notice of any continuing default (except a default in payment of principal or interest) if it determines that withholding notice is in the interest of the Holders.

16. Trustee Dealings with the Company

Subject to certain limitations imposed by the Act, the Trustee under the Indenture, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with and collect obligations owed to it by the Company or its Affiliates and may otherwise deal with the Company or its Affiliates with the same rights it would have if it were not Trustee.

17. No Recourse Against Others

A director, officer, employee or stockholder, as such, of the Company or the Trustee shall not have any liability for any obligations of the Company under the Notes or the Indenture or for any claim based on, in respect of or by reason of such obligations or their creation. By accepting a Note, each Holder waives and releases all such liability. The waiver and release are part of the consideration for the issue of the Notes.

18. Authentication

This Note shall not be valid until an authorized signatory of the Trustee (or an Authenticating Agent) signs the certificate of authentication on the other side of this Note in accordance with requirements set forth in the Indenture and the Officers' Certificate.

19. Abbreviations

Customary abbreviations may be used in the name of a Holder or an assignee, such as TEN COM (=tenants in common), TEN ENT (=tenants by the entireties), JT TEN (=joint tenants with rights of survivorship and not as tenants in common), CUST (=custodian), and U/G/M/A (=Uniform Gift to Minors Act).

20. CUSIP and ISIN Numbers

Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused the applicable CUSIP number to be printed on the Notes and has directed the Trustee to use such CUSIP number in any notice of redemption as a convenience to the Holders. To the extent such number has been issued, the Company has caused the applicable ISIN number to be similarly printed on the Notes and has similarly instructed the Trustee. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption and reliance may be placed only on the other identification numbers placed thereon.

21. Governing Law.

THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO CONTRARY CONFLICT OF LAWS OR CHOICE OF LAWS PROVISIONS OF THE STATE OF NEW YORK OR ANY OTHER JURISDICTION.

The Company will furnish to any Holder upon written request and without charge to the Holder a copy of the Indenture, if the request is made to:

NiSource Inc.
801 East 86th Avenue
Merrillville, Indiana 46410
Attention: Corporate Secretary

ASSIGNMENT FORM

To assign this Note, fill in the form below: I or
we assign and transfer this Note to

(Print or type assignee's name, address and zip
code) (Insert assignee's soc. Sec. or tax I.D. No.)

and irrevocably appoint _____ agent to transfer this Note on the books of the Company. The agent may substitute another to act
for him.

Date: _____

Your Signature: _____

Sign exactly as your name appears on the other side
of this Note.

Signature Guarantee:

Signature must be guaranteed

Signature

Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Security Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("STAMP") or such other "signature guarantee program" as may be determined by the Security Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

September 9, 2024

NiSource Inc.
801 East 86th Avenue
Merrillville, Indiana 46410

NiSource Inc.
6.375% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2055

Ladies and Gentlemen:

We refer to the Registration Statement on Form S-3 (File No. 333-268084) (the "Registration Statement"), filed by NiSource Inc., a Delaware corporation (the "Company"), with the Securities and Exchange Commission (the "SEC"). Pursuant to the Registration Statement, the Company is offering \$500,000,000 aggregate principal amount of its 6.375% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2055 (the "Notes"), as described in the Company's Prospectus, dated November 1, 2022 (the "Base Prospectus") and Prospectus Supplement, dated September 3, 2024 (the "Prospectus Supplement") and, together with the Base Prospectus, the "Prospectus"). The Registration Statement became effective upon filing on November 1, 2022. This opinion letter is being furnished in accordance with the requirements of Item 16 of Form S-3 and Item 601(b)(5)(i) of Regulation S-K promulgated under the Securities Act of 1933, as amended (the "Securities Act").

The Notes are being issued under that certain subordinated indenture dated as of May 16, 2024 (the "Base Indenture"), between the Company and The Bank of New York Mellon (the "Trustee"), as supplemented by the Second Supplemental Indenture dated as of September 9, 2024 (the "Supplemental Indenture") and, together with the Base Indenture, the "Indenture"), and are being offered to the public in accordance with the Terms Agreement, dated September 3, 2024 (the "Terms Agreement"), among the Company and BofA Securities, Inc., Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, Morgan Stanley & Co, LLC and Wells Fargo Securities, LLC, as the underwriters (the "Underwriters"). The Terms Agreement incorporates by reference the provisions of that certain Underwriting Agreement dated November 30, 2017 (the "Underwriting Agreement") and, together with the Terms Agreement, the "Agreements"). Capitalized terms used and not defined herein shall have the meanings assigned to them in the Registration Statement or the Indenture.

Documents Reviewed

In connection with this opinion letter, we have examined the following documents:

- (a) the Registration Statement;
- (b) the Base Prospectus;

- (c) the Prospectus Supplement;
- (d) the Base Indenture;
- (e) the Supplemental Indenture;
- (f) the global note certificate, dated September 9, 2024, representing the Notes;
- (g) the Terms Agreement; and
- (h) the Underwriting Agreement.

The documents referred to in clauses (d) through (f) above are referred to collectively as the “Subject Documents” and each, individually, as a “Subject Document.”

In addition we have examined and relied upon the following:

(i) a certificate from the Assistant Corporate Secretary of the Company certifying as to (A) true and correct copies of the Amended and Restated Certificate of Incorporation, as amended, and the Amended and Restated Bylaws of the Company, as amended (together, the “Organizational Documents”) and (B) the resolutions of the Board of Directors of the Company authorizing (1) the filing of the Registration Statement by the Company and (2) the offer, sale and issuance of the Notes by the Company pursuant to the Agreements (the “Authorizing Resolutions”); and

(ii) originals, or copies identified to our satisfaction as being true copies, of such other records, documents, instruments, certificates of officers of and statements of the Company, and certificates and assurances of public officials, as we have deemed necessary for the purposes of this opinion letter.

“Applicable Law” means the Delaware General Corporation Law (the “DGCL”) and the laws of the State of New York.

Assumptions Underlying Our Opinions

For all purposes of the opinions expressed herein, we have assumed, without independent investigation, the following:

(a) Factual Matters. To the extent that we have reviewed and relied upon (i) certificates of the Company or authorized representatives thereof, (ii) representations of the Company set forth in the Subject Documents and (iii) certificates and assurances from public officials, all of such certificates, representations and assurances are accurate with regard to factual matters and all official records (including filings with public authorities) are properly indexed and filed and are accurate and complete.

(b) Authentic and Conforming Documents. All documents submitted to us as originals are authentic, complete and accurate, and all documents submitted to us as copies conform to authentic original documents.

(c) Signatures; Legal Capacity. The signatures of individuals who have signed or will sign the Subject Documents are genuine. All individuals who have signed or will sign the Subject Documents have the legal capacity to execute such Subject Documents.

(d) Organizational Status, Power and Authority of Certain Parties. All parties to the Subject Documents (other than any individual) (i) are validly existing and in good standing in their respective jurisdictions of formation, except that no such assumption is made as to the Company as of the date hereof and (ii) have the power and authority to execute, deliver and perform the Subject Documents and the documents required or permitted to be delivered and performed thereunder, except that no such assumption is made as to the Company as of the date hereof.

(e) Authorization, Execution and Delivery of Subject Documents by Certain Parties. The Subject Documents and the documents required or permitted to be delivered thereunder have been duly authorized by all necessary corporate, limited liability company, business trust, partnership or other action on the part of the parties thereto and have been duly executed and delivered by such parties, except that no such assumptions are made as to the Company as of the date hereof.

(f) Subject Documents Binding on Certain Parties. The Subject Documents and the documents required or permitted to be delivered thereunder are valid and binding obligations enforceable against the parties thereto in accordance with their terms, except that no such assumption is made as to the Company as of the date hereof.

(g) Noncontravention. Neither the issuance of the Notes by the Company or the execution and delivery of the Subject Documents by any party thereto nor the performance by such party of its obligations thereunder will conflict with or result in a breach of (i) the certificate or articles of incorporation, bylaws, certificate or articles of organization, operating agreement, certificate of limited partnership, partnership agreement, trust agreement or other similar organizational documents of any such party, except that no such assumption is made as to the Company as to the Organizational Documents as of the date hereof, (ii) any law or regulation of any jurisdiction applicable to any such party except that no such assumption is made as to the Company as to any Applicable Law as of the date hereof, or (iii) any order, writ, injunction or decree of any court or governmental instrumentality or agency applicable to any such party or any agreement or instrument to which any such party may be a party or by which its properties are subject or bound, except that no such assumption is made as to the Company as to the Subject Documents as of the date hereof.

(h) Governmental Approvals. All consents, approvals and authorizations of, or filings with, all governmental authorities that are required as a condition to the issuance of the Notes by the Company or to the execution and delivery of the Subject Documents by the parties thereto or the performance by such parties of their obligations thereunder have been obtained or made, except that no such assumption is made with respect to any consent, approval, authorization or filing that is applicable to the Company as of the date hereof.

(i) No Mutual Mistake, Amendments, etc. There has not been any mutual mistake of fact, fraud, duress or undue influence in connection with the issuance of the Notes as contemplated by the Registration Statement and the Prospectus. There are no oral or written statements or agreements that modify, amend or vary, or purport to modify, amend or vary, any of the terms of the Subject Documents except for, in the case of the terms of the Base Indenture, the Supplemental Indenture.

Our Opinions

Based on and subject to the foregoing and the exclusions, qualifications, limitations and other assumptions set forth in this opinion letter, we are of the opinion that:

1. **Organizational Status.** The Company is a validly existing corporation under the laws of the Delaware and is in good standing under such laws.

2. **Power and Authority.** The Company has the corporate power and authority to issue the Notes.

3. **Validity of the Notes.** When (i) the Notes have been issued and sold as contemplated by the Registration Statement, the Agreements and the Prospectus, (ii) the Company has received the consideration provided for in the Prospectus Supplement and the Agreements, and (iii) the Notes have been authenticated in accordance with the provisions of the Indenture, the Notes will constitute the valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, under the laws of State of New York.

Matters Excluded from Our Opinions

We express no opinion with respect to the following matters:

(a) **Indemnification and Change of Control.** The enforceability of any agreement relating to (i) indemnification, contribution or exculpation from costs, expenses or other liabilities or (ii) changes in the organizational control or ownership of any party, which agreement (in the case of clause (i) or clause (ii)) is contrary to public policy or Applicable Law.

(b) **Jurisdiction, Venue, etc.** The enforceability of any agreement to submit to the jurisdiction of any specific federal or state court (other than the enforceability in a court of the State of New York of any such agreement to submit to the jurisdiction of a court of the State of New York), to waive any objection to the laying of the venue, to waive the defense of *forum non conveniens* in any action or proceeding referred to therein, to waive trial by jury, to effect service of process in any particular manner or to establish evidentiary standards, and any agreement regarding the choice of law governing any Subject Document (other than the enforceability in a court of the State of New York or in a federal court sitting in the State of New York and applying New York law to any such agreement that the laws of the State of New York shall govern).

(c) **Remedies.** The enforceability of any provision in any Subject Document to the effect that rights or remedies are not exclusive, that every right or remedy is cumulative and may be exercised in addition to any other right or remedy, that the election of some particular remedy does not preclude recourse to one or more others or that failure to exercise or delay in exercising rights or remedies will not operate as a waiver of any such right or remedy.

Qualifications and Limitations Applicable to Our Opinions

The opinions set forth above are subject to the following qualifications and limitations:

(a) Applicable Law. Our opinions are limited to the Applicable Law, and we do not express any opinion concerning any other law.

(b) Bankruptcy. Our opinions are subject to the effect of any applicable bankruptcy, insolvency (including, without limitation, laws relating to preferences, fraudulent transfers and equitable subordination), reorganization, moratorium and other similar laws affecting creditors' rights generally.

(c) Equitable Principles. Our opinions are subject to the effect of general principles of equity (regardless of whether considered in a proceeding in equity or at law), including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing. In applying such principles, a court, among other things, might limit the availability of specific equitable remedies (such as injunctive relief and the remedy of specific performance), might not allow a creditor to accelerate maturity of debt or exercise other remedies upon the occurrence of a default deemed immaterial or for non-credit reasons or might decline to order a debtor to perform covenants in a Subject Document.

(d) Unenforceability of Certain Provisions. Provisions contained in the Notes or the Subject Documents which require waivers or amendments to be made only in writing may be unenforceable or ineffective, in whole or in part. The inclusion of such provisions, however, does not render any of the Notes or the Subject Documents invalid as a whole.

(e) Choice of New York Law and Forum. To the extent that any of our opinions relate to the enforceability of the choice of New York law or any choice of New York forum provisions of any Subject Document, our opinion is rendered in reliance upon N.Y. Gen. Oblig. Law §§ 5-1401 and 5-1402 and N.Y. CPLR 327(b) and is subject to the qualification that such enforceability may be limited by principles of public policy, comity and constitutionality. We express no opinion as to whether a United States federal court would have subject-matter or personal jurisdiction over a controversy arising under the Subject Documents.

Miscellaneous

The foregoing opinions are being furnished only for the purpose referred to in the first paragraph of this opinion letter. Our opinions are based on statutes, regulations and administrative and judicial interpretations which are subject to change. We undertake no responsibility to update or supplement these opinions subsequent to the date hereof. Headings in this opinion letter are intended for convenience of reference only and shall not affect its interpretation. We hereby consent to the filing of this opinion as an exhibit to the Company's Current Report on Form 8-K filed on the date hereof, to the incorporation by reference of this opinion of counsel into the Registration Statement, and to the reference to our firm in the Prospectus Supplement under the caption "Legal Matters." In giving this consent, we do not admit that we are within the category of persons whose consent is required by Section 7 of the Securities Act or the rules and regulations of the SEC promulgated thereunder.

Very truly yours,

/s/ McGuireWoods LLP



September 9, 2024

NiSource Inc.
801 East 86th Avenue
Merrillville, Indiana 46410

Ladies and Gentlemen:

We have acted as United States federal income tax counsel for NiSource Inc. (the “Company”) in connection with (i) the Registration Statement on Form S-3 (File No. 333-268084) (the “Registration Statement”), which was filed by the Company with the Securities and Exchange Commission (the “SEC”) in connection with the registration under the Securities Act of 1933, as amended (the “Act”), of certain securities of the Company, including debt securities, and (ii) the issuance by the Company of 6.375% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due in 2055 (the “Junior Subordinated Notes”), as described in the Company’s Prospectus, dated November 1, 2022 (the “Prospectus”) and Prospectus Supplement, dated September 3, 2024 (the “Prospectus Supplement”). The Registration Statement became effective on November 1, 2022. This opinion letter is being furnished in accordance with the requirements of Item 16 of Form S-3 and Item 601(b)(5)(i) of Regulation S-K promulgated under the Act.

In rendering our opinion, we have examined originals or copies, certified or otherwise identified to our satisfaction, of (i) the Registration Statement, (ii) the Prospectus, (iii) the Prospectus Supplement, (iv) the Indenture as defined in the terms agreement relating to the offer and sale of the Junior Subordinated Notes (the “Terms Agreement”), (v) the Terms Agreement, and (vi) such other agreements and documents as we have deemed relevant and necessary, and we have made such investigations of law as we have deemed appropriate as a basis for the opinion expressed below.

In our examination, we have assumed, with your permission, (i) the authenticity of original documents, (ii) the accuracy of copies and the genuineness of signatures, (iii) that the execution and delivery by each party to a document and the performance by such party of its obligations thereunder have been authorized by all necessary measures and do not violate or result in a breach of or default under such party’s certificate or instrument of formation and by-laws or the laws of such party’s jurisdiction of organization, (iv) that each agreement represents the entire agreement between the parties with respect to the subject matter thereof, (v) that the parties to each agreement have complied, and will comply, with all of their respective covenants, agreements and undertakings contained therein, (vi) that the transactions provided for by each agreement were and will be carried out in accordance with their terms, (vii) that the factual representations made to us by the Company in its officer’s certificate dated as of the date hereof and delivered to us for purposes of this opinion (the “Officer’s Certificate”) are true, correct and complete and will be true, correct and complete at the time of closing of the offering and delivery of the Junior Subordinated Notes (as if made as of such time), and (viii) that any factual representations made in the Prospectus, the Prospectus Supplement or the Officer’s Certificate “to the best knowledge of,” “in the belief of,” or similarly qualified are true, correct and complete without such qualification. If any of the above described assumptions are untrue for any reason or if the issuance of the Junior Subordinated Notes is consummated in a manner that is inconsistent with the manner in which it is described in the Prospectus Supplement, our opinion as expressed below may be adversely affected and may not be relied upon.

In rendering our opinion, with your permission, we have not undertaken any independent investigation or verification of any facts set forth in any document or materials or any assumption upon which we have relied (including, without limitation, any statement or representation contained in the Officer's Certificate), and we expressly disclaim any intent, undertaking, or obligation to make any such investigation or verification.

The opinion set forth below is based upon the Internal Revenue Code of 1986, as amended, Treasury Regulations (including temporary and proposed Treasury Regulations) issued thereunder, Internal Revenue Service ("IRS") rulings and pronouncements and judicial decisions now in effect, all of which are subject to change, possibly with retroactive effect. Our opinion is limited to the matters expressly stated herein. Our opinion is rendered only as of the date hereof, and its validity could be affected by subsequent changes in applicable law. We disclaim any undertaking to advise you or any other person with respect to any such change subsequent to the date hereof. An opinion of counsel with respect to an issue represents counsel's best judgment as to the outcome on the merits with respect to such issue and is not binding on the IRS or the courts. Thus, there can be no assurance or guarantee that the IRS will not assert a contrary position with respect to an issue or any conclusions contained herein, or that a court will not sustain such a position if asserted by the IRS.

Based upon and subject to the foregoing, the discussion contained in the Prospectus Supplement under the caption "Material U.S. Federal Income Tax Considerations," insofar as such discussion relates to legal conclusions with respect to matters of United States federal income tax law, represents our opinion and, subject to the qualifications, exceptions and limitations stated therein and herein, such discussion is accurate in all material respects. Such discussion does not, however, purport to discuss all United States federal income tax consequences to holders of the Junior Subordinated Notes and is limited to those United States federal income tax consequences to holders of the Junior Subordinated Notes specifically discussed therein and subject to the qualifications set forth therein and herein.

We are rendering this opinion to you solely in connection with the offering of the Junior Subordinated Notes, and this opinion may not be relied upon by any other person or for any other purpose without our prior written consent. We hereby consent to use of this opinion as an exhibit to the Company's Current Report on Form 8-K regarding the issuance and sale of the Junior Subordinated Notes and the incorporation of this opinion by reference in the Registration Statement and to references to us under the heading "Legal Matters" in the Registration Statement and in the Prospectus Supplement relating to the Junior Subordinated Notes. In giving this consent, we do not thereby admit that we come within the category of persons whose consent is required by the Act or the rules and regulations promulgated thereunder.

Very truly yours,

/s/ McGuireWoods LLP

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): October 21, 2024

NiSource Inc.
(Exact Name of Registrant as Specified in Charter)

Delaware
(State or other jurisdiction
of incorporation)

001-16189
(Commission
file number)

35-2108964
(I.R.S. Employer
Identification No.)

801 East 86th Avenue
Merrillville, Indiana
(Address of Principal Executive Offices)

46410
(Zip Code)

Registrant's telephone number, including area code: (877) 647-5990

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	NI	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 3.03. Material Modification to Rights of Security Holders.

The information set forth under Item 5.03 with respect to the Series C Certificate of Elimination and the Series A Certificate of Elimination below is incorporated herein by reference.

Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

Certificates of Elimination

On October 21, 2024, NiSource Inc. (the “Company”) filed a Certificate of Elimination (“Series C Certificate of Elimination”) to its Certificate of Incorporation with the Secretary of State of the State of Delaware to eliminate from the Certificate of Incorporation all matters set forth in the Certificate of Designations with respect to its Series C Mandatory Convertible Preferred Stock (the “Series C Preferred Stock”). As previously disclosed, pursuant to the terms of the Series C Certificate of Designations as of December 1, 2023, the shares of Series C Preferred stock were deemed to have automatically been transferred to NiSource Inc. and were thereupon retired and canceled and ceased to be outstanding for all purposes and all shares of Series C Preferred Stock were returned to the status of authorized but unissued preferred stock, par value of \$0.01 per share, without designation as to series. All rights of the holders of such shares of Series C Preferred Stock have terminated. A copy of the Certificate of Elimination relating to the Series C Preferred Stock is filed as Exhibit 3.1 to this Current Report on Form 8-K and is incorporated herein by reference.

On October 21, 2024, the Company filed a Certificate of Elimination (“Series A Certificate of Elimination”) to its Certificate of Incorporation with the Secretary of State of the State of Delaware to eliminate from the Certificate of Incorporation all matters set forth in the Certificate of Incorporation related to the Series A Junior Participating Preferred Stock (the “Series A Junior Stock”) previously filed by the Corporation with the Secretary of State of the State of Delaware on October 30, 2000. The Series A Junior Stock shares were reserved for issuance upon the exercise of rights under the Corporation’s former shareholder rights plan, which formally expired in 2010, and no shares of Series A Junior Stock were ever issued or outstanding. A copy of the Certificate of Elimination relating to the Series A Junior Stock is filed as Exhibit 3.2 to this Current Report on Form 8-K and is incorporated herein by reference.

The full text of the Amended and Restated Article of Incorporation is attached hereto as Exhibit 3.3 and incorporated herein by reference.

Amended and Restated Bylaws

On October 21, 2024, in connection with a periodic review of the bylaws of NiSource Inc. (the “Company”), the Company’s board of directors (the “Board”) adopted amended and restated bylaws (the “Bylaws”), effective immediately. Among other things, the amendments effected by the Bylaws:

- update certain provisions related to the adjournment of stockholder meetings and the list of stockholders entitled to vote to align such provisions with recent developments in Delaware law (Article IV, Sections (e) and (f));
- update certain provisions related to proxies (Article IV, Section (j));
- update the advance notice provisions for director nominations and proposals for other business to, among other things, align such provisions with recent developments in Delaware law (Article IV, Section (m));
- require any director candidate to make himself or herself available to be interviewed by the Board (Article V, Section (a)); and
- make certain administrative, modernizing, clarifying and conforming changes.

The foregoing description does not purport to be complete and is qualified in its entirety by reference to the full text of the Bylaws, a copy of which is attached hereto as Exhibit 3.4 and incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

The following exhibits are filed herewith:

<u>EXHIBIT NO.</u>	<u>DESCRIPTION OF EXHIBIT</u>
3.1	<u>Certificate of Elimination of the Company with respect to the Series C Preferred Stock, dated October 21, 2024, issued by NiSource Inc.</u>
3.2	<u>Certificate of Elimination of the Company with respect to the Series A Junior Participating Preferred Stock, dated October 21, 2024, issued by NiSource Inc.</u>
3.3	<u>Articles of Incorporation of NiSource Inc., as amended and restated through October 21, 2024.</u>
3.4	<u>Bylaws of NiSource Inc., as amended and restated through October 21, 2024.</u>
104	Cover Page Interactive Data File (embedded in the cover page formatted in Inline XBRL)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NISOURCE INC.

Date: October 22, 2024

By: /s/ Kimberly S. Cuccia

Kimberly S. Cuccia

Senior Vice President, General Counsel and Corporate Secretary

**CERTIFICATE OF ELIMINATION
OF
SERIES C MANDATORY CONVERTIBLE PREFERRED STOCK
PAR VALUE \$0.01 PER SHARE
OF
NISOURCE INC.**

**Pursuant to Section 151 of the
General Corporation Law of the State of Delaware**

NiSource Inc., a corporation organized and existing under the General Corporation Law of the State of Delaware (the "Corporation"), does hereby certify as follows:

1. At a meeting of the Board of Directors (the "Board") of the Corporation duly convened and held on March 16, 2021, the Board duly authorized and established a new series of mandatory convertible preferred stock, par value \$0.01 per share, designated as the Series C Mandatory Convertible Preferred Stock (the "Series C Preferred Stock"), and designated a Pricing Committee (the "Pricing Committee") of the Board of Directors and conferred upon the Pricing Committee the power and authority of the Board of Directors to approve the designations and the powers, preferences and rights, and the qualifications, limitations and restrictions of the Series C Preferred Stock.

2. On April 13, 2021, the Pricing Committee established the designations and the powers, preferences and rights, and the qualifications, limitations and restrictions of 862,500 shares of Series C Preferred Stock as set forth in the certificate of designations (the "Series C Certificate of Designations"), as filed with the Secretary of State of the State of Delaware on April 19, 2021.

3. Pursuant to the terms of the Series C Certificate of Designations as of December 1, 2023, the shares of Series C Preferred stock were deemed to have automatically been transferred to NiSource Inc. and were thereupon retired and canceled and ceased to be outstanding for all purposes and all shares of Series C Preferred Stock were returned to the status of authorized but unissued preferred stock, par value of \$0.01 per share, without designation as to series.

4. The "Authorized Officers" include Kimberly S. Cuccia, the Senior Vice President, General Counsel and Corporate Secretary of the Corporation.

5. Pursuant to Section 151 of the General Corporation Law of the State of Delaware, the certificate of incorporation of the Corporation is hereby amended to eliminate all matters set forth in the Certificate of Designations of the Series C Preferred Stock previously filed by the Corporation with the Secretary of State of the State of Delaware on April 19, 2021.

6. No shares of Series C Preferred Stock remain issued and outstanding.

7. Kimberly S. Cuccia, in her capacity as an Authorized Officer, has certified the resolutions set forth below.

NOW, THEREFORE, BE IT RESOLVED, that no further shares of Series C Preferred Stock shall be issued subject to the Series C Certificate of Designations;

FURTHER RESOLVED, that no shares of the Series C Preferred Stock are outstanding; and

FURTHER RESOLVED, that the Authorized Officers of the Corporation be, and each of them hereby is, authorized and directed, in the name of and on behalf of the Corporation, to execute a Certificate of Elimination relating to the Series C Preferred Stock, as well as such other certificates or instruments as may be required, to be filed with the Secretary of State of the State of Delaware to evidence the elimination from the certificate of incorporation of the Corporation all matters set forth in the Series C Certificate of Designations, such elimination to be effective upon the filing with the Secretary of State of the State of Delaware of such Certificate of Elimination of the Series C Preferred Stock.

IN WITNESS WHEREOF, NiSource Inc. has caused this Certificate of Elimination to be signed by the undersigned as of this 1st day of October, 2024.

/s/ Kimberly S. Cuccia

Kimberly S. Cuccia

Senior Vice President, General Counsel and Corporate
Secretary

**CERTIFICATE OF ELIMINATION
OF
SERIES A JUNIOR PARTICIPATING PREFERRED STOCK
OF
NISOURCE INC.**

**Pursuant to Section 151 of the
General Corporation Law of the State of Delaware**

NiSource Inc., a corporation organized and existing under the General Corporation Law of the State of Delaware (the “Corporation”), does hereby certify as follows:

1. Section C of ARTICLE IV of the Corporation’s Certificate of Incorporation filed with the Secretary of State of the State of Delaware on March 29, 2000, as amended through March 18, 2024 (the “Certificate of Incorporation”), authorized and established a new series of preferred stock designated as the Series A Junior Participating Preferred Stock (the “Series A Junior Stock”).
2. Section C of ARTICLE IV of the Corporation’s Certificate of Incorporation fixed the designation and number of shares, and the powers, preferences and rights, and the qualifications, limitations and restrictions of 4,000,000 shares of Series A Junior Stock.
3. The Series A Junior Stock shares were reserved for issuance upon the exercise of rights under the Corporation’s former shareholder rights plan, which formally expired in 2010, and no shares of Series A Junior Stock were ever issued.
4. The “Authorized Officers” include Kimberly S. Cuccia, the Senior Vice President, General Counsel and Corporate Secretary of the Corporation.
5. Pursuant to Section 151 of the General Corporation Law of the State of Delaware, the Certificate of Incorporation of the Corporation is hereby amended to eliminate all matters set forth in the Certificate of Incorporation related to the Series A Junior Stock previously filed by the Corporation with the Secretary of State of the State of Delaware on October 30, 2000.
6. No shares of Series A Junior Stock were ever issued or outstanding.
7. Kimberly S. Cuccia, in her capacity as an Authorized Officer, has certified the resolutions set forth below.

NOW, THEREFORE, BE IT RESOLVED, that no shares of Series A Junior Stock shall be issued subject to the Certificate of Incorporation;

FURTHER RESOLVED, that no shares of the Series A Junior Stock were ever issued or outstanding; and

FURTHER RESOLVED, that the Authorized Officers of the Corporation be, and each of them hereby is, authorized and directed, in the name of and on behalf of the Corporation, to execute a Certificate of Elimination relating to the Series A Junior Stock, as well as such other certificates or instruments as may be required, to be filed with the Secretary of State of the State of Delaware to evidence the elimination from the Certificate of Incorporation of the Corporation all matters set forth in the Certificate of Incorporation, such elimination to be effective upon the filing with the Secretary of State of the State of Delaware of the Certificate of Elimination of the Series A Junior Stock.

IN WITNESS WHEREOF, NiSource Inc. has caused this Certificate of Elimination to be signed by the undersigned as of this 21st day of October, 2024.

/s/ Kimberly S. Cuccia

Kimberly S. Cuccia
Senior Vice President, General Counsel and Corporate
Secretary

AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
NISOURCE INC.
As Amended Through
October 21, 2024

AMENDED AND RESTATED

CERTIFICATE OF INCORPORATION

OF

NISOURCE INC.

It is hereby certified that:

1. The present name of the corporation (hereinafter the “Corporation”) is NiSource Inc. The Corporation was originally incorporated under the name New NiSource Inc. through its original certificate of incorporation filed with the Secretary of State of the State of Delaware on March 29, 2000.
2. The Corporation filed its amended and restated certificate of incorporation with the Secretary of State of the State of Delaware on October 30, 2000, effective as of October 31, 2000 and made subsequent amendments thereto through October 21, 2024 (hereinafter, the “Certificate of Incorporation”).
3. The Corporation and its name changed to NiSource Inc. through a certificate of amendment filed on November 1, 2000.
4. This Amended and Restated Certificate of Incorporation of the Corporation (the “Amended and Restated Certificate of Incorporation”) only restates and integrates and does not further amend the provisions of the Corporation’s Certificate of Incorporation as amended or supplemented through October 21, 2024, and there is no discrepancy between the provisions of the Certificate of Incorporation as theretofore amended and supplemented and the provisions of this Amended and Restated Certificate of Incorporation. This Amended and Restated Certificate of Incorporation was duly adopted in accordance with the provisions of Section 245 of the General Corporation Law of the State of Delaware by the Board of Directors of the Corporation.
5. This Amended and Restated Certificate of Incorporation shall be effective upon filing.
6. This Amended and Restated Certificate of Incorporation as so adopted reads in its entirety as follows.

Article I
Name

The name of this Corporation is NiSource Inc.

Article II
Registered Office

The registered office of the Corporation in the State of Delaware is located at Corporation Service Company, 251 Little Falls Drive, in the City of Wilmington, County of New Castle, DE 19808. The name of its registered agent is Corporation Service Company in said city.

Article III
Statement of Purpose

The nature of the business to be conducted and the purposes of the Corporation are to engage in any lawful act or activity for which corporations may be organized under the Delaware General Corporation Law, as amended.

Article IV
Classes of Capital Stock

The total number of shares of all classes of stock which the Corporation shall have authority to issue is seven hundred seventy million (770,000,000), of which twenty million (20,000,000) shares of the par value \$.01 each are to be of a class designated Preferred Stock and seven hundred fifty million (750,000,000) shares of the par value of \$.01 each are to be of a class designated Common Stock.

A. Common Stock

1. Subject to the powers, preferences and other special rights afforded Preferred Stock by the provisions of this Article IV or resolutions adopted pursuant hereto, the holders of the Common Stock shall be entitled to receive, to the extent permitted by Delaware law, such dividends as may from time to time be declared by the Board of Directors.

2. Except as otherwise required by Delaware law and as otherwise provided in this Article IV and resolutions adopted pursuant hereto with respect to Preferred Stock, and subject to the provisions of the Bylaws of the Corporation, as from time to time amended, with respect to the closing of the transfer books and the fixing of a record date for the determination of stockholders entitled to vote, the holders of the Common Stock shall exclusively possess voting power for the election of directors and for all other purposes, and the holders of the Preferred Stock shall have no voting power and shall not be entitled to any notice of any meeting of stockholders.

3. Except as may otherwise be required by law, this Amended and Restated Certificate of Incorporation or the provisions of the resolution or resolutions as may be adopted by the Board of Directors pursuant to this Article IV with respect to Preferred Stock, each holder of Common Stock, and each holder of Preferred Stock, if entitled to vote on such matter, shall be entitled to one vote in respect of each share of Common Stock or Preferred Stock, as the case may be, held by such holder on each matter voted upon by stockholders, and any such right to vote shall not be cumulative.

4. Any action required or permitted to be taken by the stockholders of the Corporation must be effected at an annual or special meeting of stockholders of the Corporation and may not be effected by any consent in writing by such stockholders. Except as otherwise required by law and subject to the rights of the holders of any class or any series of Preferred Stock, special meetings of stockholders of the Corporation may be called only by the Board of Directors pursuant to a resolution adopted by a majority of the total number of authorized directors (whether or not there exist any vacancies in previously authorized directorships at the time any such resolution is presented to the Board for adoption) or, subject to the provisions of the Bylaws of the Corporation, upon the written request of stockholders of the Corporation holding no less than twenty-five percent of the shares of Common Stock issued and outstanding.

5. In the event of the voluntary or involuntary liquidation, dissolution, distribution of assets or winding-up of the Corporation, after distribution in full of the preferential amounts, if any, to be distributed to the holders of Preferred Stock, as set forth in this Article IV or the resolutions adopted with respect to such series under this Article IV, holders of Common Stock shall be entitled to receive all of the remaining assets of the Corporation of whatever kind available for distribution to the stockholders ratably and in proportion to the number of shares of Common Stock held by them respectively. The Board of Directors may distribute in kind to the holders of Common Stock such remaining assets of the Corporation or may sell, transfer, otherwise dispose of all or any part of such remaining assets to any other corporation, trust or other entity and receive payment therefor in cash, stock or obligations of such other corporation, trust or other entity, or a combination thereof, and may set all or make any part of the consideration so received and distributed or any balance thereof in kind to holders of Common Stock. The merger or consolidation of the Corporation into or with any other corporation, or the merger of any other corporation into it, or any purchase or redemption of shares of stock of the Corporation of any class, shall not be deemed to be a dissolution, liquidation, or winding-up of the Corporation for the purposes of this Article IV.

B. Preferred Stock

The express grant of authority to the Board of Directors of the Corporation to fix by resolution or resolutions the designations and the powers, preferences and rights, and the qualifications, limitations or restrictions thereof, of the shares of Preferred Stock that are not fixed by this Amended and Restated Certificate of Incorporation is as follows:

1. The Preferred Stock may be issued from time to time in any amount, not exceeding in the aggregate the total number of shares of Preferred Stock herein above authorized, as Preferred Stock of one or more series, as hereinafter provided. All shares of any one series of Preferred Stock shall be alike in every particular, each series thereof shall be distinctively designated by letter or descriptive words, and all series of Preferred Stock shall rank equally and be identical in all respects except as permitted by the provisions of Subsection B.2 of this Article IV.

2. Authority is hereby expressly granted to and vested in the Board of Directors from time to time to issue the Preferred Stock as Preferred Stock of any series and in connection with the creation of each such series to fix, by the resolution or resolutions providing for the issue of shares thereof, the voting powers, designations, preferences and relative, participating, optional or other special rights, and the qualifications, limitations or restrictions thereof, if any, of such series, to the full extent now or hereafter permitted by the laws of the State of Delaware. Pursuant to the foregoing general authority vested in the Board of Directors, but not in limitation of the powers conferred on the Board of Directors thereby and by the laws of the State of Delaware, the Board of Directors is expressly authorized to determine with respect to each series of Preferred Stock:

- (a) the designation of such series and number of shares constituting such series;
- (b) the dividend rate or amount of such series, the payment dates for dividends on shares of such series, the status of such dividends as cumulative or non-cumulative, the date from which dividends on shares of such series, if cumulative, shall be cumulative, and the status of such as participating or non-participating after the payment of dividends as to which such shares are entitled to any preference;

- (c) the price or prices (which amount may vary under different conditions or at different dates) at which, and the terms, conditions and conditions on which, the shares of such series may be redeemed at the option of the Corporation;
- (d) whether or not the shares of such series shall be made optionally or mandatorily convertible into, or exchangeable for, shares of any other class or classes or of any other series of the same or any other class or classes of stock of the Corporation or other securities and, if made so convertible or exchangeable, the conversion price or prices, or the rates of exchange, and the adjustments thereof, if any, at which such conversion or exchange may be made and any other terms and conditions of such conversion or exchange;
- (e) whether or not the shares of such series shall be entitled to the benefit of a retirement or sinking fund to be applied to the purchase or redemption of shares of such series, and if so entitled, the amount of such fund and the manner of its application, including the price or prices at which shares of such series may be redeemed or purchased through the application of such fund;
- (f) whether or not the issue of any additional shares of such series or any future series in addition to such series or of any shares of any other class of stock of the Corporation shall be subject to restrictions and, if so, the nature thereof;
- (g) the rights and preferences, if any, of the holders of such series of Preferred Stock upon the voluntary or involuntary liquidation, dissolution or winding-up of the Corporation, and the status of the shares of such series as participating or non-participating after the satisfaction of any such rights and preferences;
- (h) the full or limited voting rights, if any, to be provided for shares of such series, in addition to the voting rights provided by law; and
- (i) any other relative powers, preferences and participating, optional or other special rights and the qualifications, limitations or restrictions thereof, of shares of such series;

in each case, so far as not inconsistent with the provisions of this Amended and Restated Certificate of Incorporation or the Delaware General Corporation Law then in effect.

Article V

Board of Directors

A. Election and Removal of Directors

1. The Board of Directors shall consist of not less than seven (7) or more than twelve (12) persons, the exact number to be fixed from time to time exclusively by the Board of Directors pursuant to a resolution adopted by a majority of the total number of authorized directors (whether or not there exist any vacancies in previously authorized directorships at the time any such resolution is presented to the Board for adoption), provided, however, this provision shall not act to limit Board size in the event the holders of one or more series of Preferred Stock are entitled to elect directors to the exclusion of holders of Common Stock. Each director who is serving as a director on the date of this Amended and Restated Certificate of Incorporation shall hold office until the next annual meeting of stockholders following such date and until his or her successor has been duly elected and qualified, notwithstanding that such director may have been elected for a term that extended beyond the date of such next annual meeting of stockholders. At each annual meeting of the stockholders of the Corporation after the date of this Amended and Restated Certificate of Incorporation, directors elected at such annual meeting shall hold office until the next annual meeting of stockholders and until their successors have been duly elected and qualified.

2. Notwithstanding the foregoing and except as otherwise provided by law, whenever the holders of any series of Preferred Stock shall have the right (to the exclusion of holders of Common Stock) to elect directors of the Corporation pursuant to the provisions of Article IV or any resolution adopted pursuant thereto, the election of such directors of the Corporation shall be governed by the terms and provisions of Article IV or said resolutions and such directors shall be elected to hold office for a term expiring at the annual meeting of stockholders held in the first year following their election or, if such right of the holders of the Preferred Stock is terminated, for a term expiring in accordance with the provisions of Article IV or such resolutions.

3. Newly-created directorships resulting from any increase in the authorized number of directors or any vacancies in the Board of Directors resulting from death, resignation, retirement, disqualification, removal from office or other cause may be filled only by a majority vote of the directors then in office, even though less than a quorum of the Board of Directors, acting at a regular or special meeting. If any applicable provision of the Delaware General Corporation Law, Article IV or any resolution adopted pursuant to Article IV expressly confers power on stockholders to fill such a directorship at a special meeting of stockholders, such a directorship may be filled at such a meeting only by the affirmative vote of a majority of the combined voting powers of the outstanding shares of stock of the Corporation entitled to vote generally; provided, however, that when (a) pursuant to the provisions of Article IV or any resolutions adopted pursuant thereto, the holders of any series of Preferred Stock have the right (to the exclusion of holders of the Common Stock), and have exercised such right, to elect directors and (b) Delaware General Corporation Law, Article IV or any such resolution expressly confers on stockholders voting rights as aforesaid, if the directorship to be filled had been occupied by a director elected by the holders of Common Stock, then such directorship shall be filled by a majority vote as aforesaid, but if such directorship to be filled had been elected by holders of Preferred Stock, then such directorship shall be filled in accordance with Article IV or the applicable resolutions adopted under Article IV. Any director elected in accordance with the two preceding sentences shall hold office until such director's successor shall have been elected and qualified unless such director was elected by holders of Preferred Stock (acting to the exclusion of the holders of Common Stock), in which case such director's term shall expire in accordance with Article IV or the applicable resolutions adopted pursuant to Article IV. No decrease in the number of authorized directors constituting the entire Board of Directors shall shorten the term of any incumbent director, except as otherwise provided in Article IV or the applicable resolutions adopted pursuant to Article IV with respect to directorships created pursuant to one or more series of Preferred Stock.

4. Subject to the rights of the holders of any series of Preferred Stock to elect directors under specified circumstances, any director or directors may be removed from office at any time by the affirmative vote of a majority of the combined voting power of all of the then-outstanding shares of stock of the Corporation entitled to vote generally, voting together as a single class (it being understood that for all purposes of this Article V, each share of Preferred Stock shall have the number of votes, if any, granted to it pursuant to this Amended and Restated Certificate of Incorporation of any resolution adopted pursuant to Article IV).

5. Notwithstanding any other provision of this Amended and Restated Certificate of Incorporation or any provision of law which might otherwise permit a lesser vote or no vote, but in addition to any affirmative vote of the holders of any particular class or series of the stock of the Corporation required by law, this Amended and Restated Certificate of Incorporation or any resolution adopted pursuant to Article IV, the affirmative vote of a majority of the total number of authorized directors (whether or not there exist any vacancies in previously authorized directorships at the time any such alteration, amendment or repeal is presented to the Board for adoption), shall be required to alter, amend or repeal this Article V, or any provision hereof.

B. Liability, Indemnification and Insurance

1. Limitation on Liability. To the fullest extent that the Delaware General Corporation Law as it exists on the date hereof or as it may hereafter be amended permits the limitation or elimination of the personal liability of directors, no director of the Corporation shall be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. No amendment to or repeal of this Section B. 1 shall apply to or have any effect on the liability or alleged liability of any director of the Corporation for or with respect to any acts or omissions of such director occurring prior to such amendment or repeal.

2. Right to Indemnification. The Corporation shall to the fullest extent permitted by applicable law as then in effect indemnify any person (the Indemnitee) who was or is involved in any manner (including, without limitation, as a party or a witness) or is threatened to be made so involved in any threatened, pending or completed investigation, claim, action, suit or proceeding, whether civil, criminal, administrative or investigative (including, without limitation, any action, suit or proceeding by or in the right of the Corporation to procure a judgment in its favor) (a "Proceeding") by reason of the fact that such person is or was a director, officer, employee or agent of the Corporation, or of NiSource Corporate Services Company or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise (including, without limitation, any employee benefit plan) against all expenses including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such Proceeding. Such indemnification shall be a contract right and shall include the right to receive payment of any expenses incurred by the Indemnitee in connection with such Proceeding in advance of its final disposition, consistent with the provisions of applicable law as then in effect.

3. Insurance, Contracts and Funding. The Corporation may purchase and maintain insurance to protect itself and any Indemnitee against any expenses, judgments, fines and amounts paid in settlement as specified in Subsection B.2 of this Section B or incurred by any Indemnitee in connection with any Proceeding referred to in Subsection B.2 of this Section B, to the fullest extent permitted by applicable law as then in effect. The Corporation may enter into contracts with any director, officer, employee or agent of the Corporation in furtherance of the provisions of this Section B and may create a trust fund, grant a security interest or use other means (including, without limitation, a letter of credit) to ensure the payment of such amounts as may be necessary to effect indemnification as provided in this Section B.

4. Indemnification; No Exclusive Right. The right of indemnification provided in this Section B shall not be exclusive of any other rights to which those seeking indemnification may otherwise be entitled, and the provisions of this Section B shall inure to the benefit of the heirs and legal representatives of any person entitled to indemnity under this Section B and shall be applicable to Proceedings commenced or continuing after the adoption of this Section B, whether arising from acts or omissions occurring before or after such adoption.

5. Advancement of Expenses; Procedures; Presumptions and Effect of Certain Proceedings; Remedies. In furtherance, but not in limitation of the foregoing provisions, the following procedures, presumptions and remedies shall apply with respect to advancement of expenses and the right to indemnification under this Section B:

(a) Advancement of Expenses. All reasonable expenses incurred by or on behalf of the Indemnitee in connection with any Proceeding shall be advanced to the Indemnitee by the Corporation within twenty (20) days after the receipt by the Corporation of a statement or statements from the Indemnitee requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the expenses incurred by the Indemnitee and, if required by law at the time of such advance, shall include or be accompanied by an undertaking by or on behalf of the Indemnitee to repay the amounts advanced if it should ultimately be determined that the Indemnitee is not entitled to be indemnified against such expenses pursuant to this Section B.

(b) Procedure for Determination of Entitlement to Indemnification.

(i) To obtain indemnification under this Section B, an Indemnitee shall submit to the Secretary of the Corporation a written request, including such documentation and information as is reasonably available to the Indemnitee and reasonably necessary to determine whether and to what extent the Indemnitee is entitled to indemnification (the "Supporting Documentation"). The determination of the Indemnitee's entitlement to indemnification shall be made not later than sixty (60) days after receipt by the Corporation of the written request for indemnification together with the Supporting Documentation. The Secretary of the Corporation shall, promptly upon receipt of such a request for indemnification, advise the Board of Directors in writing that the Indemnitee has requested indemnification.

(ii) The Indemnitee's entitlement to indemnification under this Section B shall be determined in one of the following ways: (A) by a majority vote of the Disinterested Directors (as hereinafter defined), even if they constitute less than a quorum of the Board; (B) by a written opinion of Independent Counsel (as hereinafter defined) if (x) a Change of Control (as hereinafter defined) shall have occurred and the Indemnitee so requests or (y) there are no Disinterested Directors or a majority of such Disinterested Directors so directs; (C) by the stockholders of the Corporation (but only if a majority of the Disinterested Directors presents the issue of entitlement to indemnification to the stockholders for their determination); or (D) as provided in Section B.5(c).

(iii) In the event the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section B.5(b)(ii), a majority of the Disinterested Directors shall select the Independent Counsel (except that if there are no Disinterested Directors, the Corporation's General Counsel shall select the Independent Counsel), but only an Independent Counsel to which the Indemnitee does not reasonably object; provided, however, that if a Change of Control shall have occurred, the Indemnitee shall select such Independent Counsel, but only an Independent Counsel to which the Board of Directors does not reasonably object.

(iv) The only basis upon which a finding of no entitlement to indemnification may be made is that indemnification is prohibited by law.

(c) Presumptions and Effect of Certain Proceedings. Except as otherwise expressly provided in this Section B, if a Change of Control shall have occurred, the Indemnitee shall be presumed to be entitled to indemnification under this Section B upon submission of a request for indemnification together with the Supporting Documentation in accordance with Section B.5(b)(i), and thereafter the Corporation shall have the burden of proof to overcome that presumption in reaching a contrary determination. In any event, if the person or persons empowered under Section B.5(b) to determine entitlement to indemnification shall not have been appointed or shall not have made a determination within sixty (60) days after receipt by the Corporation of the request therefor together with the Supporting Documentation, the Indemnitee shall be deemed to be entitled to indemnification and the Indemnitee shall be entitled to such indemnification unless (A) the Indemnitee misrepresented or failed to disclose a material fact in making the request for indemnification or in the Supporting Documentation or (B) such indemnification is prohibited by law. The termination of any Proceeding described in Section B.2, or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, adversely affect the right of the Indemnitee to indemnification or create a presumption that the Indemnitee did not act in good faith and in a manner which the Indemnitee reasonably believed to be in or not opposed to the best interests of the Corporation or, with respect to any criminal Proceeding, that the Indemnitee had reasonable cause to believe that the Indemnitee's conduct was unlawful.

(d) Remedies of Indemnitee.

(i) In the event that a determination is made, pursuant to Section B.5(b) that the Indemnitee is not entitled to indemnification under this Section B, (A) the Indemnitee shall be entitled to seek an adjudication of his entitlement to such indemnification either, at the Indemnitee's sole option, in (x) an appropriate court of the State of Delaware or any other court of competent jurisdiction or (y) an arbitration to be conducted by a single arbitrator pursuant to the rules of the American Arbitration Association; (B) any such judicial Proceeding or arbitration shall be de novo and the Indemnitee shall not be prejudiced by reason of such adverse determination; and (C) in any such judicial Proceeding or arbitration the Corporation shall have the burden of proving that the Indemnitee is not entitled to indemnification under this Section B.

(ii) If a determination shall have been made or deemed to have been made, pursuant to Section B.5(b) or (c), the Indemnitee is entitled to indemnification, the Corporation shall be obligated to pay the amounts constituting such indemnification within five (5) days after such determination has been made or deemed to have been made and shall be conclusively bound by such determination unless (A) the Indemnitee misrepresented or failed to disclose a material fact in making the request for indemnification or in the Supporting Documentation or (B) such indemnification is prohibited by law. In the event that (x) advancement of expenses is not timely made pursuant to Section B.5(a) or (y) payment of indemnification is not made within five (5) days after a determination of entitlement to indemnification has been made or deemed to have been made pursuant to Section B.5(b) or (c), the Indemnitee shall be entitled to seek judicial enforcement of the Corporation's obligation to pay to the Indemnitee such advancement of expenses or indemnification.

Notwithstanding the foregoing, the Corporation may bring an action, in an appropriate court in the State of Delaware or any other court of competent jurisdiction, contesting the right of the Indemnitee to receive indemnification hereunder due to the occurrence of an event described in subclause (A) or (B) of this clause (ii) (a "Disqualifying Event"); provided, however, that in any such action the Corporation shall have the burden of proving the occurrence of such Disqualifying Event.

(iii) The Corporation shall be precluded from asserting in any judicial Proceeding or arbitration commenced pursuant to this Section B.5(d) that the procedures and preemptions of this Section B are not valid, binding and enforceable and shall stipulate in any such court or before any such arbitrator that the Corporation is bound by all the provisions of this Section B.

(iv) In the event that the Indemnitee, pursuant to this Section B.5(d), seeks a judicial adjudication of or an award in arbitration to enforce his rights under, or to recover damages for breach of, this Section B, the Indemnitee shall be entitled to recover from the Corporation, and shall be indemnified by the Corporation against, any expenses actually and reasonably incurred by the Indemnitee if the Indemnitee prevails in such judicial adjudication or arbitration. If it shall be determined in such judicial adjudication or arbitration that the Indemnitee is entitled to receive part but not all of the indemnification or advancement of expenses sought, the expenses incurred by the Indemnitee in connection with such judicial adjudication or arbitration shall be prorated accordingly.

(e) Definitions. For purposes of this Section B.5:

(i) "Change in Control" means (A) so long as the Public Utility Holding Company Act of 1935 is in effect, any "company" becoming a "holding company in respect to the Corporation or any determination by the Securities and Exchange Commission that any "person" should be subject to the obligations, duties, and liabilities if imposed by said Act by virtue of his, hers or its influence over the management or policies of the Corporation, or (B) whether or not said Act is in effect a change in control of the Corporation of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A promulgated under the Securities Exchange Act of 1934 (the "Exchange Act"), whether or not the Corporation is then subject to such reporting requirement; provided that, without limitation, such a change in control shall be deemed to have occurred if (i) any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Corporation representing ten percent or more of the combined voting power of the Corporation's then outstanding securities without the prior approval of at least two-thirds of the members of the Board of Directors in office immediately prior to such acquisition; (ii) the Corporation is a party to a merger, consolidation, sale of assets or other reorganization, or a proxy contest, as a consequence of which members of the Board of Directors in office immediately prior to such transaction or event constitute less than a majority of the Board of Directors thereafter; or (iii) during any period of two consecutive years, individuals who at the beginning of such period constituted the Board of Directors (including for this purpose any new director whose election or nomination for election by the Corporation's stockholders was approved by a vote of at least two-thirds of the directors then still in office who were directors at the beginning of such period) cease for any reason to constitute at least a majority of the Board of Directors.

(ii) "Disinterested Director" means a director of the Corporation who is not or was not a party to the Proceeding in which indemnification is sought by the Indemnitee.

(iii) "Independent Counsel" means a law firm or a member of a law firm that neither presently is, nor in the past five years has been, retained to represent: (A) the Corporation or the Indemnitee in any matter material to either such party or (B) any other party to the Proceeding giving rise to a claim for indemnification under this Section B. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing under Delaware law, would have a conflict of interest in representing either the Corporation or the Indemnitee in an action to determine the Indemnitee's rights under this Section B.

6. Severability. If any provision or provisions of this Section B shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (i) the validity, legality and enforceability of the remaining provision of this Section B (including, without limitation, all portions of any paragraph of this Section B containing any such provision held to be invalid, illegal or unenforceable, that are not themselves invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby; and (ii) to the fullest extent possible, the provisions of this Section B (including, without limitation, all portions of any paragraph of this Section B containing any such provision held to be invalid, illegal or unenforceable, that are not themselves invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable.

7. Successor Laws, Regulations and Agencies. Reference herein to laws, regulations or agencies shall be deemed to include all amendments thereof, substitutions therefor and successors thereto.

Article VI

General Powers of the Board of Directors

A. Bylaws

The Board of Directors shall have the power to make, alter, amend and repeal the Bylaws of the Corporation in such form and with such terms as the Board may determine, subject to the power granted to stockholders to alter or repeal the Bylaws provided under Delaware law; provided, however, that, notwithstanding any other provision of this Amended and Restated Certificate of Incorporation or any provision of law which might otherwise permit a lesser vote or no vote, the affirmative vote of a majority of the total number of authorized directors (whether or not there exist any vacancies in previously authorized directorships at the time any such alteration, amendment or repeal is presented to the Board for adoption), shall be required to alter, amend or repeal any provision of the Bylaws which is to the same effect as any one or more sections of this Article VI.

B. Charter Amendments

Subject to the provisions hereof, the Corporation, through its Board of Directors, reserves the right at any time, and from time to time, to amend, alter, repeal or rescind any provision contained in this Amended and Restated Certificate of Incorporation in the manner now or hereinafter prescribed by law, and any other provisions authorized by Delaware law at the time enforced may be added or inserted, in the manner now or hereinafter prescribed by law, and any and all rights, preferences and privileges of whatsoever nature conferred upon stockholders, directors or any other persons whomsoever by and pursuant to this Amended and Restated Certificate of Incorporation in its present form or as hereinafter amended are granted subject to the rights reserved in this Article.

Signed on October 21, 2024

/s/ Kimberly S. Cuccia

Kimberly S. Cuccia

Senior Vice President, General Counsel and Corporate
Secretary

NISOURCE INC.

AMENDED AND RESTATED BYLAWS

**As amended and restated
through October 21, 2024**

**BYLAWS OF
NISOURCE INC.**

ARTICLE I

SEAL

The corporate seal shall have inscribed thereon the name of the Corporation, the year of its organization and the words "Corporate Seal, Delaware." The seal may be used by causing it or a facsimile thereof to be impressed or affixed or otherwise reproduced.

ARTICLE II

OFFICES; BOOKS AND RECORDS

(a) Registered Office. The Corporation shall maintain a registered office in the State of Delaware.

(b) Other Offices. The location of the Corporation's principal office shall be at 801 East 86th Avenue, in the Town of Merrillville, County of Lake, in the State of Indiana. The Corporation may, in addition to its principal office in the State of Indiana, establish and maintain an office or offices in such other states and places as the Board of Directors may from time to time find necessary or desirable.

(c) Books and Records. The books, documents, and papers of the Corporation, except as may be otherwise required by the laws of the State of Delaware, may be kept outside of the said State at such places as the Board of Directors may from time to time designate.

ARTICLE III

CAPITAL STOCK

(a) Certificated and Uncertificated Shares. The interest of each stockholder of the Corporation may be evidenced by certificates for shares of stock in such form as the appropriate officers of the Corporation may from time to time prescribe or be uncertificated. The certificates of stock shall be signed, countersigned and registered in such manner as the Board of Directors may by resolution prescribe, which resolution may permit all or any of the signatures on such certificates to be in facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate has ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if such person were such officer, transfer agent or registrar at the date of issue.

(b) DRS Eligibility. Notwithstanding anything to the contrary in these amended and restated bylaws of the Corporation (as amended from time to time in accordance with the provisions hereof, these "Bylaws"), at all times that the Corporation's stock is listed on a stock exchange, the shares of the stock of the Corporation shall comply with all direct registration system eligibility requirements established by such exchange, including any requirement that shares of the Corporation's stock be eligible for issue in book-entry form. All issuances and transfers of shares of the Corporation's stock shall be entered on the books of the Corporation with all information necessary to comply with such direct registration system eligibility requirements, including the name and address of the person to whom the shares of stock are issued, the number of shares of stock issued and the date of issue. The Board of Directors shall have the power and authority to make such rules and regulations as it may deem necessary or proper concerning the issue, transfer and registration of shares of stock of the Corporation in both the certificated and uncertificated form.

(c) Transfer. The shares of the stock of the Corporation shall be transferred on the books of the Corporation, in the case of certificated shares of stock, by the holder thereof in person or by the holder's attorney duly authorized in writing, upon surrender for cancellation of certificates for at least the same number of shares, with an assignment and power of transfer endorsed thereon or attached thereto, duly executed, with such proof of the authenticity of the signature as the Corporation or its agents may reasonably require; and, in the case of uncertificated shares of stock, upon receipt of proper transfer instructions from the registered holder of the shares or by such person's attorney duly authorized in writing, and upon compliance with appropriate procedures for transferring shares in uncertificated form. No transfer of stock shall be valid as against the Corporation for any purpose until it shall have been entered in the stock records of the Corporation by an entry showing from and to whom transferred.

(d) Record Owners. The person in whose name shares of stock stand on the books of the Corporation shall be deemed the owner thereof for all purposes as regards the Corporation, and the Corporation shall not be bound to recognize any equitable or other claim to or interest in such shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise required by law.

(e) Transfer and Registration. The Board of Directors may make such rules and regulations as it may deem expedient, not inconsistent with these Bylaws, concerning the issue, transfer and registration of certificated and uncertificated shares of the capital stock of the Corporation. It may appoint one or more transfer agents or one or more registrars or both, and may require all certificates of stock to bear the signature of either or both.

(f) Record Date. In order that the Corporation may determine the stockholders entitled to notice of, or to vote at, a meeting of stockholders or any adjournment thereof, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any other change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which shall not be more than sixty (60) nor less than ten (10) days before the date of such meeting, nor more than sixty (60) days prior to any other action. If in any case involving the determination of stockholders for any purpose other than notice of or voting at a meeting of stockholders the Board of Directors shall not fix such a record date, the record date for determining stockholders for such purpose shall be the close of business on the day on which the Board of Directors shall adopt the resolution relating thereto. A determination of stockholders entitled to notice of, or to vote at, a meeting of stockholders, shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

(g) Loss, Destruction or Mutilation of Certificates. In case of loss, destruction or mutilation of any certificate of stock, another may be issued in its place upon proof of such loss, destruction or mutilation and upon the giving to the Corporation of a bond sufficient to indemnify the Corporation, its transfer agents and registrars, against any claim that may be made against it or them on account of the alleged loss or destruction of any such certificate or the issuance of such new certificate; provided, however, that a new certificate may be issued without requiring any bond when, in the judgment of the Board of Directors, it is proper so to do.

ARTICLE IV

STOCKHOLDERS' MEETINGS

(a) Place of Meetings. All meetings of the stockholders of the Corporation shall be held at such place, either within or without the State of Delaware, as the Board of Directors shall determine. The Board may, in its sole discretion, determine that a meeting shall not be held at any place, but may instead be held solely by means of remote communication in accordance with Section 211(a) of the General Corporation Law of the State of Delaware, as amended (the "DGCL"). The place at which any given meeting shall be held or the means of remote communications by which stockholders and proxy holders may be deemed present in person shall be distinctly specified in the notice of such meeting.

(b) Annual Meetings. The annual meeting of the stockholders of the Corporation, for the election of directors and for the transaction of such other business as may properly come before the meeting in accordance with these Bylaws, shall be held on such date and at such time as may be fixed by resolution of the Board of Directors. The Board may postpone, reschedule or cancel any previously scheduled annual meeting of stockholders.

(c) Special Meetings. Special meetings of stockholders of the Corporation may be called only by the Board of Directors pursuant to a resolution adopted by a majority of the Entire Board (as defined below) or upon written request of stockholders holding no less than 25% percent of the shares of common stock issued and outstanding. Any such written request shall include the proposed purpose or purposes of the meeting and be accompanied by the information required by this Article IV, including with respect to the requesting stockholders, each proposal to be presented by the requesting stockholders and, if any such proposal involves the election of directors, each person to be nominated by the requesting stockholders for election as a director of the Corporation. Such written request and accompanying information shall be delivered to the Secretary of the Corporation at its principal executive office. In the event a special meeting is properly requested pursuant to this Section (c), then either a majority of the Board of Directors, or the Chair of the Board, or the President shall cause a special meeting of stockholders to be called for a date not more than one hundred twenty (120) days after the Secretary of the Corporation receives the requisite written request and accompanying information. Business transacted at a special meeting shall be limited to the purpose(s) stated in the notice of the meeting. The Board of Directors shall have the authority in its discretion to include in the notice of a special meeting requested by stockholders matters in addition to those proposed by the requesting stockholders. The term "Entire Board" as used in these Bylaws means the total number of authorized directors the Corporation would have if there were no vacancies. The Board may postpone, reschedule or cancel any previously scheduled special meeting of stockholders.

(d) Notice. Unless otherwise required by law or the certificate of incorporation of the corporation, as amended and restated from time to time (the "Certificate of Incorporation"), written notice of the annual and of all special meetings of the stockholders shall be given either personally, by mail or by electronic transmission (if permitted under the circumstances by the DGCL) to each stockholder entitled to vote at such meeting as of the record date for determining stockholders entitled to notice of the meeting. Every notice of a meeting of stockholders shall state the place, date and time of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called and the means of remote communications, if any, by which stockholders and proxy holders may be deemed present in person and vote at such meeting. If mailed, such notice shall be deemed to be given when deposited in the United States mail with postage thereon prepaid, addressed to the stockholder at the stockholder's address as it appears on the stock transfer books of the Corporation. If notice is given by means of electronic transmission, such notice shall be deemed to be given at the times provided in the DGCL. Any stockholder may waive notice of any meeting before or after the meeting. The attendance of a stockholder at any meeting shall constitute a waiver of notice at such meeting, except where a stockholder attends such meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting was not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any annual or special meeting of stockholders need be specified in any waiver of notice unless so required by law. Except for an adjournment exceeding thirty (30) days or if, after the adjournment, a new record date for the determination of stockholders entitled to vote at the adjourned meeting is fixed for the adjourned meeting, notice of any adjourned meeting of the stockholders of the Corporation shall not be required to be given if the time and place thereof, and the means of remote communication, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such adjourned meeting, are announced at the meeting which is adjourned. For purposes of these Bylaws, "electronic transmission" means any form of communication, not directly involving the physical transmission of paper, that creates a record that may be retained, retrieved or reviewed by a recipient thereof and that may be directly reproduced in paper form by such a recipient through an automated process.

(e) Adjournments. Any meeting of stockholders of the Corporation may be adjourned from time to time to reconvene at the same or some other place by holders of a majority of the voting power of the Corporation's capital stock issued and outstanding and entitled to vote thereat, present in person or represented by proxy, though less than a quorum, or by any officer entitled to preside at or to act as secretary of such meeting, and notice need not be given of any such adjourned or recessed meeting (including an adjournment taken to address a technical failure to convene or continue a meeting using remote communication) if the time and place, if any, thereof, and the means of remote communication, if any, by which stockholders and proxy holders may be deemed to be present in person or represented by proxy and vote at such adjourned or recessed meeting, are (a) announced at the meeting at which the adjournment or recess is taken, (b) displayed during the time scheduled for the meeting, on the same electronic network used to enable stockholders and proxy holders to participate in the meeting by means of remote communication or (c) set forth in the notice of meeting given in accordance with these Bylaws. At the adjourned meeting, the Corporation may transact any business that might have been transacted at the original meeting. If the adjournment is for more than thirty (30) days, notice of the adjourned meeting in accordance with the requirements of Section (d) of this Article IV shall be given to each stockholder of record entitled to vote at the meeting. If, after the adjournment, a new record date for determination of stockholders entitled to vote is fixed for the adjourned meeting, the Board shall fix as the record date for determining stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote at the adjourned meeting and shall give notice of the adjourned meeting to each stockholder of record as of the record date so fixed for notice of such adjourned meeting.

(f) List of Stockholders Entitled to Vote. It shall be the duty of the officer who shall have charge of the stock ledger of the Corporation to prepare and make, at least ten (10) days before every meeting of stockholders of the Corporation, a complete list of the stockholders entitled to vote at said meeting, provided, however, that if the record date for determining the stockholders entitled to vote is less than ten (10) days before the meeting date, the list shall reflect the stockholders entitled to vote as of the tenth (10th) day before the meeting date, arranged in alphabetical order, showing their addresses of record and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, for a period of at least ten (10) days prior to the meeting: (i) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting, or (ii) during ordinary business hours, at the principal place of business of the Corporation. In the event that the Corporation determines to make the list available on an electronic network, the Corporation may take reasonable steps to ensure that such information is available only to stockholders of the Corporation.

(g) Quorum. The holders of a majority of the stock issued and outstanding and entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum at all meetings of the stockholders for the transaction of any business except as otherwise provided by law or by the Certificate of Incorporation. Where a separate vote by a class or classes or series is required, a majority of the voting power of the shares of such class or classes or series present in person or represented by proxy shall constitute a quorum entitled to take action with respect to such vote. If a quorum shall not be present or represented at any meeting of the stockholders, either the chairperson of the meeting or the stockholders entitled to vote thereat present in person or by proxy shall have power to adjourn the meeting from time to time in the manner provided in Section (e) of this Article IV, until a quorum shall be present or represented. A quorum, once established, shall not be broken by the withdrawal of enough votes to leave less than a quorum. At any such adjourned meeting at which a quorum shall be present or represented any business may be transacted which might have been transacted at the meeting as originally called.

(h) Voting of Stock of Certain Holders. Shares of stock of the Corporation standing in the name of another corporation or partnership or foreign, and entitled to vote may be voted by such officer, agent or proxy as the bylaws or other internal regulations of such corporation or entity may prescribe or, in the absence of such provision, as the board of directors or comparable body of such corporation or entity may determine. Shares of stock of the Corporation standing in the name of a deceased person, a minor, an incompetent or a debtor in a case under Title 11, United States Code, and entitled to vote may be voted by an administrator, executor, guardian, conservator, debtor-in-possession or trustee, as the case may be, either in person or by proxy, without transfer of such shares into the name of the official or other person so voting. A stockholder whose shares of stock of the Corporation are pledged shall be entitled to vote such shares, unless on the transfer records of the Corporation such stockholder has expressly empowered the pledgee to vote such shares, in which case only the pledgee, or the pledgee's proxy, may vote such shares.

(i) Treasury Stock. Shares of stock of the Corporation belonging to the Corporation, or to another corporation a majority of the shares entitled to vote in the election of directors of which are held by the Corporation, shall not be voted at any meeting of stockholders of the Corporation and shall not be counted in the total number of outstanding shares for the purpose of determining whether a quorum is present. Nothing in this Section (i) of Article IV shall limit the right of the Corporation to vote shares of stock of the Corporation held by it in a fiduciary capacity.

(j) Proxies. Each stockholder entitled to vote at a meeting of stockholders may authorize another person or persons to act for such stockholder by proxy filed with the Secretary of the Corporation, but no proxy shall be valid after three (3) years from the date of its execution, unless a longer time is expressly provided therein. A duly executed proxy shall be irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. Any stockholder directly or indirectly soliciting proxies from other stockholders may use any proxy card color other than white, which shall be reserved for exclusive use of the Board.

(k) No Consent of Stockholders in Lieu of Meeting. Any action required or permitted to be taken by the stockholders of the Corporation must be effected at a duly called annual or special meeting of stockholders of the Corporation and may not be effected by any consent in writing by such stockholders.

(l) Nature of Business at Meetings of Stockholders. At any annual or special meeting of stockholders, the proposal of business to be considered by the stockholders and persons nominated for election as directors by stockholders shall be entertained only if advance written notice thereof has been timely given in proper form in accordance with the requirements of Section (m) of this Article IV (in the case of such proposals) or Section (o) of this Article IV (in the case of such nominations) and such proposals or nominations are otherwise proper for consideration under applicable law and the Certificate of Incorporation and these Bylaws. Any stockholder who wishes to include nominations for the election of directors in the Corporation's proxy statement for an annual meeting of stockholders must comply with Section (r) of this Article IV. Notice of any proposal to be presented by any stockholder or of the name of any person to be nominated by any stockholder for election as a director of the Corporation at any meeting of stockholders shall be delivered in proper written form to the Secretary of the Corporation at its principal executive office not less than ninety (90) nor more than one hundred twenty (120) days prior to the first anniversary of the date of the preceding year's annual meeting; provided, however, that if the annual meeting is convened more than thirty (30) days before or more than sixty (60) days after such anniversary date, or if no annual meeting was held in the preceding year, notice by the stockholder to be timely must be so received no more than one hundred twenty (120) days prior to such annual meeting nor less than the later of (i) ninety (90) days prior to such annual meeting and (ii) ten (10) days after the day on which public disclosure of the date of the meeting was made. In no event shall an adjournment of an annual or a special meeting, or a postponement of an annual or a special meeting for which notice has been given, or the public disclosure thereof, commence a new time period for the giving of a stockholder's notice as described above. The person presiding at the meeting, in addition to making any other determinations that may be appropriate to the conduct of the meeting, shall determine whether such notice has been duly given and shall direct that proposals and nominees not be considered if such notice has not been given.

(m) Form of Notice for Nominations and Stockholder Proposals. To be in proper written form, a stockholder's notice to the Secretary of the name of any person to be nominated by such stockholder for election as a director of the Corporation or of any proposal of business to be presented for consideration by such stockholder (each such stockholder, a "Noticing Party") at an annual or special meeting of stockholders must set forth:

- (i) as to each person whom such Noticing Party proposes to nominate for election or reelection as a director (each, a "Proposed Nominee"), if any:
 - (A) the name, age, business address and residence address of such Proposed Nominee;
 - (B) the principal occupation and employment of such Proposed Nominee;
 - (C) a written questionnaire with respect to the background and qualification of such Proposed Nominee, completed by such Proposed Nominee in the form required by the Corporation (which form such Noticing Party shall request in writing from the Secretary prior to submitting notice and which the Secretary shall provide to such Noticing Party within ten (10) days after receiving such request);
 - (D) a written representation and agreement completed by such Proposed Nominee in the form required by the Corporation (which form such Noticing Party shall request in writing from the Secretary prior to submitting notice and which the Secretary shall provide to such Noticing Party within ten (10) days after receiving such request) providing that such Proposed Nominee:
 - (1) is not and will not become a party to any agreement, arrangement or understanding with, and has not given any commitment or assurance to, any person or entity as to how such Proposed Nominee, if elected as a director of the Corporation, will act or vote on any issue or question (a "Voting Commitment") that has not been disclosed to the Corporation or any Voting Commitment that could limit or interfere with such Proposed Nominee's ability to comply, if elected as a director of the Corporation, with such Proposed Nominee's fiduciary duties under applicable law;

- (2) is not and will not become a party to any agreement, arrangement or understanding with any person other than the Corporation with respect to any direct or indirect compensation, reimbursement or indemnification in connection with service or action as a director or nominee with respect to the Corporation that has not been disclosed to the Corporation;
 - (3) will, if elected as a director of the Corporation, comply with all applicable rules of any securities exchanges upon which the Corporation's securities are listed, the Certificate of Incorporation, these Bylaws, all applicable publicly disclosed corporate governance, ethics, conflict of interest, confidentiality, stock ownership and trading policies and all other guidelines and policies of the Corporation generally applicable to directors (which other guidelines and policies will be provided to such Proposed Nominee within five (5) business days after the Secretary receives any written request therefor from such Proposed Nominee), and all applicable fiduciary duties under state law;
 - (4) consents to being named as a nominee in the Corporation's proxy statement and form of proxy for the meeting;
 - (5) intends to serve a full term as a director of the Corporation, if elected; and
 - (6) will provide facts, statements and other information in all communications with the Corporation and its stockholders that are or will be true and correct in all material respects and that do not and will not omit to state any fact necessary in order to make the statements made, in light of the circumstances under which they are made, not misleading in any material respect;
- (E) a description of all direct and indirect compensation and other material monetary agreements, arrangements or understandings, written or oral, during the past three (3) years, and any other material relationships, between or among such Proposed Nominee, on the one hand, and any Noticing Party or any Stockholder Associated Person (as defined below), on the other hand, or such Proposed Nominee's associates (as defined below), that such Proposed Nominee knows, has with the stockholder giving the notice or any Stockholder Associated Person, including, without limitation, all information that would be required to be disclosed pursuant to Item 404 promulgated under Regulation S-K as if such Noticing Party and any Stockholder Associated Person were the "registrant" for purposes of such rule and the Proposed Nominee were a director or executive officer of such registrant;

- (F) a description of any business or personal interests that would reasonably be expected to place such Proposed Nominee in a potential conflict of interest with the Corporation or any of its subsidiaries; and
 - (G) all other information relating to such Proposed Nominee or such Proposed Nominee's associates that would be required to be disclosed in a proxy statement by such Noticing Party or any Stockholder Associated Person in connection with the solicitation of proxies for the election of directors in a contested election or otherwise required pursuant to Section 14 of the Exchange Act (collectively, the "Proxy Rules");
- (ii) as to any other business that such Noticing Party proposes to bring before the meeting:
- (A) a reasonably brief description of the business desired to be brought before the meeting and the reasons for conducting such business at the meeting;
 - (B) the text of the proposal or business (including the complete text of any resolutions proposed for consideration and, in the event that such business includes a proposal to amend the Certificate of Incorporation or these Bylaws, the language of the proposed amendment); and
 - (C) all other information relating to such business that would be required to be disclosed in a proxy statement by such Noticing Party or any Stockholder Associated Person in connection with the solicitation of proxies in support of such proposed business or otherwise required pursuant to the Proxy Rules; and
- (iii) as to such Noticing Party and each Stockholder Associated Person:
- (A) the name and address of such Noticing Party and each Stockholder Associated Person (including, as applicable, as they appear on the Corporation's books and records);

- (B) the class, series and number of shares of each class or series of capital stock (if any) of the Corporation that are directly or indirectly, owned beneficially or of record (specifying the type of ownership) by such Noticing Party or any Stockholder Associated Person (including any rights to acquire beneficial ownership at any time in the future, whether such right is exercisable immediately or only after the passage of time or the fulfillment of a condition); the date or dates on which such shares were acquired; and the investment intent of such acquisition;
- (C) the name of each nominee holder for, and number of, any securities of the Corporation owned beneficially but not of record by such Noticing Party or any Stockholder Associated Person and any pledge by such Noticing Party or any Stockholder Associated Person with respect to any of such securities;
- (D) a description of all agreements, arrangements or understandings, written or oral, (including any derivative or short positions, profit interests, hedging transactions, forwards, futures, swaps, options, warrants, convertible securities, stock appreciation or similar rights, repurchase agreements or arrangements, borrowed or loaned shares and so-called "stock borrowing" agreements or arrangements) that have been entered into by, or on behalf of, such Noticing Party or any Stockholder Associated Person, the effect or intent of which is to mitigate loss, manage risk or benefit from changes in the price of any securities of the Corporation, or maintain, increase or decrease the voting power of such Noticing Party or any Stockholder Associated Person with respect to securities of the Corporation, whether or not such instrument or right shall be subject to settlement in underlying shares of capital stock of the Corporation (any of the foregoing, a "Derivative Instrument");
- (E) any substantial interest, direct or indirect (including any existing or prospective commercial, business or contractual relationship with the Corporation), of such Noticing Party or any Stockholder Associated Person in the Corporation or any affiliate (as defined below) thereof or in the proposed business or nomination to be brought before the meeting by the Noticing Party, other than an interest arising from the ownership of Corporation securities where such Noticing Party or such Stockholder Associated Person receives no extra or special benefit not shared on a *pro rata* basis by all other holders of the same class or series;

- (F) a description of all agreements, arrangements or understandings, written or oral, (I) between or among such Noticing Party and any of the Stockholder Associated Persons or (II) between or among such Noticing Party or any Stockholder Associated Person and any other person or entity (naming each such person or entity), in each case, relating to the Corporation or its securities or the voting thereof, including, any proxy, agreement, arrangement, understanding or relationship pursuant to which such Noticing Party or any Stockholder Associated Person, directly or indirectly, has a right to vote any security of the Corporation (other than any revocable proxy given in response to a solicitation made pursuant to, and in accordance with, the Proxy Rules by way of a solicitation statement filed on Schedule 14A);
- (G) any rights to dividends on the shares of the Corporation owned beneficially by such Noticing Party or any Stockholder Associated Person that are separated or separable from the underlying shares of the Corporation;
- (H) any proportionate interest in shares of the Corporation or Derivative Instruments held, directly or indirectly, by a general or limited partnership, limited liability company or similar entity in which such Noticing Party or any Stockholder Associated Person is (I) a general partner or, directly or indirectly, beneficially owns an interest in a general partner of such general or limited partnership or (II) the manager, managing member or, directly or indirectly, beneficially owns an interest in the manager or managing member of such limited liability company or similar entity;
- (I) any equity interests or any Derivative Instruments, in each case, with a market value of more than \$100,000, in any competitor of the Corporation identified in Part I, Item 1 of the annual report on Form 10-K or amendment thereto most recently filed by the Corporation with the Securities and Exchange Commission or in Item 8.01 of any current report on Form 8-K filed by the Corporation with the Securities and Exchange Commission thereafter but prior to the tenth (10th) day before the deadline for a stockholder's notice under this Section (m) (each, a "Principal Competitor") held by such Noticing Party or any Stockholder Associated Person;
- (J) any direct or indirect interest (other than solely as a result of security ownership) of such Noticing Party or any Stockholder Associated Person in any agreement with the Corporation, any affiliate of the Corporation or any Principal Competitor (including, without limitation, any employment agreement, collective bargaining agreement or consulting agreement);
- (K) a representation that (I) neither such Noticing Party nor any Stockholder Associated Person has breached any agreement, arrangement or understanding with the Corporation except as disclosed to the Corporation pursuant hereto and (II) such Noticing Party and each Stockholder Associated Person has complied, and will comply, with all applicable requirements of state law and the Exchange Act with respect to the matters set forth in this Section (m);

- (L) a description of the investment strategy or objective, if any, of such Noticing Party (or the beneficial owner on whose behalf such Noticing Party is submitting a notice to the Corporation);
- (M) all information that would be required to be set forth in a Schedule 13D filed pursuant to Rule 13d-1(a) under the Exchange Act or an amendment pursuant to Rule 13d-2(a) under the Exchange Act if such a statement were required to be filed under the Exchange Act by such Noticing Party or any Stockholder Associated Person, or such Noticing Party's or any Stockholder Associated Person's associates with respect to the Corporation, (regardless of whether such person or entity is actually required to file a Schedule 13D), including a description of any agreement, arrangement or understanding that would be required to be disclosed by such Noticing Party, any Stockholder Associated Person or any of their respective associates pursuant to Item 5 or Item 6 of Schedule 13D;
- (N) a certification that such Noticing Party and each Stockholder Associated Person has complied with all applicable federal, state and other legal requirements in connection with such Noticing Party's or Stockholder Associated Person's acquisition of shares of capital stock or other securities of the Corporation and such Noticing Party's or Stockholder Associated Person's acts or omissions as a stockholder of the Corporation, if such Stockholder Associated Person is or has been a stockholder of the Corporation; and
- (O) all other information relating to such Noticing Party or any Stockholder Associated Person that would be required to be disclosed in a proxy statement required to be made in connection with the solicitation of proxies in support of the business proposed by such Noticing Party, if any, or for the election of any Proposed Nominee in a contested election or otherwise pursuant to the Proxy Rules;

provided, however, that the disclosures described in the foregoing subclauses (A) through (O) shall not include any such disclosures with respect to the ordinary course business activities of any depositary or any broker, dealer, commercial bank, trust company or other nominee who is a Noticing Party solely as a result of being the stockholder directed to prepare and submit the notice required by these Bylaws on behalf of a beneficial owner (any such person or entity, an "Exempt Party").

(iv) For purposes of these Bylaws,

- (A) “affiliate” and “associate” each shall have the respective meanings set forth in Rule 12b-2 under the Exchange Act;
- (B) “beneficial owner” or “beneficially owned” shall have the meaning set forth for such terms in Section 13(d) of the Exchange Act;
- (C) “close of business” shall mean 5:00 p.m. Eastern Time on any calendar day, whether or not the day is a business day;
- (D) “public disclosure” shall mean disclosure in a press release reported by a national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act;
- (E) a “Qualified Representative” of a Noticing Party means (I) a duly authorized officer, manager or partner of such Noticing Party or (II) a person authorized by a writing executed by such Noticing Party (or a reliable reproduction or electronic transmission of the writing) delivered by such Noticing Party to the Corporation prior to the making of any nomination or proposal at a stockholder meeting stating that such person is authorized to act for such Noticing Party as proxy at the meeting of stockholders, which writing or electronic transmission, or a reliable reproduction of the writing or electronic transmission, must be produced at the meeting of stockholders; and
- (F) “Stockholder Associated Person” shall mean, with respect to a Noticing Party, (I) any person or entity who is a member of a “group” (as such term is used in Rule 13d-5 under the Exchange Act) with such Noticing Party or such beneficial owner(s) with respect to acquiring, holding, voting or disposing of any securities of the Corporation, (II) any beneficial owner of shares of stock of the Corporation owned of record by such Noticing Party (other than a Noticing Party that is an Exempt Party), (III) any affiliate or associate of such Noticing Party (other than a Noticing Party that is an Exempt Party) or such beneficial owner(s), (IV) any participant (as defined in paragraphs (a)(ii) (vi) of Instruction 3 to Item 4 of Schedule 14A) with such Noticing Party or such beneficial owner(s) with respect to any proposed business or nomination, as applicable, under these Bylaws, and (V) any Proposed Nominee.

- (v) a representation that such Noticing Party intends to appear in person or cause a Qualified Representative of such Noticing Party to appear in person at the annual or special meeting to bring such business before the meeting or nominate any Proposed Nominees, as applicable, and an acknowledgment that, if such Noticing Party (or a Qualified Representative of such Noticing Party) does not appear to present such business or Proposed Nominees, as applicable, at such meeting, the Corporation need not present such business or Proposed Nominees for a vote at such meeting, notwithstanding that proxies in respect of such vote may have been received by the Corporation;
- (vi) a description of any pending or, to such Noticing Party's knowledge, threatened legal proceeding or investigation in which such Noticing Party or any Stockholder Associated Person is a party or participant directly involving or directly relating to the Corporation or, to such Noticing Party's knowledge, any current or former officer, director or affiliate of the Corporation;
- (vii) identification of the names and addresses of other stockholders (including beneficial owners) known by such Noticing Party to provide financial support of the nomination(s) or other business proposal(s) submitted by such Noticing Party and, to the extent known, the class and number of shares of the Corporation's capital stock owned beneficially or of record by such other stockholder(s) or other beneficial owner(s); and
- (viii) a representation from such Noticing Party as to whether such Noticing Party or any Stockholder Associated Person intends or is part of a group (as such term is used in Rule 13d-5 under the Exchange Act) that intends to (A) solicit proxies in support of the election of any Proposed Nominee in accordance with Rule 14a-19 under the Exchange Act or (B) engage in a solicitation (within the meaning of Exchange Act Rule 14a-1(l)) with respect to the nomination of any Proposed Nominee or proposed business to be considered at the meeting, as applicable, and if so, the name of each participant (as defined in Instruction 3 to Item 4 of Schedule 14A under the Exchange Act) in such solicitation.
- (ix) In addition to the information required pursuant to the foregoing provisions of this Section (m), the Corporation may require any Noticing Party to furnish such other information as the Corporation may reasonably require to determine the eligibility or suitability of a Proposed Nominee to serve as a director of the Corporation or that could be material to a reasonable stockholder's understanding of the independence, or lack thereof, of such Proposed Nominee, under the listing standards of each securities exchange upon which the Corporation's securities are listed, any applicable rules of the Securities and Exchange Commission, any publicly disclosed standards used by the Board in selecting nominees for election as a director and for determining and disclosing the independence of the Corporation's directors, including those applicable to a director's service on any of the committees of the Board, or the requirements of any other laws or regulations applicable to the Corporation. If requested by the Corporation, any supplemental information required under this paragraph shall be provided by a Noticing Party within ten (10) days after it has been requested by the Corporation.

(n) Organization and Conduct of Meetings. The Chair of the Board shall act as chairperson of meetings of stockholders of the Corporation. The Board may designate any other director or officer of the Corporation to act as chairperson of any meeting in the absence of the Chair of the Board, and only the Board may further provide for determining who shall act as chairperson of any meeting of stockholders in the absence of the Chair of the Board and such designee. The Board may adopt by resolution such rules, regulations and procedures for the conduct of any meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with such rules, regulations and procedures as adopted by the Board, the chairperson of any meeting of stockholders shall have the right and authority to convene and (for any or no reason) to recess or adjourn the meeting, to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairperson, are necessary, appropriate or convenient for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board or prescribed by the chairperson of the meeting, may include, without limitation, the following: (a) the establishment of an agenda or order of business for the meeting; (b) the determination of when the polls shall open and close for any given matter to be voted on at the meeting; (c) rules, regulations and procedures for maintaining order at the meeting and the safety of those present; (d) limitations on attendance at or participation in the meeting to stockholders of record of the Corporation, their duly authorized proxies or such other persons as the chairperson of the meeting shall determine; (e) restrictions on entry to the meeting after the time fixed for the commencement of the meeting; (f) limitations on the time allotted to questions or comments by participants; (g) removal of any stockholder or any other individual who refuses to comply with meeting rules, regulations or procedures; (h) the conclusion, recess or adjournment of the meeting, regardless of whether a quorum is present, to a later date and time and at a place, if any, announced at the meeting; (i) restrictions on the use of audio and video recording devices, cell phones and other electronic devices; (j) rules, regulations or procedures for compliance with any state and local laws and regulations including, without limitation, those concerning safety, health and security; (k) procedures (if any) requiring attendees to provide the Corporation advance notice of their intent to attend the meeting and (l) any rules, regulations or procedures as the chairperson may deem appropriate regarding the participation by means of remote communication of stockholders and proxyholders not physically present at a meeting, whether such meeting is to be held at a designated place or solely by means of remote communication. Except to the extent determined by the Board or the person presiding at the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

(o) Improper Business. No business shall be conducted at the annual meeting of stockholders of the Corporation except business brought before the annual meeting in accordance with the procedures set forth in this Article IV. If the chairperson of an annual meeting determines that business was not properly brought before the annual meeting in accordance with the foregoing procedures, the chairperson shall declare to the meeting that the business was not properly brought before the meeting, and such business shall not be transacted. Notwithstanding the foregoing provisions of this Article IV, unless otherwise required by law, if the stockholder (or a Qualified Representative of the stockholder) does not appear at the annual or special meeting of stockholders of the Corporation to present a nomination or proposal, such nomination or proposal, as applicable, may, at the sole discretion of the chairperson, be disregarded, notwithstanding that proxies in respect of such vote may have been received by the Corporation.

(p) Exchange Act. Notwithstanding the provisions of this Article IV, a stockholder shall also comply with all applicable provisions of the Exchange Act with respect to the matters set forth in such sections. Nothing in such sections shall be deemed to affect any rights of stockholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act.

(q) Inspectors of Election. In advance of any meeting of stockholders of the Corporation, the Chair of the Board, the Chief Executive Officer or the Board of Directors, by resolution shall appoint one or more inspectors to act at the meeting and make a written report thereof. One or more other persons may be designated as alternate inspectors to replace any inspector who fails to act. If no inspector or alternate is able to act at a meeting of stockholders, the chairperson of the meeting shall appoint one or more inspectors to act at the meeting. Unless otherwise required by applicable law, inspectors may be officers, employees or agents of the Corporation. Each inspector, before entering upon the discharge of the duties of inspector, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of such inspector's ability. The inspector shall have the duties prescribed by law and shall take charge of the polls and, when the vote is completed, shall make a certificate of the result of the vote taken and of such other facts as may be required by applicable law.

(r) Proxy Access for Director Nominees.

(i) Definitions. For purposes of this Section (r), the following terms shall have the following meanings:

- (A) **"Compensation Arrangement"** shall mean any direct or indirect compensatory, payment or other financial agreement, arrangement or understanding with any person or entity other than the Corporation, including, without limitation, any agreement, arrangement or understanding with respect to any direct or indirect compensation, reimbursement or indemnification in connection with candidacy, service or action as a nominee or as a director.
- (B) **"Eligible stockholder"** shall mean a person who has either (x) been a record holder of the shares of common stock of the Corporation used to satisfy the eligibility requirements in Section (r)(iv) continuously for the required three-year period or (y) provides to the Secretary of the Corporation, within the time period referred to in Section (r)(v), evidence of its continuous Ownership of such shares for such three-year period from one or more securities intermediaries.

- (C) **“Maximum Number”** shall mean that number of directors constituting the greater of (x) two (2) or (y) twenty percent (20%) of the total number of directors of the Corporation on the last day on which a Nomination Notice may be submitted pursuant to this Section (r) (rounded down to the nearest whole number), which number shall be reduced as set forth in Section (r)(iii) (A).
- (D) **“Minimum Number”** shall mean 3% of the number of outstanding shares of common stock of the Corporation as of the most recent date for which such amount is given in any filing by the Corporation with the Securities and Exchange Commission prior to the submission of the Nomination Notice.
- (E) **“Nominating Stockholder”** shall mean any Eligible Stockholder or group of up to 20 stockholders (a “Nominator Group”) that, collectively as a group, satisfy the requirements to qualify as an Eligible Stockholder, that (1) has (individually and collectively, in the case of a Nominator Group) satisfied all applicable conditions and complied with all applicable procedures set forth in this Section (r) (including, without limitation, the timely submission of a Nomination Notice that meets the requirements set forth in this Section (r)), and (2) has nominated a Stockholder Nominee.
- (F) **“Nomination Notice”** shall mean all information and documents that a Nominating Stockholder is required to submit to the Secretary of the Corporation pursuant to Section (r)(vi).
- (G) **“Own,” “Owned” or “Owning”** shall mean those outstanding shares of the Corporation’s capital stock entitled to vote on the election of directors of the Corporation with respect to which a stockholder possesses both:
- (1) the full voting and investment rights pertaining to the shares; and
 - (2) the full economic interest in (including the opportunity for profit and risk of loss on) such shares; provided, that the number of shares calculated in accordance with clauses (1) and (2) shall not include any shares:
 - (i) sold by such stockholder or any of its affiliates in any transaction that has not been settled or closed, including any short sale;
 - (ii) borrowed by such stockholder or any of its affiliates for any purposes or purchased by such stockholder or any of its affiliates pursuant to an agreement to resell; or

- (iii) subject to any option, warrant, forward contract, swap, contract of sale, other derivative or similar agreement entered into by such stockholder or any of its affiliates, whether any such instrument or agreement is to be settled with shares or with cash based on the notional amount or value of shares of outstanding capital stock of the Corporation, in any such case which instrument or agreement has, or is intended to have, or if exercised by either party thereto would have, the purpose or effect of reducing in any manner, to any extent or at any time in the future, such stockholder's or affiliates' full right to vote or direct the voting of any such shares, and/or hedging, offsetting or altering to any degree gain or loss arising from the full economic Ownership of such shares by such stockholder or affiliate, other than any such arrangements solely involving a national or multi-national multi-industry market index.

A stockholder shall "Own" shares held in the name of a nominee or other intermediary so long as the stockholder retains the right to instruct how the shares are voted with respect to the election of directors and possesses the full economic interest in the shares. A stockholder's Ownership of shares shall be deemed to continue during any period in which the stockholder has loaned such shares or delegated any voting power over such shares by means of a proxy, power of attorney or other instrument or arrangement which in either case is revocable at any time by the stockholder; provided, however, in the event of a loan, such shares are actually recalled prior to the end of the period in question. The terms "Owned," "Owning" and other variations of the word "Own" shall have correlative meanings. Whether shares constitute shares Owned shall be decided by the Board of Directors in its reasonable determination, which determination shall be conclusive and binding on the Corporation and its stockholders.

(H) **"Stock Exchange Rules"** shall mean the rules of any stock exchange on which the Corporation's securities are traded.

(I) **"Stockholder Nominee"** shall mean any person nominated for election pursuant to this Section (r).

- (ii) Proxy Access at Annual Meeting. Subject to the provisions of this Section (r), if expressly requested in the relevant Nomination Notice, the Corporation shall include in its proxy statement for any annual meeting of stockholders:

(A) the name of any Stockholder Nominee, which shall also be included on the Corporation's form of proxy and ballot;

- (B) disclosure about the Stockholder Nominee and the Nominating Stockholder required under the rules of the Securities and Exchange Commission or other applicable law to be included in the proxy statement;
- (C) any statement included by the Nominating Stockholder in the Nomination Notice for inclusion in the proxy statement in support of the Stockholder Nominee's election to the Board of Directors (subject, without limitation, to Section (r)(vii)), if such statement does not exceed 500 words; and
- (D) any other information that the Corporation or the Board of Directors determines, in its discretion, to include in the proxy statement relating to the nomination of the Stockholder Nominee, including, without limitation, any statement in opposition to the nomination, information relating to any Compensation Arrangement and/or Voting Commitment, and any of the information provided pursuant to this Section (r).

For the avoidance of doubt, the provisions of this Section (r) shall not apply to a special meeting of stockholders, and the Corporation shall not be required to include a director nominee of a stockholder or group of stockholders in the Corporation's proxy statement or form of proxy or ballot for any special meeting of stockholders.

(iii) Maximum Number of Stockholder Nominees.

- (A) The Corporation shall not be required to include in the proxy statement for an annual meeting of stockholders more Stockholder Nominees than the Maximum Number. In the event that one or more vacancies for any reason occurs on the Board of Directors after the deadline set forth in Section (r)(v) but before the date of the annual meeting and the Board of Directors resolves to reduce the size of the Board of Directors in connection therewith, the Maximum Number shall be calculated based on the number of directors in office as so reduced. The Maximum Number for a particular annual meeting shall be reduced by:
- (1) Stockholder Nominees whose nominations for election at such annual meeting are subsequently withdrawn;
 - (2) Stockholder Nominees who the Board of Directors itself decides to nominate for election at such annual meeting; and

- (3) the number of incumbent directors or director candidates (including, without limitation, candidates who are not Stockholder Nominees) that in either case will be included in the Corporation's proxy statement for an annual meeting of stockholders as an unopposed (by the Corporation) nominee pursuant to any agreement, arrangement or other understanding with any stockholder or group of stockholders.
- (B) Any Nominating Stockholder submitting more than one Stockholder Nominee for inclusion in the Corporation's proxy materials pursuant to this Section (r) shall rank such Stockholder Nominees based on the order that the Nominating Stockholder desires such Stockholder Nominees to be selected for inclusion in the Corporation's proxy materials. In the event that the number of Stockholder Nominees submitted by Nominating Stockholders pursuant to this Section (r) exceeds the Maximum Number, the highest ranking Stockholder Nominee who meets the requirements of this Section (r) from each Nominating Stockholder will be selected for inclusion in the Corporation's proxy materials until the Maximum Number is reached, going in order of the amount (largest to smallest) of shares of capital stock of the Corporation that each Nominating Stockholder disclosed as Owned in its respective Nomination Notice submitted to the Corporation. This selection process will continue with the next highest ranked nominees as many times as necessary, following the same order each time, until the Maximum Number is reached.
- (iv) Eligible Stockholders.
- (A) An Eligible Stockholder or Nominator Group may submit a nomination in accordance with this Section (r) only if the person or group (in the aggregate) has continuously Owned at least the Minimum Number (as adjusted for any stock splits, stock dividends or similar events) of shares of the Corporation's capital stock entitled to vote on the election of directors of the Corporation throughout the three-year period preceding and including the date of submission of the Nomination Notice, and continues to Own at least the Minimum Number of shares through the date of the annual meeting. The following shall be treated as one Eligible Stockholder or one member of a Nominator Group if such Eligible Stockholder or member of a Nominator Group shall provide together with the Nomination Notice documentation that demonstrates compliance with the following criteria:
- (1) funds under common management and investment control;
 - (2) funds under common management and funded primarily by the same employer; or

- (3) a “family of investment companies” or a “group of investment companies” (each as defined in the Delaware General Corporation Act of 1940, as amended).

For the avoidance of doubt, in the event of a nomination by a Nominator Group, any and all requirements and obligations for a given Eligible Stockholder (including, without limitation, each and every fund or company that comprises the Nominator Group) that are set forth in this Section (r), including the minimum holding period, shall apply to each member of such Nominator Group; provided, however, that the Minimum Number shall apply to the Ownership of the Nominator Group in the aggregate. Should any stockholder withdraw from a Nominator Group at any time prior to the annual meeting of stockholders, the Nominator Group shall only be deemed to Own the shares held by the remaining members of the group.

- (B) No stockholder shall be permitted to be in more than one Nominator Group, and if any stockholder appears as a member of more than one Nominator Group, or as a member of a Nominator Group and as a Nominating Stockholder without any such group, such stockholder shall be deemed to be a member of only the Nominator Group that has the largest Ownership position as reflected in the Nomination Notice and is not permitted to act as a Nominating Stockholder separate from such Nominator Group.
- (v) Timely Nomination Notice. To nominate a Stockholder Nominee pursuant to this Section (r), the Nominating Stockholder must submit the Nomination Notice to the Secretary of the Corporation:
- (A) not earlier than the close of business on the 150th day and not later than the close of business on the 120th day prior to the one-year anniversary of the date (as stated in the Corporation’s proxy materials relating to that annual meeting) that the Corporation first mailed its proxy statement for the annual meeting of the previous year, except where information or documents are required to be provided after the date the Nomination Notice is first submitted, as set forth in this Section (r); or
- (B) if (and only if) the annual meeting is scheduled to be held on a date that is not within thirty (30) days before or after the anniversary date of the immediately preceding annual meeting of the stockholders, the Nomination Notice to be timely must be so delivered or received not later than the close of business on the tenth (10th) day following the earlier of the date on which notice or public disclosure of the date of the meeting was given or made by the Corporation, and in no event shall the adjournment or postponement of an annual meeting, or the announcement thereof, commence a new time period (or extend any time period) for the giving of the Nomination Notice.

- (vi) Nomination Notice. The Nomination Notice shall consist of, collectively, the following information, documents and agreements which shall, for avoidance of doubt, be compiled, completed and submitted by the Nominating Stockholder or its representatives at its own cost:
- (A) documentary evidence in the form of one or more written statements from the record holder of the shares (and from each intermediary through which the shares are or have been held during the requisite three-year holding period, provided that each such intermediary must be a participant in the Depository Trust Company or an affiliate of a participant in the Depository Trust Company) verifying and certifying that, as of a date within seven (7) calendar days prior to the date of the Nomination Notice, the Nominating Stockholder Owns, and has continuously Owned for the preceding three (3) years, the Minimum Number of shares, and the Nominating Stockholder's agreement to provide, within five (5) business days after the record date for the annual meeting, documentary evidence in the form of written statements from the record holder and intermediaries verifying and certifying the Nominating Stockholder's continuous Ownership of the Minimum Number of shares through the record date;
 - (B) an undertaking to provide immediate notice if the Nominating Stockholder ceases to Own the Minimum Number of shares prior to the date of the annual meeting;
 - (C) a copy of the Schedule 14N (or any successor form) relating to the Stockholder Nominee, completed and filed with the Securities and Exchange Commission by the Nominating Stockholder as applicable, in accordance with Securities and Exchange Commission rules;
 - (D) the written consent of each Stockholder Nominee to being named in the Corporation's proxy statement, form of proxy and ballot as a nominee and to serving as a director if elected;
 - (E) a written notice of the nomination of such Stockholder Nominee that includes the following additional information, agreements, representations and warranties by the Nominating Stockholder (including, for the avoidance of doubt, each member of a Nominator Group):

- (1) the information that would be required to be set forth in a stockholder's notice of nomination pursuant to Section (o) (i)-(iv) and (ix) of this Article IV;
- (2) to the extent not included in the response to paragraph (1) above, a detailed description of all direct and indirect material compensation and other monetary agreements, arrangements and understandings during the past three (3) years, and any other material relationships, between or among the Nominating Stockholder, on the one hand, and each Stockholder Nominee, on the other hand, including, without limitation, all information that would be required to be disclosed pursuant to Item 404 of Regulation S-K (or its successor Item) if the Nominating Stockholder were the "registrant" for purposes of such item and the Stockholder Nominee, were a director or executive officer of such registrant;
- (3) a detailed description of all communications by such Nominating Stockholder with any other stockholder or beneficial owner of any securities of the Corporation regarding such Stockholder Nominee;
- (4) the details of any relationship that existed within the past three (3) years and that would have been described pursuant to Item 6(e) of Schedule 14N (or any successor item) if it existed on the date of submission of the Schedule 14N;
- (5) a representation and warranty that the Nominating Stockholder did not acquire, and is not holding, securities of the Corporation for the purpose or with the effect of influencing or changing control of the Corporation;
- (6) a representation and warranty that the Nominating Stockholder has not nominated and will not nominate for election to the Board of Directors at the annual meeting any person other than such Nominating Stockholder's Stockholder Nominee(s);
- (7) a representation and warranty that the Nominating Stockholder has not engaged in and will not engage in a "solicitation" within the meaning of Rule 14a-1(l) under the Exchange Act with respect to the annual meeting, other than with respect to such Nominating Stockholder's Stockholder Nominee(s) or any nominee of the Board of Directors;

- (8) a representation and warranty that the Nominating Stockholder has not engaged in and will not engage in other than with respect to such Nominating Stockholder's Stockholder Nominee(s) or any nominee of the Board of Directors, (1) an exempt solicitation as described in Rule 14a-2(b) under the Exchange Act, or (2) any communication, as described in Rule 14a-1(l)(2)(iv) under the Exchange Act, stating how the Nominating Stockholder intends to vote at the annual meeting and the reasons therefor;
- (9) a representation and warranty that the Nominating Stockholder will not use or distribute any proxy card other than the Corporation's proxy card in soliciting stockholders in connection with the election of a Stockholder Nominee at the annual meeting;
- (10) a representation and warranty that the Stockholder Nominee's candidacy or, if elected, membership on the Board of Directors would not violate applicable state or federal law or Stock Exchange Rules;
- (11) a representation and warranty that the Stockholder Nominee: (A) qualifies as independent under the Stock Exchange Rules; and (B) is not and has not been subject to any event specified in Rule 506(d)(1) of Regulation D (or any successor rule) under the Securities Act of 1933 or Item 401(f) of Regulation S-K (or any successor rule) under the Exchange Act, without reference to whether the event is material to an evaluation of the ability or integrity of the Stockholder Nominee;
- (12) a representation and warranty that the Nominating Stockholder satisfies the eligibility requirements set forth in Section (r)(iv);
- (13) a representation and warranty that the Nominating Stockholder will continue to satisfy the eligibility requirements described in Section (r)(iv) through the date of the annual meeting;
- (14) details of any position of the Stockholder Nominee as an officer or director of any competitor, as defined for purposes of Section 8 of the Clayton Antitrust Act of 1914, of the Corporation, within the three (3) years preceding the submission of the Nomination Notice;

- (15) if desired, a statement for inclusion in the proxy statement in support of the Stockholder Nominee to the Board of Directors, provided that such statement shall not exceed 500 words and shall fully comply with Section 14 of the Exchange Act and the rules and regulations thereunder; and
 - (16) in the case of a nomination by a Nominator Group, the designation by all group members of one group member that is authorized to act on behalf of all group members with respect to matters relating to the nomination, including withdrawal of the nomination;
- (F) an executed agreement (which form of agreement shall be provided by the Secretary of the Corporation upon written request), which must be submitted within ten (10) days of the Nominating Stockholder's first submission of the Nomination Notice, pursuant to which the Nominating Stockholder (including each member of a Nominator Group) agrees:
- (1) to comply with all applicable laws, rules and regulations in connection with the nomination, solicitation and election;
 - (2) to file any written solicitation or other communication with the Corporation's stockholders relating to one or more of the Corporation's directors or director nominees or any Stockholder Nominee with the Securities and Exchange Commission, regardless of whether any such filing is required under any rule or regulation or whether any exemption from filing is available for such materials under any rule or regulation;
 - (3) to assume all liability stemming from any action, suit or proceeding concerning any actual or alleged legal or regulatory violation arising out of any communication by the Nominating Stockholder or the Stockholder Nominee nominated by such Nominating Stockholder with the Corporation, its stockholders or any other person, including, without limitation, the Nomination Notice;

- (4) to indemnify and hold harmless (jointly with all other members of a Nominator Group, if applicable) the Corporation and each of its directors, officers and employees individually against any liability, loss, damages, expenses or other costs (including attorneys' fees) incurred in connection with any action, suit or proceeding (whether threatened, pending or completed), whether legal, judicial administrative or investigative, against the Corporation or any of its directors, officers or employees arising out of or relating to a failure or alleged failure of the Nominating Stockholder or Stockholder Nominee to comply with, or any breach or alleged breach of, its, or his or her, as applicable, obligations, agreements or representations under or pursuant to this Section (r), or otherwise arising out of any nomination, solicitation or other activity by any Eligible Stockholder or any member of Nominator Group in connection with its efforts pursuant to this Section (r);
 - (5) to promptly (and in any event within 48 hours of discovering such misstatement or omission) notify the Corporation and any other recipient of any misstatement or omission if information included in the Nomination Notice, or any other communication by the Nominating Stockholder (including with respect to any member of a Nominator Group) with the Corporation, its stockholders or any other person in connection with the nomination or election ceases to be true and accurate in all material respects (or omits a material fact necessary to make the statements made not misleading), and promptly notify the Corporation and any other recipient of the information that is required to correct the misstatement or omission; and
 - (6) in the event that the Nominating Stockholder (including any member of a Nominator Group) has failed to continue to satisfy the eligibility requirements described in Section (r) (iv), to promptly notify the Corporation.
- (G) a written questionnaire with respect to the background and qualification of each Stockholder Nominee and the background of the Nominating Stockholder (including each member of a Nominator Group) (which questionnaire shall be provided by the Secretary of the Corporation upon written request); which must be submitted within ten (10) days of the Nominating Stockholder's first submission of the Nomination Notice; and
- (H) an executed agreement (which form of agreement shall be provided by the Secretary of the Corporation upon written request), which must be submitted within ten (10) days of the Nominating Stockholder's first submission of the Nomination Notice, by the Stockholder Nominee:
- (1) to provide to the Corporation such other information as it may reasonably request;

- (2) that the Stockholder Nominee has read and agrees, if elected, to serve as a member of the Board of Directors, to adhere to all applicable publicly disclosed corporate governance, conflict of interest, confidentiality and stock ownership and trading policies and guidelines of the Corporation; and
- (3) that the Stockholder Nominee is not and will not become a party to (i) any Voting Commitment or Compensation Arrangement that has not been disclosed to the Corporation or (ii) any Voting Commitment that could limit or interfere with such person's ability to comply, if elected as a director of the Corporation, with such person's fiduciary duties under applicable law.

The information and documents required by this Section (r)(vi) shall be provided with respect to and executed by the Nominating Stockholder (and each member of a Nominator Group), and provided with respect to the persons specified in Instructions 1 and 2 to Items 6(c) and (d) of Schedule 14N (or any successor item) in the case of a Nominating Stockholder or any member of a Nominator Group. The Nomination Notice shall be deemed submitted on the date on which all the information and documents referred to in this Section (r)(vi) (other than such information and documents required to be provided after the date the Nomination Notice is first submitted) have been delivered to or, if sent by mail, received by the Secretary of the Corporation.

(vii) Exclusion or Disqualification of Stockholder Nominees.

- (A) If, after the deadline for submitting a Nomination Notice as set forth in Section (r)(v), a Nominating Stockholder becomes ineligible or withdraws its nomination or a Stockholder Nominee becomes ineligible or unwilling to serve on the Board of Directors, whether before or after the mailing of the definitive proxy statement, the Corporation:
 - (1) shall not be required to include in its proxy statement or on any ballot or form of proxy the Stockholder Nominee or any successor or replacement nominee proposed by the Nominating Stockholder or by any other Nominating Stockholder; and
 - (2) may otherwise communicate to its stockholders, including without limitation by amending or supplementing its proxy statement or ballot or form of proxy, that the Stockholder Nominee will not be included as a Stockholder Nominee in the proxy statement or on any ballot or form of proxy and will not be voted on at the annual meeting.

- (B) Notwithstanding anything to the contrary contained in this Section (r), the Corporation may omit from its proxy materials any Stockholder Nominee, and any information concerning such Stockholder Nominee (including a Nominating Stockholder's statement in support), and in such case no vote on such Stockholder Nominee will occur (notwithstanding that proxies in respect of such vote may have been received by the Corporation), and the Nominating Stockholder may not, after the last day on which a Nomination Notice would be timely, cure in any way any defect preventing the nomination of the Stockholder Nominee, if:
- (1) the Corporation receives a notice that a stockholder intends to nominate a candidate for director at the annual meeting pursuant to the advance notice requirements set forth in Section (o) of this Article IV;
 - (2) the Nominating Stockholder has engaged in a "solicitation" within the meaning of Rule 14a-1(l) under the Exchange Act with respect to the annual meeting, other than with respect to such Nominating Stockholder's Stockholder Nominee(s) or any nominee of the Board of Directors;
 - (3) the Nominating Stockholder has engaged in, other than with respect to such Nominating Stockholder's Stockholder Nominee(s) or any nominee of the Board of Directors, (1) an exempt solicitation as described in Rule 14a-2(b) under the Exchange Act, or (2) any communication, as described in Rule 14a-1(l)(2)(iv) under the Exchange Act, stating how the Nominating Stockholder intends to vote at the annual meeting and the reasons therefor;
 - (4) the Nominating Stockholder or the designated lead group member of a Nominator Group, as applicable, or any Qualified Representative thereof, does not appear at the annual meeting to present the nomination submitted in accordance with this Section (r);
 - (5) the Board of Directors, acting in good faith, determines that such Stockholder Nominee's nomination or election to the Board of Directors would result in the Corporation violating or failing to be in compliance with these Bylaws or the Certificate of Incorporation or any applicable law, rule or regulation to which the Corporation is subject, including the Stock Exchange Rules;

- (6) the Stockholder Nominee has been, within the past three (3) years, an officer or director of a corporation as defined for purposes of Section 8 of the Clayton Antitrust Act of 1914, as amended; or
 - (7) the Nominating Stockholder has failed to continue to satisfy the eligibility requirements described in Section (r)(iv), any of the representations and warranties made in the Nomination Notice ceases to be true and accurate in all material respects (or omits a material fact necessary to make the statement made not misleading), the Stockholder Nominee becomes unwilling or unable to serve on the Board of Directors or any violation or breach occurs of any of the obligations, agreements, representations or warranties of the Nominating Stockholder or the Stockholder Nominee under this Section (r).
- (C) Notwithstanding anything to the contrary contained in this Section (r), the Corporation may omit from its proxy statement, or may supplement or correct, any information, including all or any portion of the statement in support of the Stockholder Nominee included in the Nomination Notice, if:
- (1) such information is not true in all material respects or omits a material statement necessary to make the statements made not misleading;
 - (2) such information directly or indirectly impugns the character, integrity or personal reputation of, or directly or indirectly makes charges concerning improper, illegal or immoral conduct or associations, without factual foundation, with respect to any individual, corporation, partnership, association or other entity, organization or governmental authority;
 - (3) the inclusion of such information in the proxy statement would otherwise violate the Securities and Exchange Commission proxy rules or any other applicable law, rule or regulation; or
 - (4) the inclusion of such information in the proxy statement would impose a material risk of liability upon the Corporation.
- (D) The Corporation may solicit against, and include in the proxy statement its own statement relating to, any Stockholder Nominee.

- (viii) Interpretation The Board of Directors (and any other person or body authorized by the Board of Directors, including, without limitation, the chairperson of the relevant annual meeting) shall have the power and authority to interpret this Section (r) and to make any and all determinations necessary or advisable to apply this Section (r) to any persons, facts or circumstances, including the power to determine (A) whether one or more stockholders or beneficial owners qualifies as an Eligible Stockholder or Nominator Group, as applicable, (B) whether a Nomination Notice complies with this Section (r), (C) whether a Stockholder Nominee satisfies the qualifications and requirements in this Section (r), and (D) whether any and all requirements of this Section (r) have been satisfied. Any such interpretation or determination adopted in good faith by the Board of Directors (or any other person or body authorized by the Board of Directors, including, without limitation, the chairperson of the relevant annual meeting) shall be binding on all persons, including the Corporation and its stockholders (including any beneficial owners). The chairperson of the meeting shall, if the facts warrant, determine and declare to the meeting that a nomination was not made in accordance with the foregoing procedures, and the defective nomination shall be disregarded.

ARTICLE V

BOARD OF DIRECTORS

(a) Duties and Powers: Election, Eligibility. The management of business and affairs of the Corporation shall be under the direction of a Board of Directors. Directors shall be elected by a plurality of the votes cast in the election of directors. However, in any election of directors in which only the holders of common stock are entitled to vote and in which the only nominees are those recommended by the Board of Directors, a nominee may only be elected if the votes cast in favor of such nominee exceed the votes cast against such nominee with “abstentions” and “broker non- votes” not counted as a vote cast either “for” or “against” that nominee’s election. Any person shall not be eligible for election as a director unless such person has, within ten (10) days following any reasonable request therefor from the Board or any committee thereof, made himself or herself available to be interviewed by the Board (or any committee or other subset thereof) and provided answers during such interview(s) that were accurate and reasonably complete in all material respects with respect to, among other things, such person’s qualifications to serve as a director or any other matter relating to such person’s candidacy or service as a director of the Corporation.

(b) Resignations of Directors. Any director of the Corporation may resign at any time by giving notice in writing or by electronic transmission to the Chair of the Board, the Chief Executive Officer or the Secretary. Such resignation shall take effect upon receipt unless it is specified to be effective at some other time or upon the occurrence of some other event, and unless otherwise specified in such notice, the acceptance of such resignation shall not be necessary to make it effective.

(c) Meetings. Regular meetings of the Board of Directors may be held without notice at such places, whether within or without the State of Delaware, and at such times as the Board shall from time to time determine. Special meetings of the Board of Directors may be called at any time by the Chief Executive Officer or the Chair or, if both are incapacitated or unable to call such meetings, by any member of the Board of Directors. Such meetings shall be held at such places and at such times as the person calling the meeting shall specify.

(d) Notice. Notice of all special meetings of the Board of Directors shall be given to each director by at least 24 hours' service of the same by facsimile, electronic mail, telephone, overnight courier, letter or personal delivery. If mailed, such notice shall be deemed to be given two (2) business days after it is deposited in the United States mail with first class postage prepaid; if sent by overnight courier, such notice shall be deemed to be given one business day after it is deposited with the overnight courier; and notice by facsimile, electronic mail, telephone or personal delivery shall be deemed given when the notice is transmitted. Notice of any special meeting of the Board of Directors shall state the place and time of the meeting, but need not state the purposes thereof unless required by law. Any director may waive notice of any meeting before or after the meeting. A meeting of the Board of Directors or of any Board committee may be held at any time without notice, if all of the directors are present or if those not present waive notice of the meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where the director attends the meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened. Notice of regular meetings of the Board need not be given. In the absence of written instructions from a director designating some other address, notice shall be sufficiently given if addressed to such director at such director's usual business address.

(e) Quorum. A majority of the Entire Board shall constitute a quorum for the transaction of business at all meetings of the Board of Directors, and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board of Directors. If a quorum shall not be present at any meeting of the Board of Directors, the directors present at the meeting may adjourn the meeting from time to time, without notice other than announcement at the meeting of the time and place of the adjourned meeting, until a quorum shall be present.

(f) Compensation. Each director of the Corporation shall be entitled to receive such fixed sum per meeting of the Board of Directors or committee thereof attended, or such annual sum, or both, as the Board shall from time to time determine, together with such director's reasonable expenses of attendance at such meeting. Directors who are full-time employees of the Corporation shall not receive any compensation for their service as director.

(g) Chair of the Board. The Board of Directors may from time to time, but in no event less frequently than annually, elect from among its members a Chair of the Board. Except as otherwise provided by law or Section (i) or (j) of this Article V, the Chair of the Board shall, if present, preside at all meetings of the stockholders and at all meetings of the Board of Directors. The Chair of the Board shall have such other powers and duties as may from time to time be assigned by the Board of Directors.

(h) Vice Chair of the Board. The Board of Directors may from time to time elect from among its members a Vice Chair of the Board. The Vice Chair of the Board shall assist the Chair of the Board and shall have such other powers and duties as may from time to time be assigned by the Board of Directors or the Chair of the Board.

(i) Lead Director. The Board of Directors may elect a Lead Director. The Lead Director shall be one of the directors who has been determined by the Board of Directors to be "independent directors" (any such director, an "Independent Director"). The Lead Director shall preside at all meetings of the Board of Directors at which the Chair of the Board is not present, preside over the executive sessions of the Independent Directors, serve as a liaison between the Chair of the Board and the Board of Directors and shall have such other responsibilities, and shall perform such duties, as may from time to time be assigned to the Lead Director by the Board of Directors. The Lead Director shall be elected by a majority of the Independent Directors.

(j) Organization. At each meeting of the Board of Directors, the Chair of the Board, or in the Chair's absence, the Lead Director, or in the Chair's and Lead Director's absence, a director chosen by a majority of the directors present, shall act as chairperson. The Secretary shall act as secretary at each meeting of the Board of Directors. In case the Secretary shall be absent from any meeting of the Board of Directors, an assistant secretary shall perform the duties of secretary at such meeting, and in the absence from any such meeting of the Secretary and all assistant secretaries, the chairperson of the meeting may appoint any person to act as secretary of the meeting.

(k) Actions of the Board by Written Consent. Any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting, if all the members of the Board of Directors or committee, as the case may be, consent thereto in writing or by electronic transmission, and the writing or writings or electronic transmission are filed with the minutes of proceedings of the Board of Directors or committee.

(l) Telephonic Meetings. Members of the Board of Directors, or any committee thereof, may participate in a meeting of the Board of Directors or such committee by means of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this Section (k) of Article V shall constitute presence in person at such meeting.

ARTICLE VI

COMMITTEES

(a) General. The Board of Directors may from time to time, in its discretion, designate, and appoint from the directors, committees of one or more persons which shall have and may exercise such lawfully delegable powers and duties conferred or authorized by the resolutions of designation and appointment. The Board of Directors shall have power at any time to change the members of any such committee, to fill vacancies, and to discharge any such committee. Each committee shall keep regular minutes and report to the Board of Directors when required.

(b) Quorum. Unless the Board of Directors shall provide otherwise, the presence of one-third of the total membership of the Board of Directors, but no less than two (2) members, shall constitute a quorum for the transaction of business at any meeting of such committee, and the act of a majority of those present shall be necessary and sufficient for the taking of any action thereat.

ARTICLE VII

OFFICERS

(a) General. The officers of the Corporation shall be the Chief Executive Officer, the President, the Secretary, and the Treasurer, who shall be elected by the Board of Directors, and may include the Chief Financial Officer, the Controller and such additional Assistant Secretaries, Assistant Treasurers, Vice Presidents and other officers as may from time to time be elected or appointed by the Board of Directors or, with the exception of the Chief Executive Officer, appointed by the Chief Executive Officer. Any two (2) or more of the aforementioned offices may be held by the same person except those of President and Secretary.

(b) Term: Vacancies. Subject to Section (c) of this Article VII, each officer of the Corporation shall hold office until such officer's successor shall have been duly elected and shall have qualified or until such officer's earlier death, resignation or removal. All vacancies in such offices by resignation, death or otherwise may be filled by the Board of Directors or, with the exception of the Chief Executive Officer, by the Chief Executive Officer. In the case of absence or inability to act of any officer of the Corporation, and of any person herein authorized to act in such officer's place, the Board of Directors may from time to time delegate the powers or duties of such officer to any other officer or any director or other person whom they may select.

(c) Resignation and Removal. Any officer may resign upon notice given in writing or electronic transmission to the Chief Executive Officer or the Secretary. Such resignation shall be effective upon receipt unless it is specified to be effective at some other time or upon the occurrence of some other event. Any officer of the Corporation may be removed, either with or without cause, at any time, by the Board of Directors or, in the case of each officer of the Corporation other than the Chief Executive Officer, by the Chief Executive Officer.

(d) Chief Executive Officer. The Chief Executive Officer shall have general and active supervision and direction over the business and affairs of the Corporation and over its several officers; subject, however, to the control of the Board of Directors. The Chief Executive Officer or an officer designated by the Chief Executive Officer shall make a report on the state of the business of the Corporation at each annual meeting of stockholders. The Chief Executive Officer shall perform such other duties as from time to time may be assigned by the Board of Directors.

(e) President and Vice Presidents. The President and any Vice Presidents (including any Senior Vice Presidents and Executive Vice Presidents) shall perform such duties as from time to time may be assigned by the Chief Executive Officer or the Board of Directors.

(f) Treasurer. The Treasurer shall have charge and be responsible for keeping full and accurate accounts of receipts and disbursements in books belonging to the Corporation, depositing all moneys and other valuables in the name and to the credit of the Corporation, in such depositories as may be directed by the Board of Directors, disbursing the funds of the Corporation as may be ordered by the Board of Directors or the Chief Executive Officer taking proper vouchers therefor and rendering to the Chief Executive Officer and the directors whenever they may require it an account of all of the Treasurer's transactions as Treasurer and of the financial condition of the Corporation. The Treasurer shall also perform such other duties as from time to time may be assigned by the Chief Executive Officer, the Chief Financial Officer or the Board of Directors. If required by the Board of Directors, the Treasurer shall give the Corporation a bond in a form and in a sum with surety satisfactory to the Board of Directors for the faithful performance of the duties of the office of Treasurer and the restoration to the Corporation in the case of the officer's death, resignation or removal from office, of all books, papers, vouchers, money and other property of whatever kind in the officer's possession belonging to the Corporation.

(g) Assistant Treasurers. At the request of the Treasurer, or in the Treasurer's absence or inability to act, the Assistant Treasurer or, if there be more than one, the Assistant Treasurer designated by the Treasurer, shall perform the duties of the Treasurer and when so acting shall have the powers of and be subject to all the restrictions of the Treasurer. The Assistant Treasurers shall perform such other duties as from time to time may be assigned to them by the Chief Executive Officer, the Chief Financial Officer, the Treasurer or the Board of Directors.

(h) Chief Financial Officer. The Chief Financial Officer shall be the principal financial officer of the Corporation. The Chief Financial Officer shall render such accounts and reports as may be required by the Board of Directors or any committee thereof. The financial records, books and accounts of the Corporation shall be maintained subject to the Chief Financial Officer's direct or indirect supervision. The Chief Financial Officer shall perform such other duties as from time to time may be assigned by the Chief Executive Officer or the Board of Directors.

(i) Controller. The Controller shall exercise general supervision of the accounting staff of the Corporation. The Controller shall perform such duties as from time to time may be assigned by the Chief Executive Officer, the Chief Financial Officer or the Board of Directors.

(j) Secretary. The Secretary shall attend all meetings of the Board of Directors and of the stockholders and record all votes and the minutes of all proceedings in a book to be kept for that purpose. The Secretary shall keep in safe custody the seal of the Corporation and, whenever authorized by the Board, affix the seal to any instrument or other document requiring the same. The Secretary shall see that proper notice is given of all meetings of the stockholders of the Corporation and of the Board of Directors and shall perform such other duties as may be prescribed from time to time by the Chief Executive Officer or the Board of Directors.

(k) Assistant Secretaries. At the request of the Secretary, or in the Secretary's absence or inability to act, the Assistant Secretary or, if there be more than one, the Assistant Secretary designated by the Secretary, shall perform the duties of the Secretary and when so acting shall have all the powers of and be subject to all the restrictions of the Secretary. The Assistant Secretaries shall perform such other duties as may from time to time be assigned to them by the Chief Executive Officer, the Secretary or the Board of Directors.

(l) Other Officers. Such other officers as the Board of Directors or the Chief Executive Officer may choose shall perform such duties and have such powers as from time to time may be assigned to them by the Board of Directors or the Chief Executive Officer. The Board of Directors may delegate to any other officer of the Corporation the power to choose such other officers and to prescribe their respective duties and powers.

ARTICLE VIII

CONTRACTS, CHECKS, NOTES, ETC.

(a) Contracts, Checks, Etc. All contracts and agreements authorized by the Board of Directors shall, unless otherwise directed by the Board of Directors, or unless otherwise required by law, be signed by any one of the following officers: the Chief Executive Officer, the President, any Vice President, the Treasurer, the Secretary, any Assistant Treasurer or any Assistant Secretary, any other person authorized by a resolution of the Board of Directors, and any other person authorized by the Chief Executive Officer, as evidenced by a written instrument of delegation. Any such authorization by the Board of Directors or the Chief Executive Officer shall remain in effect until rescinded by action of the Board of Directors or (in the case of a delegation by the Chief Executive Officer) by the Chief Executive Officer and, where it identifies the authorized signatory by office rather than by name, shall not be rescinded solely by virtue of a change in the person holding that office or a temporary vacancy in that office. All checks, drafts, notes, bonds, bills of exchange and orders for the payment of money (including orders for repetitive or non-repetitive electronic funds transfers) may be signed by any one of the Chief Executive Officer, the President, any Vice President, the Treasurer, any Assistant Treasurer or the Controller or in such manner as shall from time to time be determined by resolution of the Board of Directors. Further, the Treasurer is authorized to designate to the Corporation's banks, in writing, individuals employed in the NiSource Corporate Services Company, who need not be officers or employees of the Corporation, to give in the name of the Corporation telephonic, telegraphic, or electronic transfer instructions for the payment of money, which may, with respect to routine items, include instructions as to the amount to be transferred, to any bank, pursuant to previously issued written orders, signed by officers of the Corporation in any manner provided above, which designate the recipients of such amounts and which identify what shall be treated as routine items.

(b) Accounts. Anything in Section (a) of this Article VIII to the contrary notwithstanding, the officers of the Corporation may open in the name of the Corporation special accounts appropriately designated in which shall be deposited funds of the Corporation transferred from the Corporation's other accounts by its checks signed in accordance with the requirements of Section (a) of this Article VIII, but from which special accounts funds may be disbursed by check, draft or other instrument of the Corporation designated as drawn against such special account and signed by the single signature of any one of the executive officers of the Corporation authorized by Section (a) of this Article VIII to sign checks, drafts and other instruments of the Corporation or signed by the single signature of any other person expressly authorized by the Board of Directors to sign checks, drafts and other instruments disbursing funds from such special accounts.

(c) Evidence of Indebtedness. Anything in Section (a) of this Article VIII to the contrary notwithstanding, (i) bonds, notes, debentures and other evidence of indebtedness of the Corporation issued under an indenture may be executed in the name of the Corporation by the facsimile signature, printed, engraved or otherwise used thereon, of the Chief Executive Officer, the President, any Vice President, the Treasurer or any Assistant Treasurer of the Corporation, and the corporate seal affixed thereto or impressed, printed, engraved or otherwise reproduced thereon may be attested by the facsimile signature of the Secretary or an Assistant Secretary of the Corporation, provided that the indenture requires the same to be authenticated by the trustee under such indenture, and (ii) interest coupons attached to any such bond, note, debenture or other evidence of indebtedness may be executed on behalf of the Corporation by the facsimile signature of the Treasurer or any Assistant Treasurer of the Corporation.

(d) Voting Securities Owned by the Corporation. Powers of attorney, proxies, waivers of notice of meeting, consents and other instruments relating to securities owned by the Corporation may be executed in the name of and on behalf of the Corporation by the Chief Executive Officer or any other officer authorized to do so by the Board of Directors, and any such officer may, in the name of and on behalf of the Corporation, take all such action as any such officer may deem advisable to vote in person or by proxy at any meeting of security holders of any corporation in which the Corporation may own securities and at any such meeting shall possess and may exercise any and all rights and power incident to the ownership of such securities and which, as the owner thereof, the Corporation might have exercised and possessed if present. The Board of Directors may, by resolution, from time to time confer like powers upon any other person or persons.

(e) Interested Directors and Officers. No contract or transaction between the Corporation and one or more of its directors or officers, or between the Corporation and any other corporation, partnership, association or other organization in which one or more of the Corporation's directors or officers are directors or officers or have a financial interest, shall be void or voidable solely for this reason, or solely because the director or officer is present at or participates in the meeting of the Board of Directors or committee thereof that authorizes the contract or transaction, or solely because any such director's or officer's vote is counted for such purpose if: (i) the material facts as to the director's or officer's relationship or interest and as to the contract or transaction are disclosed or are known to the Board of Directors or the committee and the Board of Directors or committee in good faith authorizes the contract or transaction by the affirmative vote of a majority of the disinterested directors, even though the disinterested directors be less than a quorum; (ii) the material facts as to the director's or officer's relationship or interest and as to the contract or transaction are disclosed or are known to the stockholders entitled to vote thereon and the contract or transaction is specifically approved in good faith by vote of the stockholders; or (iii) the contract or transaction is fair as to the Corporation as of the time it is authorized, approved or ratified by the Board of Directors, a committee thereof or the stockholders. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of a committee that authorizes the contract or transaction.

ARTICLE IX

FISCAL YEAR

The fiscal year of the Corporation shall begin on the first day of January in each year.

ARTICLE X

EXCLUSIVE FORUM

(a) Forum. Unless a majority of the Board, acting on behalf of the Corporation, consents in writing to the selection of an alternative forum (which consent may be given at any time, including during the pendency of litigation), the Court of Chancery of the State of Delaware (or, if the Court of Chancery does not have jurisdiction, another state court located within the State of Delaware or, if no state court located within the State of Delaware has jurisdiction, the federal district court for the District of Delaware), to the fullest extent permitted by law, shall be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of a fiduciary duty owed by any current or former director, officer or other employee of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim against the Corporation or any of its directors, officers or other employees arising pursuant to any provision of the DGCL, these Bylaws or the Certificate of Incorporation (in each case, as may be amended from time to time), (iv) any action asserting a claim against the Corporation or any of its directors, officers or other employees governed by the internal affairs doctrine of the State of Delaware or (v) any other action asserting an "internal corporate claim," as defined in Section 115 of the DGCL, in all cases subject to the court's having personal jurisdiction over all indispensable parties named as defendants. Unless a majority of the Board, acting on behalf of the Corporation, consents in writing to the selection of an alternative forum (which consent may be given at any time, including during the pendency of litigation), the federal district courts of the United States of America, to the fullest extent permitted by law, shall be the sole and exclusive forum for the resolution of any action asserting a cause of action arising under the Securities Act of 1933, as amended.

(b) Personal Jurisdiction. If any action the subject matter of which is within the scope of Section (a) is filed in a court other than a court located within the State of Delaware (a "Foreign Action") in the name of any stockholder, such stockholder shall be deemed to have consented to (i) the personal jurisdiction of the state and federal courts located within the State of Delaware in connection with any action brought in any such court to enforce Section (a) (an "Enforcement Action") and (ii) having service of process made upon such stockholder in any such Enforcement Action by service upon such stockholder's counsel in the Foreign Action as agent for such stockholder.

(c) Enforceability. If any provision of this Article X shall be held to be invalid, illegal or unenforceable as applied to any person, entity or circumstance for any reason whatsoever, then, to the fullest extent permitted by law, the validity, legality and enforceability of such provision in any other circumstance and of the remaining provisions of this Article X, and the application of such provision to other persons or entities and circumstances shall not in any way be affected or impaired thereby.

(d) Notice and Consent. For the avoidance of doubt, any person or entity purchasing or otherwise acquiring or holding any interest in any security of the Corporation shall be deemed to have notice of and consented to the provisions of this Article X.

ARTICLE XI

AMENDMENT OF BYLAWS

These Bylaws may be amended, added to, rescinded or repealed at any meeting of the Board of Directors or of the stockholders, provided notice of the proposed change was given in the notice of the meeting or, in the case of a meeting of the Board of Directors, in a notice given not less than two (2) days prior to the meeting; provided, however, in order for the Board of Directors to amend, add to, rescind or repeal any provision contained in Section (c), (k), (l), (m), (n), (o) or (p) of Article IV or Section (a) of Article V of these Bylaws or this proviso to this Article X of these Bylaws, the affirmative vote of a majority of the Entire Board shall be required.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant To Section 13 OR 15(d) of The
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): October 30, 2024

NiSource Inc.

(Exact name of registrant as specified in its charter)

DE

(State or other jurisdiction
of incorporation or organization)

001-16189

Commission
file number

35-2108964

(I.R.S. Employer
Identification No.)

801 East 86th Avenue
Merrillville, IN

(Address of principal executive offices)

46410

(Zip Code)

Registrant's telephone number, including area code (877) 647-5990

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions.

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	NI	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On October 30, 2024, NiSource Inc. (the “Company”) reported its financial results for the period ended September 30, 2024. The Company’s press release, dated October 30, 2024, is attached as Exhibit 99.1.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

Exhibit Number	Description
99.1	Press Release, dated October 30, 2024, issued by NiSource Inc.
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Schema Document
101.CAL	Inline XBRL Calculation Linkbase Document
101.LAB	Inline XBRL Labels Linkbase Document
101.PRE	Inline XBRL Presentation Linkbase Document
101.DEF	Inline XBRL Definition Linkbase Document
104	Cover page Interactive Data File (formatted as inline XBRL, and contained in Exhibit 101.)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NiSource Inc.

(Registrant)

Date: October 30, 2024

By:

/s/ Gunnar J. Gode

Gunnar J. Gode

Vice President, Chief Accounting Officer
(Principal Accounting Officer)



FOR IMMEDIATE RELEASE: October 30, 2024

NiSource announces third quarter 2024 results

- Reaffirming 2024 non-GAAP adjusted EPS guidance
- Introducing 2025 non-GAAP adjusted EPS guidance and extending expected annual 6-8% growth to 2025-2029
- Updating 5-year capital expenditure base plan to \$19.3 billion

MERRILLVILLE, Ind. - NiSource Inc. (NYSE: NI) today announced, on a GAAP basis, net income available to common shareholders for the three months ended September 30, 2024, of \$85.7 million, or \$0.19 of earnings per diluted share, compared to net income available to common shareholders of \$77.0 million, or \$0.17 of earnings per diluted share, for the same period of 2023. For the nine months ended September 30, 2024, on a GAAP basis NiSource's net income available to common shareholders was \$515.8 million, or \$1.14 diluted earning per share, compared to net income available to common shareholders of \$436.1 million, or \$0.98 diluted earnings per share, for the same period of 2023.

NiSource also reported third quarter 2024 non-GAAP adjusted net income available to common shareholders of \$89.9 million, or \$0.20 of adjusted earnings per share ("EPS") compared to non-GAAP adjusted net income available to common shareholders of \$83.7 million, or \$0.19 of adjusted EPS, for the same period of 2023. For the nine months ended September 30, 2024, NiSource's non-GAAP adjusted net income available to common shareholders of \$567.4 million, or \$1.26 adjusted EPS, compared to non-GAAP adjusted net income available to common shareholders of \$477.0 million, or \$1.07 adjusted EPS, for the same period of 2023. Schedule 1 of this press release contains a complete reconciliation of GAAP measures to non-GAAP measures. **

NiSource is reaffirming 2024 non-GAAP adjusted EPS guidance of \$1.70-1.74. In 2025 non-GAAP adjusted EPS is expected to be in the range of \$1.84-1.88. NiSource is extending its plan to 2029 with non-GAAP adjusted EPS growth expected to be 6-8% annually, driven by \$19.3 billion 2025-2029 base plan capital expenditures and 8-10% 2025-2029 rate base growth. The new base capital expenditure plan is approximately \$2.9 billion larger than the prior 5-year plan.

"Over the last 3 months we saw several examples of the constructive stakeholder partnerships that differentiate the NiSource family of companies. We are making progress in our rate cases, advanced NIPSCO Integrated Resource Plan (IRP) dialogue and received approvals for several Indiana investments that will improve reliability and lower costs to customers. These and future partnerships are the foundation for our updated 5-year financial plan and the extension of our elevated investment opportunity. I am as proud as ever of our employees and contractors for their continuing outstanding execution." said NiSource President and CEO, Lloyd Yates.

****Non-GAAP Disclosure Statement**

Beginning with the first quarter of 2024, NiSource Inc. changed its disclosure of non-GAAP results and guidance for net operating earnings available to common shareholders to adjusted net income available to common shareholders and for net operating EPS to adjusted EPS to better align with the presentation used by many companies to report their non-GAAP results. The change reflects a name change only and the calculations of each of these non-GAAP metrics remains consistent with the historical calculations.

This press release includes financial results and guidance for NiSource with respect to adjusted net income available to common shareholders and adjusted EPS, which are non-GAAP financial measures as defined by the SEC. 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 guidance on adjusted EPS, NiSource reminds investors that it does not provide a GAAP equivalent of its guidance on adjusted net income available to common shareholders due to the impact of unpredictable factors such as fluctuations in weather, impact of asset sales and impairments and other unusual or infrequent items included in the comparable GAAP measures. The company is not able to estimate the impact of such factors on the comparable GAAP measures and, as such, is not providing guidance on a GAAP basis. In addition, the company is not able to provide a reconciliation of its non-GAAP adjusted EPS guidance to the comparable GAAP equivalents without unreasonable efforts.

Additional Information

Additional information for the quarter ended September 30, 2024, is available on the Investors section of www.nisource.com, including segment and financial information and a presentation, as well as NiSource's social media channels. The company alerts investors that it intends to use the Investors section of its website www.nisource.com and as well as the company's social media channels to disseminate important information about the company to its investors. Investors are advised to look at NiSource's website and its social media channels for future important information about the company.

About NiSource

NiSource Inc. (NYSE: NI) is one of the largest fully-regulated utility companies in the United States, serving approximately 3.3 million natural gas customers and 500,000 electric customers across six states through its local Columbia Gas and NIPSCO brands. The mission of our approximately 7,400 employees is to deliver safe, reliable energy that drives value to our customers. NiSource is a member of the Dow Jones Sustainability - North America Index and is on Forbes lists of America's Best Employers for Women and Diversity. Learn more about NiSource's record of leadership in sustainability, investments in the communities it serves and how we live our vision to be an innovative and trusted energy partner at www.NiSource.com. NI-F

The content of our website is not incorporated by reference into this document or any other report or document NiSource files with the Securities and Exchange Commission ("SEC").

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FOR ADDITIONAL INFORMATION

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Forward-Looking Statements

This Press Release 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. Forward-looking statements in this press release include, but are not limited to, statements concerning our 2024 guidance on adjusted EPS, 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 Press Release include, among other things: our ability to execute our business plan or growth strategy, including utility infrastructure investments, or business opportunities, such as data center development and related generation sources and transmission capabilities to meet potential load growth; potential incidents and other operating risks associated with our business; our ability to work successfully with our third-party investors; our ability to adapt to, and manage costs related to, advances in technology, including alternative energy sources and changes in laws and regulations; our increased dependency on 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 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 demand; our ability to attract, retain or re-skill a qualified, diverse workforce and maintain good labor relations; our ability to manage new initiatives and organizational changes; the actions of activist stockholders; the performance and quality of third-party suppliers and service providers; potential cybersecurity attacks or security breaches; increased requirements and costs related to cybersecurity; any damage to our reputation; the impacts of natural disasters, potential terrorist attacks or other catastrophic events; the physical impacts of climate change and the transition to a lower carbon future; our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals, including our Net Zero Goal, including any future associated impact from business opportunities such as data center development as those opportunities evolve; our debt obligations; any changes to our credit rating or the credit rating of certain of our subsidiaries; adverse economic and capital market conditions, including increases in inflation or interest rates, recession, or changes in investor sentiment; economic regulation and the impact of regulatory rate reviews; our ability to obtain expected financial or regulatory outcomes; 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; the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation; compliance with changes in, or new interpretations of applicable laws, regulations and tariffs; the cost of compliance with environmental laws and regulations and the costs of associated liabilities; changes in tax laws or the interpretation thereof; and other matters set forth in 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 fiscal year ended December 31, 2023 and matters set forth in our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2024 and June 30, 2024, some 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.

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Schedule 1 - Reconciliation of Consolidated Net Income Available to Common Shareholders to Adjusted Net Income Available to Common Shareholders (Non-GAAP) (unaudited)

<i>(in millions, except per share amounts)</i>	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
GAAP Net Income Available to Common Shareholders	\$ 85.7	\$ 77.0	\$ 515.8	\$ 436.1
Adjustments to Operating Income :				
Operating Revenues:				
Weather - compared to normal	5.6	9.0	50.6	47.2
Total adjustments to operating income	5.6	9.0	50.6	47.2
Income Taxes:				
Tax effect of above items ⁽¹⁾	(1.4)	(2.3)	(13.0)	(12.5)
Preferred Dividends:				
Preferred dividends redemption premium ⁽²⁾	—	—	14.0	6.2
Total adjustments to net income	4.2	6.7	51.6	40.9
Adjusted Net Income Available to Common Shareholders	\$ 89.9	\$ 83.7	\$ 567.4	\$ 477.0
Diluted Average Common Shares	454.5	448.3	451.4	447.4
GAAP Diluted Earnings Per Share⁽³⁾	\$ 0.19	\$ 0.17	\$ 1.14	\$ 0.98
Adjustments to diluted earnings per share	0.01	0.02	0.12	0.09
Adjusted Earnings Per Share	\$ 0.20	\$ 0.19	\$ 1.26	\$ 1.07

⁽¹⁾Represents income tax expense calculated using the statutory tax rates for legal entity.

⁽²⁾Represents the difference between the carrying value on the redemption date of the Series B Preferred Stock and the total amount of consideration paid to redeem, net of the fair value of common shares issued during the nine months ended September 30, 2024 and the difference between the carrying value of the Series A Preferred Stock and the total amount of consideration paid to redeem in 2023.

⁽³⁾ GAAP Diluted Earnings Per Share includes the effects of income allocated to participating securities and adds back the dilutive effect of Equity Units in the prior year. Please refer to Note 5, "Earnings Per Share," within the Company's Quarterly Report on Form 10-Q for the period ended September 30, 2024.

TAB 64.2

807 KAR 5:001 Section 16(7)(p)

2024 10-K

Columbia Gas of Kentucky, Inc.
CASE NO. 2026-00099
Forecasted Test Period Filing Requirements
807 KAR 5:001 Section 16(7)(p)

Description of Filing Requirement:

A copy of the utility's annual report on Form 10-K as filed with the Securities and Exchange Commission for the most recent two (2) years, and any Form 8-K issued during the past two (2) years, and any Form 10-Q issued during the past six (6) quarters;

Response:

Please see attached for NiSource Inc.'s application for Form 10-Q's and Form 8-K's. Form 10-K is part of the Annual Report to Stockholders and is included with Filing Requirement 16(7)(l) located at Tab 60.

Responsible Witness:

Elizabeth N. Davis

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K



ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)

OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2024

OR



TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)

OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 001-16189

NiSource Inc.

(Exact name of registrant as specified in its charter)

DE

(State or other jurisdiction of
incorporation or organization)

801 East 86th Avenue
Merrillville, IN

(Address of principal executive offices)

35-2108964

(I.R.S. Employer
Identification No.)

46410

(Zip Code)

(877) 647-5990

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class

Trading
Symbol(s)
NI

Name of Each Exchange on Which
Registered
NYSE

Common Stock, par value \$0.01 per share

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definition of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12-b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated Filer ☐ Emerging Growth Company ☐ Non-accelerated Filer ☐ Smaller Reporting Company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrants included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of the registrant's common stock, par value \$0.01 per share (the "Common Stock") held by non-affiliates was approximately \$13,022,151,904 based upon the June 30, 2024, closing price of \$28.81 on the New York Stock Exchange.

There were 469,939,639 shares of Common Stock outstanding as of February 5, 2025.

Documents Incorporated by Reference

Part III of this report incorporates by reference specific portions of the Registrant's Notice of Annual Meeting and Proxy Statement relating to the Annual Meeting of Stockholders to be held on May 12, 2025.

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DEFINED TERMS

The following is a list of frequently used abbreviations or acronyms that are found in this report:

NiSource Subsidiaries and Affiliates (not exhaustive)

Columbia of Kentucky	Columbia Gas of Kentucky, Inc.
Columbia of Maryland	Columbia Gas of Maryland, Inc.
Columbia of Ohio	Columbia Gas of Ohio, Inc.
Columbia of Pennsylvania	Columbia Gas of Pennsylvania, Inc.
Columbia of Virginia	Columbia Gas of Virginia, Inc.
NIPSCO	Northern Indiana Public Service Company LLC
NIPSCO Holdings I	NIPSCO Holdings I LLC
NIPSCO Holdings II	NIPSCO Holdings II LLC
NIPSCO Generation	NIPSCO Generation LLC
NiSource ("we," "us" or "our")	NiSource Inc.
Rosewater	Rosewater Wind Generation LLC and its wholly owned subsidiary, Rosewater Wind Farm LLC
Indiana Crossroads Solar	Indiana Crossroads Solar Generation LLC and its wholly owned subsidiary, Meadow Lake Solar Park LLC
Indiana Crossroads Wind	Indiana Crossroads Wind Generation LLC and its wholly owned subsidiary, Indiana Crossroads Wind Farm LLC
Dunns Bridge I	Dunns Bridge I Solar Generation LLC and its wholly owned subsidiary, Dunns Bridge Solar Center LLC
Dunns Bridge II	Dunns Bridge II Solar Generation LLC
Gibson	Gibson Solar Generation LLC
Fairbanks	Fairbanks Solar Generation LLC
Cavalry	Cavalry Solar Generation LLC

Abbreviations and Other

AFUDC	Allowance for funds used during construction
AOCI	Accumulated Other Comprehensive Income (Loss)
ASC	Accounting Standards Codification
ASU	Accounting Standards Update
ATM	At-the-market
BIP	BIP Blue Buyer L.L.C
BIP Blue Buyer VCOC L.L.C	BIP Blue Buyer VCOC L.L.C., a Delaware limited liability company and also an affiliate of Blackstone
Blackstone	Blackstone Infrastructure Partners L.P.
BTA	Build-transfer agreement
CCGT	Combined Cycle Gas Turbine
CCRs	Coal Combustion Residuals
CEO	Chief Executive Officer
CEP	Capital Expenditure Program
CERCLA	Comprehensive Environmental Response Compensation and Liability Act (also known as Superfund)
CFO	Chief Financial Officer
CISA	Certified Information Systems Auditor
CISO	Chief Information Security Officer
CISSP	Certified Information Systems Security Professional
CODM	Chief Operating Decision Maker

Columbia Operations	Reportable segment comprised of the results of NiSource Gas Distribution company, including all of its Columbia Gas distribution companies and related subsidiaries
Corporate Units	Series A Corporate Units
CPCN	Certificate of Public Convenience and Necessity
CRISC	Certified in Risk and Information Systems Control
DSIC	Distribution System Improvement Charge
DSM	Demand Side Management
EPA	United States Environmental Protection Agency
EPS	Earnings per share
Equity Units	Series A Equity Units
FAC	Fuel adjustment clause
FASB	Financial Accounting Standards Board
FERC	Federal Energy Regulatory Commission
FMCA	Federally Mandated Cost Adjustment
GAAP	Generally Accepted Accounting Principles
GCA	Gas cost adjustment
GCT	Generation Cost Tracker
GHG	Greenhouse gases
GWh	Gigawatt hours
HLBV	Hypothetical Liquidation at Book Value
IIJA	Infrastructure Investment and Jobs Act
IRA	Inflation Reduction Act
IRP	Infrastructure Replacement Program
IRS	Internal Revenue Service
IURC	Indiana Utility Regulatory Commission
JV	Joint Venture
LDCs	Local distribution companies
LIFO	Last-in, first-out
LIHEAP	Low Income Heating Energy Assistance Programs
Massachusetts Business	All of the assets sold to, and liabilities assumed by, Eversource pursuant to the Asset Purchase Agreement
MGP	Manufactured Gas Plant
MISO	Midcontinent Independent System Operator
MMDth	Million dekatherms
MW	Megawatts
MWh	Megawatt hours
NERC CIP	North American Electric Reliability Corporation Critical Infrastructure Protection
NIPSCO Electric	The electric generation and transmission activities of the NIPSCO Operations reportable segment
NIPSCO Gas	The gas distribution activities of the NIPSCO Operations reportable segment
NIPSCO Minority Interest Transaction	A transaction between NiSource, NIPSCO Holdings II (sole owner of NIPSCO) and an affiliate of Blackstone pursuant to a purchase and sale agreement entered into on June 17, 2023, that offered equity interests in NIPSCO Holdings II in exchange for capital contributions by the parties.

DEFINED TERMS

NIPSCO Operations	Reportable segment comprised of the results of NIPSCO Holdings I, NIPSCO Holdings II, and NIPSCO and all related subsidiaries
NYMEX	The New York Mercantile Exchange
OPEB	Other Postretirement and Postemployment Benefits
OT	Operational Technology
PCB	Polychlorinated biphenyls
PHMSA	Pipeline and Hazardous Materials Safety Administration
PPA	Power Purchase Agreement
PSC	Public Service Commission
PUCO	Public Utilities Commission of Ohio
ROE	Return on Equity
RNG	Renewable Natural Gas
ROU	Right of Use
SAVE	Steps to Advance Virginia's Energy Plan
Scope 1 GHG Emissions	Direct emissions from sources owned or controlled by us (e.g., emissions from our combustion of fuel, vehicles, and process emissions and fugitive emissions)
Scope 2 GHG Emissions	Indirect emissions from sources owned or controlled by us
SEC	Securities and Exchange Commission
SMRP	Safety Modification and Replacement Program
SMS	Safety Management System
STRIDE	Strategic Infrastructure Development and Enhancement
TCJA	An Act to provide for reconciliation pursuant to titles II and V of the concurrent resolution on the budget for fiscal year 2018 (commonly known as the Tax Cuts and Jobs Act of 2017)
TDSIC	Transmission, Distribution and Storage System Improvement Charge
TSA	Transportation Security Administration
VIE	Variable Interest Entity
WAM	Work and Asset Management enterprise resourcing system

Note regarding forward-looking statements

This Annual Report on Form 10-K 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 Annual Report on Form 10-K include, among other things:

- our ability to execute our business plan or growth strategy, including utility infrastructure investments, or business opportunities, such as data center development and related generation sources and transmission capabilities to meet potential load growth;
- our ability to manage data center growth in our service territories;

- potential incidents and other operating risks associated with our business;
- our ability to work successfully with our third-party investors;
- our ability to adapt to, and manage costs related to, advances in technology, including alternative energy sources and changes in laws and regulations;
- our increased dependency on 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 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 demand;
- our ability to attract, retain or re-skill a qualified, diverse workforce and maintain good labor relations;
- our ability to manage new initiatives and organizational changes;
- the performance and quality of third-party suppliers and service providers;
- our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals, including our Net Zero Goal (as defined below), including any future associated impact from business opportunities such as data center development as those opportunities evolve;
- potential cybersecurity attacks or security breaches;
- increased requirements and costs related to cybersecurity;
- the actions of activist stockholders;
- any damage to our reputation;
- the impacts of natural disasters, potential terrorist attacks or other catastrophic events;
- the physical impacts of climate change and the transition to a lower carbon future;
- our debt obligations;
- any changes to our credit rating or the credit rating of certain of our subsidiaries;
- adverse economic and capital market conditions, including increases in inflation or interest rates, recession, or changes in investor sentiment;
- economic regulation and the impact of regulatory rate reviews;
- our ability to obtain expected financial or regulatory outcomes;
- 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;
- the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation;
- compliance with changes in, or new interpretations of applicable laws, regulations and tariffs;
- the cost of compliance with environmental laws and regulations and the costs of associated liabilities;
- changes in tax laws or the interpretation thereof;
- and other matters set forth in 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 this report, some 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.

PART I**ITEM 1. BUSINESS****NiSOURCE INC.****Business**

NiSource Inc. is an energy holding company under the Public Utility Holding Company Act of 2005 whose primary subsidiaries are fully regulated natural gas and electric utility companies, serving approximately 3.8 million customers in six states. NiSource is the successor to an Indiana corporation organized in 1987 under the name of NIPSCO Industries, Inc., which changed its name to NiSource Inc. on April 14, 1999.

NiSource's principal subsidiaries include NiSource Gas Distribution Group, Inc. (a holding company that owns Columbia of Kentucky, Columbia of Maryland, Columbia of Ohio, Columbia of Pennsylvania, and Columbia of Virginia), and NIPSCO Holdings I (a holding company that owns a controlling interest in NIPSCO, a gas and electric utility). NiSource derives substantially all of its revenues and earnings from the operating results of these rate-regulated businesses.

Business Strategy

Our business strategy focuses on providing safe and reliable service through our core, rate-regulated, asset-based utilities, with the goal of adding value to all of our stakeholders. Our utilities continue to advance our core safety, infrastructure and environmental investment programs, supported by complementary regulatory and customer initiatives across the six states in which we operate. Our goal is to develop strategies that (i) support long-term infrastructure investment and safety programs to better serve our customers, (ii) align our tariff structures with our cost structure, and (iii) drive value and enable growth in an evolving energy ecosystem. These strategies focus on improving safety and reliability, enhancing customer experience, pursuing regulatory and legislative initiatives to increase accessibility for customers currently not on our gas and electric service, ensuring customer affordability and reducing emissions while generating sustainable returns.

We remain committed to the advancement of our SMS for the safety of our customers, communities and employees. Our SMS is the established operating model within NiSource. NiSource continues to maintain its certification to the American Petroleum Institute Recommended Practice 1173, which serves as the guiding practice for our SMS. In 2024, NiSource was recognized with the ISO 55001 certification from LRQA, one of the world's leading providers of professional engineering and technology services. Achieving this international certification for asset management systems recognizes NiSource's commitment to safety for our people, systems and customers. These certifications are important milestones for our SMS and NiSource's ongoing journey towards operational excellence.

NiSource has two reportable segments: Columbia Operations and NIPSCO Operations. The remainder of our operations, which are not significant enough on a stand-alone basis to warrant treatment as an operating segment, consist of our centralized corporate activities and are primarily comprised of interest expense on holding company debt and unallocated corporate costs and activities. The following is a summary of the business for each reporting segment. Refer to Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Note 21, "Business Segment Information," in the Notes to Consolidated Financial Statements for additional information related to each segment.

Columbia Operations

Columbia Operations provides natural gas to approximately 2.4 million residential, commercial and industrial customers in Ohio, Pennsylvania, Virginia, Kentucky, and Maryland. We operate approximately 37,200 miles of distribution main pipeline plus the associated individual customer service lines and 330 miles of transmission main pipeline located in our service areas described above. Throughout our service areas we also have gate stations and other operations support facilities. See below for information on our owned operating facilities. There were no significant disruptions to our system or facilities during 2024.

Facility Name	Location	Type	Storage Capacity (MCF)
Blackhawk Underground Storage ⁽¹⁾	Beaver Falls, PA	Natural Gas	1,700,000
Eagle Cove Propane	Petersburgh, VA	Propane Gas	863
South Wales Propane	Jeffersonton, VA	Propane Gas	863
Portsmouth Propane-Air	Portsmouth, VA	Propane-Air Gas	17,300
Total Capacity			1,719,026

⁽¹⁾NiSource has entered into an agreement to sell this facility, subject to approval by the Pennsylvania Public Utility Commission.

ITEM 1. BUSINESS**NiSOURCE INC.**

Competition. Due to open access and the deregulation of natural gas supplies, our LDC customers can purchase gas directly from producers and marketers in an open, competitive market. Certain of our subsidiaries are involved in programs that provide our residential and commercial customers the opportunity to purchase their natural gas requirements from third parties and use our subsidiaries for transportation services. As of December 31, 2024, 33.9% of our residential customers and 41.2% of our commercial customers participated in such programs.

We compete with (i) investor-owned, municipal, and cooperative electric utilities throughout our service areas, (ii) other regulated and unregulated natural gas intra and interstate pipelines and (iii) other alternate fuels, such as propane and fuel oil. We continue to be a well-positioned competitor in the energy markets in which we operate due to customer preference for natural gas.

Additionally, we are subject to seasonal fluctuations in sales. Revenues from our gas distribution operations are more significant during the heating season, which is from October through May. Please refer to Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations - Results and Discussion of Operations - Columbia Operations," for additional information.

NIPSCO Operations**NIPSCO Gas**

NIPSCO Gas distributes natural gas to approximately 0.9 million customers in northern Indiana. We operate approximately 17,900 miles of distribution main pipeline plus the associated individual customer service lines and 690 miles of transmission main pipeline located in our northern Indiana service areas. Throughout northern Indiana, we also have gate stations and other operations support facilities. See below for information on our owned operating facilities. There were no significant disruptions to our system or facilities during 2024.

Facility Name	Location	Type	Storage Capacity (MCF)
Royal Center Underground Storage	Royal Center, IN	Natural Gas	7,240,000
Rolling Prairie LNG	Rolling Prairie, IN	Liquified Natural Gas	4,000,000
Total Capacities			11,240,000

Competition. Similar to the Columbia Operations segment, NIPSCO Gas also operates in an open and competitive market which allows retail customers to purchase gas directly from producers and marketers. As of December 31, 2024, 6.7% of our residential customers and 17.6% of our commercial customers participated in such programs.

We compete with (i) investor-owned, municipal, and cooperative electric utilities throughout our northern Indiana service area, (ii) other regulated and unregulated natural gas intra and interstate pipelines and (iii) other alternate fuels, such as propane and fuel oil.

Additionally, we are subject to seasonal fluctuations in sales. Revenues from our gas distribution operations are more significant during the heating season, which is from October through May. Please refer to Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations - Results and Discussion of Operations - NIPSCO Operations," for additional information.

ITEM 1. BUSINESS

NISOURCE INC.

NIPSCO Electric

We generate, transmit and distribute electricity to approximately 0.5 million customers in 20 counties in the northern part of Indiana and also engage in wholesale electric and transmission transactions. Our transmission system, has voltages from 69,000 to 765,000 volts, and consists of approximately 3,000 circuit miles. We are interconnected with eight neighboring electric utilities. We operate 66 transmission and 250 distribution substations, and own approximately 311,300 poles. We own and operate generation assets as well as source power through PPAs. We continue to transition our generation portfolio from coal-fired generation to lower-emission sources. We currently have six owned renewable generation facilities in service: Rosewater, Indiana Crossroads Wind, Indiana Crossroads Solar, Dunns Bridge I Solar, Cavalry Solar and Storage and Dunns Bridge II Solar and Storage. Cavalry Solar and Storage went into service May 2024 and Dunns Bridge II Solar and Storage went into service in January 2025. As of December 31, 2024, we have multiple PPAs that provide 600 MW of capacity, with contracts expiring between 2038 and 2040. We also operate two hydro electric generation facilities, a CCGT, and two coal generation facilities. The R.M. Schahfer coal facility is scheduled to be retired by the end of 2025 and the Michigan City coal facility is scheduled to be retired by the end of 2028. Our generating facilities had no material unplanned interruptions during 2024. See below for information on our owned generating facilities:

Facility Name	Location	Fuel Type	Generating Capacity (MW) ⁽¹⁾
R.M. Schahfer	Wheatfield, IN	Steam - Coal	722
Michigan City	Michigan City, IN	Steam - Coal	455
Sugar Creek ⁽²⁾	West Terre Haute, IN	CCGT	578
R.M. Schahfer	Wheatfield, IN	Natural Gas	155
Oakdale	Carroll County, IN	Hydro	9
Norway	White County, IN	Hydro	7
Rosewater ⁽³⁾	White County, IN	Wind	102
Indiana Crossroads Wind ⁽³⁾	White County, IN	Wind	302
Dunns Bridge I ⁽³⁾	Jasper County, IN	Solar	265
Indiana Crossroads Solar ⁽³⁾	White County, IN	Solar	200
Cavalry Solar and Storage ⁽⁴⁾	White County, IN	Solar and Storage	200
Dunns Bridge II ⁽⁴⁾	Jasper County, IN	Solar and Storage	435
Total MW Capacity			3,430

⁽¹⁾Represents current net generating capability of each fossil fuel and hydro generating facility. Nameplate capacity is listed for wind and solar generating facilities.

⁽²⁾Represents capacity as of December 31, 2024. Sugar Creek is expected to further increase capacity pending MISO approval in 2025.

⁽³⁾NIPSCO is the managing partner of these JVs. Refer to Note 4, "Noncontrolling Interests," in the Notes to Consolidated Financial Statements for more information.

⁽⁴⁾Cavalry Solar and Storage has installed battery storage capacity of 45MW over a four-hour duration. Dunns Bridge has installed battery storage capacity of 56MW over a four-hour duration.

NIPSCO's 2024 Integrated Resource Plan ("2024 Plan") was submitted to the IURC in December 2024. The 2024 Plan informs future generation investments required to ensure reliability for NIPSCO's customers and incorporated factors such as anticipated load growth from data centers and other economic development opportunities, new EPA emissions rules, and evolving MISO resource accreditation rules. The 2024 Plan maintains the retirement decisions and capacity additions identified in the 2018 and 2021 Integrated Resource Plans and calls for additional generation resources through 2029 to support capacity requirements. In addition, if significant new data center load is contracted, the 2024 Plan calls for additional gas-fired resources to support that additional capacity. Refer to Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" for further discussion of these plans.

ITEM 1. BUSINESS

NISOURCE INC.

NIPSCO participates in the MISO transmission service and wholesale energy market. MISO is a nonprofit organization created in compliance with FERC regulations to improve the flow of electricity in the regional marketplace and to enhance electric reliability. Additionally, MISO is responsible for managing energy markets, transmission constraints and the day-ahead, real-time, Financial Transmission Rights and ancillary markets. NIPSCO has transferred functional control of its electric transmission assets to MISO, and transmission service for NIPSCO occurs under the MISO Open Access Transmission Tariff. NIPSCO generating units are dispatched by MISO which takes into account economics, reliability of the MISO system and unit availability. During the year ended December 31, 2024, NIPSCO generating units, inclusive of its owned renewable generation facilities, were dispatched to meet 55.4% of its overall system load, and the remainder of the overall system load was procured through PPAs and the MISO market.

Competition. Our NIPSCO Electric utility generally has exclusive service areas under Indiana regulations and retail electric customers in Indiana do not have the ability to choose their electric supplier. NIPSCO faces non-utility competition from other energy sources, such as self-generation by large industrial customers and other distributed energy sources.

Our NIPSCO Operations are subject to seasonal fluctuations in sales. Revenues from electric operations are more significant during the cooling season, which is primarily from June through September. Please refer to Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations - Results and Discussion of Operations - NIPSCO Operations," for additional information.

Regulatory

The regulatory landscape, at both the state and federal levels, continues to evolve, impacting the operations and financial results of our operating companies. Management continually seeks new ways to be more competitive and efficient in this environment, while keeping service and affordability for customers at the forefront. We believe we are, in all material respects, in compliance with such laws and regulations and do not expect future compliance requirements to have a material impact on our capital expenditures, earnings, or competitive position. While we continue to monitor existing and pending laws and regulations, the impact of regulatory changes cannot be predicted with certainty.

Rate Case Actions. The following table describes current rate case actions as applicable in each of our jurisdictions. See "Cost Recovery and Trackers" below for further detail on trackers.

(in millions)

Company	Approved ROE	Requested Incremental Revenue	Approved Incremental Revenue	Filing Date	Rates Effective
Approved Rates Cases					
Columbia of Pennsylvania ⁽¹⁾	None specified	\$ 124.1	\$ 74.0	March 15, 2024	December 2024
Columbia of Maryland ⁽¹⁾	None specified	\$ 6.5	\$ 3.9	May 12, 2023	December 2023
Columbia of Kentucky	9.75 %	\$ 23.8	\$ 14.3	May 16, 2024	January 2025
Columbia of Virginia ⁽²⁾	None specified	\$ 40.5	\$ 25.8	April 29, 2022	October 2022
Columbia of Ohio	9.60 %	\$ 221.4	\$ 68.3	June 30, 2021	March 2023
NIPSCO - Gas ⁽³⁾	9.75 %	\$ 161.9	\$ 120.9	October 25, 2023	August 2024
NIPSCO - Electric ⁽⁴⁾	9.80 %	\$ 291.8	\$ 261.9	September 19, 2022	August 2023
Pending Rate Cases					
NIPSCO - Electric ⁽⁵⁾	In process	\$ 368.7	In process	September 12, 2024	September 2025
Columbia of Virginia ⁽⁶⁾	In process	\$ 37.2	In process	April 29, 2024	October 2024
Columbia of Maryland	In process	\$ 10.7	In process	September 24, 2024	April 2025

⁽¹⁾ No approved ROE is identified for this matter since the approved revenue increase is the result of a black box settlement under which parties agree upon the amount of increase.

⁽²⁾ The approved rate case resulted in a black box settlement, representing a settlement to a specific revenue increase but not a specified ROE. The settlement provides use of a 9.70% ROE for future SAVE filings.

⁽³⁾ New rates were implemented in 2 steps, with implementation of Step 1 rates effective in August 2024 and Step 2 rates to be effective no later than March 2025.

⁽⁴⁾ New rates were implemented in 2 steps, with implementation of Step 1 rates in August 2023 and Step 2 rates effective in March 2024.

⁽⁵⁾ On February 7, 2025, NIPSCO and certain intervening parties filed a Joint Stipulation and Settlement Agreement with the IURC reflecting an annual revenue increase of \$257.0 million. New rates proposed to be implemented in 2 steps, with implementation of Step 1 rates effective no later than September 2025 and Step 2 rates to be effective no later than March 2026.

⁽⁶⁾ Rates are effective on an as filed basis and subject to refund. Columbia of Virginia and certain intervening parties, filed a Joint Stipulation and Proposed Recommendation for settlement on December 5, 2024, for an annual revenue increase of \$28.2 million, net of SAVE.

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NiSOURCE INC.

FERC. Our service company and operating companies are subject to varying degrees of regulation by the FERC. NiSource Corporate Services files a FERC Form 60 annual report with its financial information as a FERC jurisdictional centralized service company. NiSource also files an annual FERC Form 61 which contains a narrative description of the service company's functions during the prior calendar year.

As natural gas LDCs, Columbia of Maryland, Columbia of Ohio, Columbia of Pennsylvania, Columbia of Virginia, Columbia of Kentucky and NIPSCO have limited jurisdictional certificates to transport gas in their respective service territories and into interstate commerce.

As an electric company, NIPSCO has Market Based Rate authority and is a Transmission Owner subject to FERC jurisdiction. NIPSCO files the following reports annually:

- FERC Form 1, which is a comprehensive financial and operating report,
- FERC Form 566, which is a list of its 20 largest purchases of electricity over the past three years,
- FERC Form 715, which is its Annual Transmission Planning and Evaluation Report and the base case power flow data from the Eastern Interconnection Reliability Assessment Group Multiregional Modeling Working Group, which was used by NIPSCO for transmission planning and,
- FERC Form 730, which is NIPSCO's Report of Transmission Investment Activity.

As a Transmission Owner subject to the MISO Transmission Owners Agreement and Tariff, NIPSCO has various FERC jurisdictional obligations such as maintaining its Attachment O formula rates and corresponding protocols. NIPSCO also has FERC approvals to make affiliate transactions between itself and various JVs. NIPSCO's officers, on the electric side, are also subject to FERC's interlocking directorate rules and reporting requirements.

Regulatory Framework. The gas distribution activities of our Columbia and NIPSCO Operations have pursued non-traditional revenue sources within the evolving natural gas marketplace. These efforts include (i) gas supply cost incentive mechanisms for service to their core markets, and (ii) the sale of on-system services in the companies' service territories. The on-system services are offered by us to customers and include products such as the transportation and balancing of gas on the gas distribution operations utility's system. The incentive mechanisms give the gas distribution operations utilities an opportunity to share in the savings created from such situations as gas purchases made below an agreed upon benchmark price and the remarketing of unused pipeline capacity to reduce overall pipeline costs.

We recognize that energy efficiency reduces emissions, conserves natural resources and saves our customers money. Our gas distribution companies offer programs such as energy efficiency upgrades, home checkups and weatherization services. The increased efficiency of natural gas appliances and improvements in home building codes and standards contribute to a long-term trend of declining average use per customer. While we are looking to expand offerings so the energy efficiency programs can benefit as many customers as possible, our gas distribution operations utilities have pursued changes in rate design to more effectively match recoveries with costs incurred. Columbia of Ohio has adopted a straight fixed variable rate design for residential and small commercial customers that closely links the recovery of fixed costs with fixed charges. Columbia of Maryland and Columbia of Virginia have regulatory approval for weather and revenue normalization adjustments for certain customer classes, which adjust monthly revenues that exceed or fall short of approved levels. Columbia of Pennsylvania continues to operate its pilot residential weather normalization adjustment and also has a fixed customer charge. This weather normalization adjustment only adjusts revenues when actual weather compared to normal varies by more than 3%. Columbia of Kentucky incorporates a weather normalization adjustment for certain customer classes and also has a fixed customer charge. NIPSCO Gas and Electric include a fixed customer charge for residential and small commercial and industrial customer classes. NIPSCO Gas has also received approval and implemented a weather normalization adjustment for certain of its customer classes.

While increased efficiency of electric appliances and improvements in home building codes and standards have similarly impacted the average use per electric customer in recent years, NIPSCO expects future growth in per customer usage as a result of increasing electric applications, such as electric vehicles. These ongoing changes in use of electricity will likely lead to development of innovative rate designs, and NIPSCO will continue efforts to design rates that increase the certainty of recovery of fixed costs.

ITEM 1. BUSINESS

NiSOURCE INC.

Cost Recovery and Trackers. Comparability of our operating results is impacted by regulatory trackers that allow for the recovery in rates of certain costs. Certain approved regulatory tracker mechanisms allow for abbreviated regulatory proceedings in order for the operating companies to quickly implement revised rates and recover associated costs.

A portion of the NIPSCO Operations' and Columbia Operations' gas distribution revenue is related to the recovery of gas costs through GCA's, the review of which occurs through standard regulatory proceedings. All states in our operating area require periodic review of actual gas procurement activity to determine prudence and confirm the recovery of prudently incurred energy commodity costs supplied to customers.

A portion of the NIPSCO Operations' revenue is related to the recovery of fuel costs to generate power and the fuel costs related to purchased power. These costs are recovered through a FAC, which is updated quarterly to reflect actual costs incurred to supply electricity to customers.

Political Action

The NiSource Political Action Committee ("NiPAC") provides our employees a voice in the political process. NiPAC is a voluntary, employee driven and funded political action committee, and NiPAC makes bipartisan political contributions to local, state and federal candidates where permitted and in accordance with established guidelines. Consistent with our commitments and our approach to engagement, the NiPAC leadership committee members evaluate candidates for support on issues important to our business.

Environmental and Safety Matters

PHMSA Legislation and Regulations

To fulfill our vision of being a trusted energy provider, we follow safety practices required by regulations and we implement our Safety Management System ("SMS"). SMS serves as the framework to identify and reduce risks and ensure consistent safety processes, procedures and operations across the organization.

As directed by law in the Protecting Our Infrastructure of Pipelines and Enhancing Safety (PIPES) Act of 2020, PHMSA has revised, and continues to revise, the pipeline safety regulations focused on public safety and environmental hazard mitigation. Specific areas of focus for upcoming rulemaking include leak detection and repair criteria (the "LDAR" rule) and regulations that require operators to upgrade their existing low-pressure regulating stations with enhanced safeguards and update distribution integrity management plans, emergency response plans, and operation and maintenance plans (the Safety of Gas Distribution Pipelines, or "SGDP" rule).

In May 2023, PHMSA proposed regulatory revisions under the PIPES Act of 2020 to minimize methane emissions and improve public safety. Under the proposed revisions, our subsidiaries would be required to detect and repair an increased number of gas leaks, reduce the time to repair leaks, increase leak survey, and expand our existing advanced leak detection program. In January 2025, PHMSA submitted a final LDAR rule to the Federal Register and is currently suspended.

In September 2023, PHMSA proposed additional regulatory revisions under the PIPES Act of 2020 to enhance distribution system safety through equipment and procedural expectations in the form of the SGDP rule. Operators will be required to incorporate additional protections for low pressure distribution systems that prevent over-pressurization, amend construction procedures designed to minimize the risk of incidents caused by system over-pressurization, and update distribution integrity management programs to cover and prepare for over-pressurization incidents. PHMSA did not progress the SGDP rulemaking in 2024.

We continue to evaluate and monitor PHMSA legislation and regulations but cannot predict the impact of changing pipeline safety regulations on our business at this time.

Climate Change Issues

Physical Climate Risks. Increased frequency of severe and extreme weather events associated with climate change could materially impact our facilities, energy sales, and results of operations. We are unable to predict these events. However, we perform assessments of physical risk, including physical climate risk, to our business. More extreme and volatile temperatures, increased storm intensity and flooding, and more volatile precipitation leading to changes in lake and river levels are among the weather events that are most likely to impact our business. Efforts to mitigate these physical risks continue to be implemented.

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NISOURCE INC.

Transition Climate Risks and Opportunities. We actively engage with and monitor the impact that proposed legislative and regulatory programs related to GHG emissions would have on our business. Refer to Item 1A. Risk Factors, "Operational Risks," of this Annual Report on Form 10-K for further detail.

Regarding federal policies, we continue to monitor the status of climate change-related legislation and regulation, including the IIJA, IRA, and EPA's Waste Emissions Charge for Petroleum and Natural Gas systems. We have identified and pursued potential opportunities associated with the IIJA and the IRA that align with our strategy. These opportunities include tax incentives for renewable generation and storage projects, tax credit transferability and grant funding for grid resiliency, hydrogen hubs and leak detection. The new federal administration has signaled through executive actions a desire to roll-back several climate-related policies including funding for IIJA and IRA programs. We continue to evaluate and monitor how these changes will impact our business.

In May 2024, the EPA published final greenhouse gas standards and guidelines for fossil fuel-fired power plants. The rules are not expected to impact NIPSCO's existing electric generation, but, depending on the outcome of ongoing litigation and potential future changes to the rules, may impose certain operational limitations on other existing and new electric generation. Through the 2024 NIPSCO IRP process, we assessed that cost to electric customers would be approximately \$675 million greater due to these rules.

We also continue to monitor evolving state policies related to GHG emissions. The Climate Solutions Now Act of 2022 requires Maryland to reduce GHG emissions by 60% by 2031 (from 2006 levels), and it requires the state to reach net zero emissions by 2045. The Maryland Department of the Environment ("MDE") adopted a plan to achieve its 2031 goal and is required to adopt a plan for their 2045 net zero goal by 2030. The Act also enacts a state policy to move to broader electrification of both existing buildings and new construction. In December 2024, the Maryland Department of the Environment issued updated final Building Energy Performance Standards, which would require net zero direct greenhouse gas emissions from large buildings by 2040 with interim targets, or payments of an alternative compliance fee. Columbia of Maryland is advocating for compliance pathways that use RNG, hydrogen, new technologies and emissions offsets. Under an executive order, Maryland is also developing a Clean Heat Standard and a Zero-Emission Heating Equipment Standard that are intended to transition gas appliances to electric heat pumps. Separately, the PSC has also initiated a proceeding related to Near-Term, Priority Actions and Comprehensive, Long-Term Planning for Maryland's Gas Companies. Columbia of Maryland cannot predict the final impact of these policies on our business at this time.

Net Zero Goal. In November 2022, we announced a goal of net zero greenhouse gas emissions by 2040, covering both Scope 1 and Scope 2 GHG emissions ("Net Zero Goal"). Our Net Zero Goal builds on greenhouse gas emission reductions achieved to-date. We plan to achieve our Net Zero Goal primarily through the continuation and enhancement of existing programs, such as retiring and replacing coal-fired electric generation with low- or zero-emission electric generation, ongoing pipe replacement and modernization programs, and deployment of advanced leak-detection technologies. In addition, we plan to advance other low- or zero-emission energy resources and technologies, which may include hydrogen, renewable natural gas, long-duration storage, and/or deployment of carbon capture and utilization technologies, if and when these become technologically and economically feasible. Carbon offsets and renewable energy credits may also be used to support achievement of our Net Zero Goal. As of the end of 2023, we had reduced Scope 1 GHG emissions by approximately 72% from 2005 levels.

Our greenhouse gas emissions projections, including achieving a Net Zero Goal, are subject to various assumptions that involve risks and uncertainties, and did not include any assumptions related to data center development and associated load growth. We remain committed to our Net Zero Goal, however, certain of our interim goals may evolve as we assess and respond to business opportunities such as data centers. Achievement of our Net Zero Goal by 2040 will require supportive regulatory and legislative policies, favorable stakeholder environments and advancement of technologies that are not currently economically or technologically feasible to deploy at scale, as well as execution of our business plan. Otherwise, our actual results or ability to achieve our Net Zero Goal, including by 2040, may differ materially.

As discussed in Management's Discussion within "Results and Discussion of Operations - NIPSCO Operations," NIPSCO continues to execute its electric generation transition consistent with the preferred pathways identified in its 2018, 2021 and 2024 Integrated Resource Plans. Additionally, as discussed in Management's Discussion within "Executive Summary - Energy Transition" and "Liquidity and Capital Resources - Regulatory Capital Programs," our natural gas distribution companies are lowering methane emissions by replacing aging infrastructure, which also increases safety and reliability for customers and communities.

ITEM 1. BUSINESS

NiSOURCE INC.

Human Capital

Human Capital Management Governance and Organizational Practices. The Compensation and Human Capital Committee ("C&HC Committee") of our Board of Directors (the "Board") is primarily responsible for assisting the Board in overseeing our human capital management practices. The C&HC Committee reviews our human capital management function and programs. The review of related procedures, programs, policies and practices allows the committee to make recommendations to management with respect to equal employment opportunity, employee engagement, organizational health, and talent management.

Human Capital Goals and Objectives. We have aligned our human capital goals to achieve overall company strategic and operational objectives by driving an enhanced talent strategy, elevating support for front-line leaders, fostering a culture of rigor and accountability, and strengthening our human resource function. We aspire to be an employer of choice, in part, through embedding inclusion throughout the enterprise and creating an enviable employee experience.

Workforce Composition. As of December 31, 2024, we had 7,687 full-time and 59 part-time active employees (i.e., not interns, not on leave or disability). Of our total workforce, 32% were subject to collective bargaining agreements with various labor unions. These collective bargaining agreements were renegotiated in 2021 and 2023 and expire in 2026 and 2027, respectively.

We foster an enviable work environment where all employees are energized. In efforts to become an employer of choice, we have developed sourcing strategies to attract and retain the most qualified talent. Our executive leadership team is characterized by a diverse composition, with 75% representation from both people of color ("POC") and females. We have increased our overall population of females and POC in 2024.

In 2024, our Diversity of Slate process supported our talent acquisition team filling 1,565 roles with 831 external candidates. These external hires included 34% being filled with POC and 40% being filled with female candidates. These sourcing efforts led our organization across all businesses to make progress toward a workforce composition that embraces different perspectives.

Our employee resource groups (ERGs) serve to create a culture of inclusion through their engagement of all employees throughout the year. We continue to develop ERG leaders to equip employees with the necessary tools to further support our efforts for advancement and strengthen our inclusive workplace. A key area for us has been our implementation and development of programs to drive higher retention and engagement of our employees, focusing on inclusive leadership training for Directors and Managers in the organization. Our commitment is grounded in the core belief that our purpose extends far beyond our primary role as a utility company.

We are committed to providing equal employment opportunities in each of our companies to all employees and applicants without regard to race, color, religion, national origin or ancestry, veteran status, disability, gender, age, marital status, sexual orientation, gender identity, genetic information, or any protected group status as defined by law. The input provided by our increasingly diverse workforce will continue to strengthen our corporate culture as well as drive constructive changes within our company to improve our operational strategies, enhance the quality of the services we provide, and increase revenue.

Talent Attraction. To recruit and hire individuals with a variety of skills, talents, backgrounds and experiences, we value and cultivate relationships with community and diversity outreach partners. We also target job fairs, including those focused on people of color, veteran, and female candidates while also partnering with local colleges and universities to identify and recruit qualified applicants.

Similar to other companies, we have focused on creating a flexible, agile model for roles that can be performed in a more remote setting. Our hybrid model recognizes differing ways of working; onsite, hybrid and remote. Most of our workforce is onsite and our hybrid and remote roles provide different avenues of working and seeking talent across our footprint. Hybrid employees work in a NiSource facility at least twice a week. This in-office presence supports colleague connection, development, in-person mentoring, and broader team building.

Talent Development and Retention. We offer leadership development programs to enhance the behaviors and skills of our existing and future leaders. In 2024, we had participation from employees of all levels. We also offer extensive technical and non-technical employee development training programs.

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NiSOURCE INC.

We strive to provide promotion and advancement opportunities for employees. In 2024, for all leadership positions at the supervisor and above level posted externally, we filled 64% with internal employees. We also develop and implement targeted development action plans to increase succession candidate readiness for leadership roles. Additionally, we monitor the risk and potential impact of talent loss and take action to increase retention of top talent. Retention in 2024 was 93%. We calculate retention as 100 minus the total number of separations divided by the average headcount for the annual period. These separations break down into involuntary separations (2%), resignations (3%), and retirements (2%).

Succession Planning. We perform succession planning annually for officer level positions to ensure that we develop and sustain a strong bench of talent capable of performing at the highest levels. Talent is identified, and potential paths of development are discussed, to ensure that employees have an opportunity to build their skills to be well-prepared for future roles. We maintain formal succession plans for our CEO and key officers. The succession plan for our CEO is reviewed by the Environmental, Social, Nominating and Governance Committee and the succession plans for key officers (other than the CEO) and critical roles are reviewed by the Compensation and Human Capital Committee annually or more frequently as needed.

Employee and Workplace Health and Safety. We have several programs to support employees, and their families' well-being. These programs include competitive medical, dental, vision, life and long-term disability programs, including employee health savings account company contributions, telemedicine services, Employee Assistance Program, Integrated Health Management navigation services, and paid time off including wellness, sick/disability, parental leave, and illness in family days.

We also have a robust program to support employees, contractors and public safety, which is led by our Chief Safety Officer and is under the oversight of the Safety, Operations, Regulatory and Policy Committee of our Board.

Culture and Engagement. Our culture is another important aspect of our ability to advance our strategic and operational objectives. In addition to recruiting, development and retention programs described above, we also invest in internal communications programs, including in-person and virtual learning and networking opportunities, as well as regular town hall communications to employees. We measure and monitor organizational health and employee engagement through various channels including employee lifecycle, pulse, and census surveys.

To instill and reinforce our values and culture, we require our employees to participate in regular training on ethics and compliance topics each year, including raising concerns, treating others with respect, preventing discrimination in the workplace, anti-bribery and corruption, data protection, unconscious biases, harassment, conflicts of interest, and how to use the anonymous ethics and compliance hotline. All employees receive training on our Code of Business Conduct annually or more frequently if there is a material change in content. Because of this training and other programs, we have learned from our most recent employee survey that our employees know what ethical violations look like and how to report them. Our Code of Business Conduct is designed to ensure that our employees adhere to legal and regulatory requirements, mitigate risks, and promote ethical behavior. Our ethics program is led by leadership tone at the top, policies and procedures, regular training and communication, monitoring and auditing, and a system for reporting and addressing violations. Our business ethics program, including the employee training program, is reviewed annually by our executive leadership team and the Audit Committee of our Board of Directors.

Our Compensation and Human Capital Committee reviews reports from our Chief Human Resources Officer on employee engagement and corporate culture. Our Board reviews results and action plans related to our enterprise-wide comprehensive employee engagement survey. Our executive leadership team, including our CEO, communicates directly and regularly with all employees on timely ethics topics through electronic messages, coffee chats, and all-employee town hall meetings. These communications emphasize the importance of our values and culture in the workplace.

INFORMATION ABOUT OUR EXECUTIVE OFFICERS

NiSOURCE INC.

The following is a list of our Executive Officers, including their names, ages, offices held and other recent business experience.

<u>Name</u>	<u>Age</u>	<u>Office(s) Held in Past 5 Years</u>
Lloyd M. Yates	64	President and Chief Executive Officer of NiSource since February 2022 and Director since March 2020 Executive Vice President, Customer and Delivery Operations, and President, Carolinas Region, of Duke Energy Corporation from 2014 to 2019
Shawn Anderson	43	Executive Vice President and Chief Financial Officer of NiSource since March 2023 Senior Vice President and Chief Strategy and Risk Officer from June 2020 to March 2023 Vice President, Strategy and Chief Risk Officer from January 2019 to May 2020
Melody Birmingham	53	Executive Vice President, and President, NiSource Utilities of NiSource since March 2023 Executive Vice President, Chief Innovation Officer of NiSource from July 2022 to March 2023 Senior Vice President and Chief Administrator Officer of Duke Energy Corporation from May 2021 to June 2022 Senior Vice President, Supply Chain and Chief Procurement Officer of Duke Energy Indiana from 2018 to April 2021
William Jefferson, Jr	63	Executive Vice President, Chief Operating and Safety Officer of NiSource since May 2024 Executive Vice President, Operations and Chief Safety Officer of NiSource from July 2022 to May 2024 Station Director at STPNOC, Wadsworth, Texas, from 2020 to May 2022 and Vice President in 2022
Michael S. Luhrs	52	Executive Vice President, Strategy and Risk and Chief Commercial Officer of NiSource since March 2023 Senior Vice President at Alliant Energy from 2022 to March 2023 Vice President at Duke Energy Corporation from 2013 to 2022
Kimberly S. Cuccia	41	Senior Vice President, General Counsel and Corporate Secretary of NiSource since April 2022 Vice President, Interim General Counsel and Corporate Secretary of NiSource from December 2021 to April 2022 Vice President and Deputy General Counsel, Regulatory, of NiSource Corporate Services Company, from January 2021 to December 2021 Vice President and General Counsel of Columbia Gas of Massachusetts and of NiSource Corporate Services Company, from 2019 to 2020
Melanie B. Berman	54	Chief Human Resources Officer and Senior Vice President, Administration of NiSource since May 2024 Senior Vice President and Chief Human Resources Officer of NiSource from June 2021 to May 2024 Executive Vice President and Chief Human Resources Officer of The Michaels Companies, Inc. from 2020 to 2021
Gunnar J. Gode	50	Vice President, Chief Accounting Officer and Controller of NiSource since July 2020 Vice President and Controller of Washington Gas from March 2019 to 2020

ITEM 1A. RISK FACTORS

NI SOURCE INC.

Our operations and financial results are subject to various risks and uncertainties, including those described below, that could adversely affect our business, financial condition, results of operations, cash flows, and the market price of our common stock.

OPERATIONAL RISKS

We may not be able to execute our business plan or growth strategy, including utility infrastructure investments, or business opportunities, such as data center development and related generation sources and transmission capabilities to meet potential load growth.

Operational, financial or regulatory conditions may result in our inability to execute our business plan or growth strategy, including investments related to natural gas and electric distribution and transmission infrastructure investments and our electric generation projects. Additionally, operational, financial or regulatory conditions may result in our inability to manage the development and implementation connected to the complex business opportunity associated with growing interest in data centers from existing and potential customers.

Our enterprise-wide transformation roadmap initiatives identify and enable long-term sustainable capability enhancements, cost optimization improvements, technology investments and work process optimization, and these initiatives have increased the volume and pace of change and may not be effective as it continues. Our customer and regulatory initiatives may not achieve planned results. Utility infrastructure investments may not materialize, may cease to be achievable or economically viable and may not be successfully completed. Furthermore, we are evaluating the potential for data center development in our service territories, including ways to effectively manage the potential power demand, generation sources, and transmission capabilities to meet potential load growth from any data center customer, while at the same time focusing on our environmental goals. We expect that management of load growth would require new generation and transmission capabilities. Natural gas may cease to be viewed as an economically and environmentally attractive fuel. Certain environmental activist groups, investors and governmental entities continue to oppose natural gas delivery and infrastructure investments because of perceived environmental impacts associated with the natural gas supply chain and end use. Energy conservation, energy efficiency, distributed generation, energy storage, policies favoring electric heat over gas heat and other factors may reduce demand for natural gas and electricity. In addition, we consider acquisitions or dispositions of assets or businesses, JVs, and mergers from time to time as we execute on our business plan and growth strategy. As data center opportunities evolve and develop, we may also enter into arrangements and agreements with customers and potential customers that require us to invest capital related to the data center development and related generation sources and transmission capabilities before we receive any potential return. Any of these circumstances could adversely affect our business, results of operations and growth prospects. Even if our business plan, growth strategy, and/or business opportunities are executed, there is still risk of, among other things, human error in maintenance, installation or operations, shortages or delays in obtaining equipment, including as a result of transportation delays and availability, labor availability and performance below expected levels (in addition to the other risks discussed in this section). We are currently experiencing, and expect to continue to experience, supply chain challenges, including labor availability issues, impacting our ability to obtain materials for our gas and electric projects, as well as our ability to ensure timely completion.

Data center growth in our service territories, including a focus on northern Indiana, while providing growth opportunities that enhance our business strategy, provide significant financial, operational, and regulatory risks that must be effectively managed.

As we evaluate business opportunities presented by the data center development in our territories, including a focus on northern Indiana, we face a variety of challenges including accurately predicting future power needs of data centers due to rapidly changing technology and market dynamics, managing the potential power demand, generation sources, and transmission capabilities to meet potential load growth from any data center customer, financing the capital investment needed to build and maintain the necessary infrastructure to support data center development, managing the possible environmental impact of the potential increased power demand while remaining focused on our Net Zero Goal, and evaluating and complying with evolving regulations related to data center development. As we evaluate the potential for data center development in our service territories, we must effectively manage these financial, operational and regulatory risks.

Our distribution, transmission and generation activities involve a variety of inherent hazards and operating risks, including potential public safety risks.

Our gas distribution and transmission, electric generation, transmission and distribution activities, involve a variety of inherent hazards and operating risks, including, but not limited to, gas leaks and over-pressurization, downed power lines, stray electrical voltage, excavation or vehicular damage to our infrastructure, outages, environmental spills, mechanical problems, damage from weather events, and other incidents, which could cause substantial financial losses. These hazards and risks have resulted and may result in serious injury or loss of life to employees and/or the general public, significant damage to property,

ITEM 1A. RISK FACTORS

NISOURCE INC.

environmental pollution, impairment of our operations, adverse regulatory rulings and reputational harm, which in turn could lead to substantial business and financial losses. The location of pipeline facilities, including regulator stations, liquefied natural gas and underground storage, or generation, transmission, substation and distribution facilities near populated areas, including residential areas, commercial business centers and industrial sites, could increase the level of damages resulting from such incidents. Hazardous incidents have subjected and may subject us to both civil and criminal litigation or administrative or other legal proceedings from time to time, which could result in substantial monetary judgments, fines, or penalties against us, be resolved on unfavorable terms, and require us to incur significant operational expenses. The occurrence of incidents has in certain instances adversely affected and could in the future adversely affect our reputation, cash flows, financial position and/or results of operations. We maintain insurance against some, but not all, of these risks and losses.

We currently conduct and may conduct in the future certain operations through a JV arrangement involving third- party investors that may result in operational impasses or litigation, including business delays as a result of such arrangements.

We have and may enter into JV arrangements involving third-party investors, including the NIPSCO Minority Interest Transaction. As part of a JV arrangement, third-party investors may hold certain protective rights that may impact our ability to make certain decisions, restricting our operational and corporate flexibility. Any such third-party investors may have interests and objectives which may differ from ours, we may be unable to cause these third parties to take action that we believe would be in the JV's best interest, and, accordingly, disputes may arise that may result in operational impasses or litigation, including business delays.

Failure to adapt to advances in technology, including alternative energy sources, and changes in laws or regulations to support such advances in technology or alternative energy sources, and our ability to manage such related costs could make us less competitive.

A key element of our electric business model includes generating power at central station power plants and transmitting that power to customers to achieve economies of scale and produce power at a competitive cost. We continue to transition our generation portfolio in order to implement new and diverse technologies including renewable energy, distributed generation, energy storage, and implement energy efficiency programs for customers. Advances in technology and potential competition supported by changes in laws or regulations could reduce the cost of electric generation and provide retail alternatives causing power sales to decline and the value of our generating, transmission and distribution facilities to decline.

Our natural gas business model depends on widespread utilization of natural gas for space heating as a core driver of revenues. Alternative energy sources, new technologies or alternatives to natural gas space heating, including cold climate heat pumps and/or efficiency of other products, and potential competition supported by changes in laws or regulations could reduce demand and increase customer attrition, which could impact our ability to recover on our investments in our gas distribution assets.

Our future success will depend, in part, on our ability to anticipate and successfully adapt to technological changes, to offer services that meet customer demands and evolving industry standards, including environmental impacts associated with our products and services, and to recover all, or a significant portion of, remaining investments in retired assets. A failure by us to effectively adapt to changes in technology, successfully implement such changes, and manage the related costs could harm the ability of our products and services to remain competitive in the marketplace and could have a material adverse impact on our business, results of operations and financial condition. Furthermore, if these changes do not provide the anticipated benefits or meet customer demands, such failure could materially adversely affect our business model as well as impact results of operations and financial condition.

Increased dependency on technology may hinder our business operations and adversely affect our financial condition and results of operation if such technology fails.

We use a variety of technological tools and systems including both Company-owned information technology and technological services provided by outside parties. These tools and systems support critical functions including scheduling and dispatching of service technicians, automated meter reading systems, customer care and billing, operational plant logistics, management reporting and external financial reporting. The failure of these or other similarly important technologies, or our inability to have these technologies supported, updated, expanded, recovered (including timely recovered), or integrated into other technologies, could hinder our business operations and adversely impact its financial condition and results of operations. Although the Company has, when possible, developed alternative sources of technology and built redundancy into its computer networks and tools, there can be no assurance that these efforts would protect against all potential issues related to the loss of any such technologies.

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NiSOURCE INC.

Aging infrastructure may lead to disruptions in operations and increased capital expenditures and maintenance costs.

We have risks associated with aging electric and gas infrastructure. These risks can be driven by threats such as, but not limited to, electrical faults, mechanical failure, internal corrosion, external corrosion, ground movement and stress corrosion and/or cracking. The age of these assets may result in a need for replacement, a higher level of maintenance costs or unscheduled outages, despite efforts by us to properly maintain or upgrade these assets through inspection, scheduled maintenance and capital investment. In addition, the nature of the information available on aging infrastructure assets, which in some cases is incomplete, may make the operation of the infrastructure, inspections, maintenance, upgrading and replacement of the assets particularly challenging. Missing or incorrect infrastructure data may lead to (1) difficulty properly locating facilities, which can result in excavator damage and operational or emergency response issues, (2) configuration and control risks associated with the modification of system operating pressures in connection with turning off or turning on service to customers, which can result in unintended outages or operating pressures and (3) other potential risks related to missing or incorrect infrastructure data. Also, additional maintenance and inspections are required in some instances to improve infrastructure information and records and address emerging regulatory or risk management requirements, resulting in increased costs.

Supply chain issues related to shortages of materials, labor and transportation logistics may lead to delays in the maintenance and replacement of aging or damaged infrastructure, which could increase the probability and/or impact of a public safety incident. We lack diversity in suppliers of some gas materials. While we have implemented contractual protections with suppliers and stockpile some materials in inventory for such supply risks, we may not be effective in ensuring that we can obtain adequate emergency supply on a timely basis in each state, that no compromises are being made on quality and that we have alternate suppliers available. The failure to operate our assets as desired could result in interruption of electric service, major component failure at generating facilities and electric substations, gas leaks and other incidents, and an inability to meet firm service and compliance obligations, which could adversely impact revenues, and could also result in increased capital expenditures and maintenance costs, which, if not fully recovered from customers, could negatively impact our financial results.

We may be unable to obtain insurance on acceptable terms or at all, and the insurance coverage we do obtain may not provide protection against all significant losses.

Our ability to obtain insurance, as well as the cost and coverage of such insurance, is impacted by various events and developments affecting our industry and the financial condition and underwriting considerations of insurers. For example, some insurers have discontinued underwriting certain carbon-intensive energy-related businesses such as those in the coal industry or excluded coverage for specific perils such as wildfires or punitive damage risks. Certain perils, such as cyber liability, are now being excluded from some master policies for property and casualty insurance, requiring, where we have the ability, procurement of additional policies to maintain consistent coverage at an additional cost. Specific natural catastrophe events, such as hail and tornado, may not be covered with the same limits as other perils in certain property policies, as full coverage for these events is unavailable in the marketplace without costly specialty policies. Insurance coverage may not continue to be available at limits, rates or terms acceptable to us. In addition, our insurance is not sufficient or effective under all circumstances and against all hazards or liabilities to which we are subject. Certain types of damages, expenses or claimed costs, such as fines and penalties, have been and in the future may be excluded under the policies. In addition, insurers providing insurance to us may raise defenses to coverage under the terms and conditions of the respective insurance policies that could result in a denial of coverage or limit the amount of insurance proceeds available to us. Any losses for which we are not fully insured or that are not covered by insurance at all could materially adversely affect our results of operations, cash flows and financial position.

Aspects of the implementation of our electric generation strategy, including the timing of the retirement of our coal generation units or the addition of new generation resources, may be delayed and may not achieve intended results.

We intend to retire the remaining two coal units at R.M. Schahfer Generating Station by the end of 2025, two natural gas-fired peaking units at R.M. Schahfer Generating Station by the end of 2027, and the coal unit at Michigan City Generating Station by the end of 2028. These units are being replaced with a diverse, flexible, and scalable mix of incremental resources, including short-term contracted capacity resources, expanded demand side management programs, wind, solar, battery energy storage, and new natural gas peaking resources. Macro supply chain issues and U.S. federal policy actions could create uncertainty around the availability of key input materials necessary to develop and place our electric generation projects in service.

We expect renewable generation, battery energy storage and natural gas generation to be the primary ways in which we will meet our electric generation capacity and reliability obligations to the MISO market and reliably serve our customers when we retire our coal generation capacity. Any delays in the completion of such projects could create significant risks for us to reliably meet our capacity and energy obligations to MISO and to provide reliable and affordable energy to our customers. Delays to the

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completion dates of our projects could also include delays in the financial return of certain investments and impact the overall timing of our electric generation transition.

Our electric generation strategy may require additional investment to meet our MISO obligations and may require significant future capital expenditures, operating costs and charges to earnings that may negatively impact our financial position, financial results and cash flows. An inability to secure and deliver on electric generation projects has negatively impacted, and could in the future negatively impact, our generation transition timeline and could negatively impact our achievement of decarbonization goals and reputation.

Our capital projects and programs subject us to construction and supply risks, and are subject to regulatory oversight, including requirements for permits, approvals and certificates from various governmental agencies.

Our business requires substantial capital expenditures for investments in, among other things, capital improvements to our electric generating facilities, electric and natural gas transmission and distribution infrastructure, natural gas storage and other projects, including projects for environmental compliance. As we undertake these projects and programs, we may be unable to complete them on schedule or at the anticipated costs. Additionally, we may construct or purchase some of these projects and programs to capture anticipated future growth, which may not materialize, and may cause the construction to occur over an extended period of time.

Construction risks include, but are not limited to, changes in the availability or costs of materials, equipment, commodities or labor (including changes to tariffs on materials), delays caused by construction incidents or injuries, work stoppages, poor initial cost estimates, unforeseen engineering issues, and general contractors and subcontractors not performing as required under their contracts.

We are monitoring risks related to increasing delivery lead times for certain construction and other materials, increasing risk associated with the unavailability of materials due to global shortages in raw materials and issues with transportation logistics, and risk of decreased construction labor productivity in the event of disruptions in the availability of materials critical to our gas and electric operations. Our efforts to enhance our resiliency to supply chain shortages may not be effective. We continue to see increasing prices associated with certain materials, equipment and products, which impacts our ability to complete major capital projects at the cost that was planned and approved. To the extent that delays occur, costs increase, costs become unrecoverable or recovery is delayed, or we otherwise become unable to effectively manage our affordability and complete our capital projects, our business operations, results of operations, cash flows, and financial condition may be adversely affected. In addition, to the extent that delays occur on projects that target system integrity, the risk of an operational incident could increase.

Our existing and planned capital projects require numerous permits, approvals and certificates from federal, state, and local governmental agencies, including obtaining necessary rights-of-way, easements and transmissions connections, as well as complying with various environmental statutes, rules and regulations, among other items. If there is a delay in obtaining any required regulatory approvals or if we fail to obtain or maintain any required approvals or to comply with any applicable laws or regulations, we may not be able to construct or operate our facilities, we may be forced to incur additional costs or we may be unable to recover any or all amounts invested in a project. We also may not receive the anticipated increases in revenue and cash flows resulting from such projects and programs until after their completion.

A significant portion of the gas and electricity we sell is used by residential and commercial customers for heating and air conditioning. Accordingly, fluctuations in weather, gas and electricity commodity costs, and economic conditions impact customer demand.

Energy sales are sensitive to variations in weather. Forecasts of energy sales are based on “normal” weather, which represents a long-term historical average. Significant variations from normal weather resulting from climate change or other factors could have, and have had, a material impact on energy sales. Additionally, residential usage, and to some degree commercial usage, is sensitive to fluctuations in commodity costs for gas and electricity (which volatility is described in more detail in the below risk factor), whereby usage declines with increased costs which could affect our financial results. Rising gas costs could heighten regulator and stakeholder sensitivity relative to the impact of base rate increases on customer affordability. Lastly, residential and commercial customers’ usage is sensitive to economic conditions and factors such as recession, inflation, unemployment, demand and consumer confidence. Therefore, prevailing economic conditions affecting the demand of our customers may in turn affect our financial results.

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Fluctuations in the price of energy commodities or their related transportation costs, or an inability to obtain an adequate, reliable and cost-effective fuel supply may impact our ability to meet customer demand.

Our current electric generating fleet has dependencies on coal and natural gas for fuel, and our gas distribution operations purchase and resell a portion of the natural gas we deliver to our customers. These energy commodities are subject to price fluctuations and fluctuations in associated transportation costs. We use physical hedging through the use of storage assets and use financial products in certain jurisdictions in order to offset fluctuations in commodity supply prices. We rely on regulatory recovery mechanisms in the various jurisdictions in order to fully recover the commodity costs incurred in selling energy to our customers. While we have historically been successful in the recovery of costs related to such commodity prices, there can be no assurance that such costs will be fully recovered through rates in a timely manner.

In addition, we depend on electric transmission lines, natural gas pipelines, and other transportation and storage facilities owned and operated by third parties to deliver the electricity and natural gas we sell to wholesale markets, supply natural gas to our gas storage and electric generation facilities, and provide retail energy services to our customers. If transportation is disrupted, if capacity is inadequate or if supply is interrupted due to issues at the wellhead, we may be unable to sell and deliver our gas and electric services to some or all of our customers. As a result, we may be required to procure additional or alternative electricity and/or natural gas supplies at then-current market rates, which, if recovery of related costs is disallowed, could have a material adverse effect on our businesses, financial condition, cash flows, results of operations and/or prospects.

Failure to attract, retain or re-skill an appropriately qualified workforce, and maintain good labor relations, could adversely impact safety, service reliability, and customer satisfaction.

We face increased competition for talent which may result in longer hire times or increased cost due to the competitive nature of certain positions.

We operate in an industry that requires many of our employees and contractors to possess unique technical skill sets. An aging workforce without appropriate replacements, the mismatch of skill sets to future needs, the unavailability of talent for internal positions and the unavailability of contract resources may lead to operating challenges or increased costs. These operating challenges include lack of resources, loss of knowledge and a lengthy time period associated with skill development. For example, certain skills, such as those related to construction, maintenance and repair of transmission and distribution systems, are in high demand and have a limited supply. Current and prospective employees may determine that they do not wish to work for us due to market, economic, employment or other conditions, including those related to organizational changes as described in the risk factor below.

Further, as part of our strategic plan, which includes enhanced technology, transmission and distribution investments, and a reduction in reliance on coal-fired generation, we will need to attract and retain personnel that are qualified to implement such a strategy and may need to retrain or re-skill certain employees to support our long-term objectives. Additionally, successful implementation of our strategic plan is dependent on our ability to recruit and retain key executive officers to oversee its progress.

A significant portion of our workforce is subject to collective bargaining agreements. Our collective bargaining agreements are generally negotiated on an operating company basis with some companies having multiple bargaining agreements, which may span different geographies. Any failure to reach an agreement on new labor contracts or to renegotiate these labor contracts might result in strikes, boycotts or other labor disruptions. Our workforce continuity plans may not be effective in avoiding work stoppages that may result from labor negotiations or mass resignations. Labor disruptions, strikes or significant negotiated wage and benefit increases, whether due to union activities, employee turnover or otherwise, could have a material adverse effect on our businesses, results of operations and/or cash flows.

Failure to attract, retain, or re-skill qualified employees, including the ability to transfer significant internal historical knowledge and expertise to the new employees, could result in a loss of momentum, loss of high-level employees to our peers and could materially adversely affect our business, results of operations, cash flow and financial condition. If we are unable to successfully attract and retain an appropriately qualified workforce and maintain satisfactory labor relations, safety, service reliability, and customer satisfaction, our results of operations could be adversely affected.

If we cannot effectively manage new initiatives and organizational changes, we will be unable to address the opportunities and challenges presented by our strategy and the business and regulatory environment.

In order to execute on our sustainable growth strategy and enhance our culture of ongoing continuous improvement, we must effectively manage the complexity and frequency of new initiatives and organizational changes. The organizational changes

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from our transformation initiatives have put short-term pressure on employees due to the volume and pace of change and, in some cases, the loss of personnel. Front-line workers are being impacted by the variety of process and technology changes that are currently in progress.

If we are unable to make decisions quickly, assess our opportunities and risks, and successfully implement new governance, managerial and organizational processes as needed to execute our strategy in this increasingly dynamic and competitive business and regulatory environment, our financial condition, results of operations and relationships with our business partners, regulators, customers, employees and stockholders may be negatively impacted.

Actions of activist stockholders could negatively affect our business and stock price and cause us to incur significant expenses.

We may be subject to actions or proposals from activist stockholders or others that may not be aligned with our long-term strategy or the interests of our other stockholders. Our response to suggested actions, proposals, director nominations and contests for the election of directors by activist stockholders could disrupt our business and operations, divert the attention of our board of directors, management and employees, and be costly and time-consuming. Potential actions by activist stockholders or others may interfere with our ability to execute our strategic plans; create perceived uncertainties as to the future direction of our business or strategy; cause uncertainty with our regulators; make it more difficult to attract and retain qualified personnel; and adversely affect our relationships with our existing and potential business partners. Any of the foregoing could adversely affect our business, financial condition and results of operations. Also, we may be required to incur significant fees and other expenses related to responding to stockholder activism, including for third-party advisors. Moreover, our stock price could be subject to significant fluctuation or otherwise be adversely affected by the events, risks and uncertainties of any stockholder activism.

We outsource certain business functions to third-party suppliers and service providers, and may be impacted by substandard performance or quality by third parties.

Utilities rely on extensive networks of business partners and suppliers to support critical enterprise capabilities across their organizations. Like other companies in the utilities industry, we outsource certain services to third parties in areas including construction services, information technology, materials, fleet, environmental, operational services, corporate and other areas. We have seen, and may see in the future, slowing deliveries from suppliers and in some cases materials and labor shortages. In addition to delays and unavailability, at times, outsourcing of services to third parties could expose us to inferior service quality or substandard deliverables, which may result in non-compliance (including with applicable legal requirements and industry standards), interruption of service, accidents, or reputational harm, which could negatively impact our business, financial condition and results of operations. The nature of indirect supply chain, including a potential lack of control or certain visibility into sourcing by vendors, may also impact our ability to serve customers in a safe, reliable and cost-effective manner. These risks include the risk of operational failure, reputation damage, disruption due to new supply chain disruptions, exposure to significant commercial losses and fines and poorly positioned and distressed suppliers. If we continue to see delayed deliveries and shortages or if any other difficulties in the operations of these third-party suppliers and service providers, including their systems, were to occur, they could adversely affect our results of operations, or adversely affect our ability to work with regulators, unions, customers, or employees.

A cyber-attack or security breach on any of our or certain third-party technology systems, including but not limited to information systems, infrastructure, software and hardware, upon which we rely may adversely affect our ability to operate, could lead to a loss or misuse of confidential and proprietary information, or potential liability.

We are reliant on technology to run our business, which is dependent upon technology systems to process critical information necessary to conduct various elements of our business, including the generation, transmission and distribution of electricity; operation of our gas pipeline facilities; and the recording and reporting of commercial and financial transactions to regulators, investors and other stakeholders. In addition to general information and cybersecurity risks that all large corporations face (e.g., ransomware, malware, unauthorized access attempts, phishing attacks, malicious intent by insiders, third-party software vulnerabilities and inadvertent disclosure of sensitive information), the utility industry faces evolving and increasingly complex cybersecurity risks associated with protecting electric grid and natural gas infrastructure as well as sensitive and confidential customer and employee information. Deployment of new business technologies, along with maintaining legacy technology, represents a large-scale opportunity for attacks on our information systems and confidential customer and employee information, as well as on the integrity of the electric grid and the natural gas infrastructure. Increasing large-scale corporate cyber-attacks in conjunction with more sophisticated threats continue to challenge utility companies. Additionally, international conflicts, as well as increased surveillance activity from global threat actors, has increased the likelihood of a cyber-attack or security breach on critical infrastructure systems.

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Additionally, our information systems experience ongoing, often sophisticated, cyber-attacks or security breaches by a variety of sources, including foreign sources, with the apparent aim to breach our cyber-defenses. While we have implemented and maintain a cybersecurity program designed to protect our information technology, operational technology, and data systems from such cyber-attacks or security breaches, our cybersecurity program does not prevent all breaches, cyber-attack or security breach incidents. We have experienced an increase in the number of attempts by external parties to access our networks or our company data without authorization. We have experienced, and expect to continue to experience, cybersecurity intrusions and attacks or security breaches to our information systems. To our knowledge, none of these intrusions or attacks have resulted in a material cybersecurity intrusion or data breach. The risk of a disruption or breach of our operational technology, or the compromise of the data processed in connection with our operations, through cybersecurity breach or ransomware attack has increased as attempted cyber-attacks or security breaches have advanced in sophistication and number around the world. Technological complexities combined with advanced cyber-attack or security breach techniques, lack of cybersecurity hygiene and human error can result in a cybersecurity incident, such as a ransomware attack. Supplier non-compliance with cybersecurity controls can also result in a cybersecurity incident. We are aware of vendor cybersecurity incidents that have impacted our business, although no such events have had a material impact. Cyber-attacks or security breaches can occur at any point in the supply chain or with any suppliers, and future supplier non-compliance with cybersecurity controls could result in material cybersecurity incidents. In addition, we use unmanned aircraft systems (UAS) or drones in our business operations. UASs are also being used for malicious activities and the cybersecurity risk in connection with operating UASs is increasing.

In addition, we collect and retain personally identifiable information of our customers and employees. Customers and employees expect that we will adequately protect their personal information.

A cybersecurity breach of our information systems or operational technology, or a cybersecurity breach of the information systems of our customers, suppliers or others with whom we do business, could, among other things, (i) adversely impact our ability to safely and reliably deliver electricity and natural gas to our customers through our generation, transmission and distribution systems and potentially negatively impact our compliance with certain mandatory reliability and gas flow standards, (ii) subject us to reputational and other harm or liabilities associated with theft or inappropriate release of certain types of information such as system operating information or information, personal or otherwise, relating to our customers or employees, (iii) impact our ability to manage our businesses, and/or (iv) subject us to legal and regulatory proceedings and claims from third parties, in addition to remediation costs, any of which, in turn, could have a material adverse effect on our businesses, cash flows, financial condition and/or results of operations. Although we do maintain cybersecurity insurance, it is possible that such insurance will not adequately cover any losses or liabilities we may incur as a result of a cybersecurity incident.

Compliance with and changes in cybersecurity requirements have a cost and operational impact on our business, and failure to comply with such laws and regulations could adversely impact our reputation, results of operations, financial condition and/or cash flows.

The legal and regulatory environment surrounding cybersecurity and privacy is increasingly demanding. As cyber-attacks or security breaches are becoming more sophisticated, critical infrastructure assets, including pipelines and electric infrastructure, may be specifically targeted. In 2021, the TSA announced two new cybersecurity directives in response to a ransomware attack on the Colonial Pipeline that occurred earlier in the year. These directives, including updates or amendments to such TSA directives, require critical pipeline owners to comply with mandatory reporting measures, designate a cybersecurity coordinator, provide vulnerability assessments, and ensure compliance with certain cybersecurity requirements. In November 2024, the TSA issued a Notice of Proposed Rulemaking (NPRM) that would mandate cyber risk management and reporting requirements for the pipeline industry. Such directives or additional legal requirements may require expenditure of significant additional resources to respond to cyber-attacks or security breaches, to continue to modify or enhance protective measures, or to assess, investigate and remediate any critical infrastructure security vulnerabilities. Increased costs and the operational impacts of compliance and changes in cybersecurity requirements, including any failure to comply with government regulations or any failure in our cybersecurity protective measures may result in enforcement actions, all of which may have a material adverse effect on our business, results of operations and financial condition. In addition, there is no certainty that costs incurred related to securing against threats will be recovered through rates.

The impacts of natural disasters, acts of terrorism, acts of war, civil unrest, accidents, public health emergencies or other catastrophic events may disrupt operations and reduce the ability to service customers.

A disruption or failure of natural gas distribution systems, or within electric generation, transmission or distribution systems, in the event of a hurricane, tornado, wildfire, flood, or other major weather event, or terrorist attack, acts of war, international

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military invasions, including the political and economic disruption and uncertainty related to such terrorist attack, acts of war, or international military invasions, civil unrest, accident, public health emergency (e.g. pandemic), or other catastrophic event could cause delays in completing sales, providing services, or performing other critical functions. We have experienced disruptions in the past from tornadoes, hurricanes and remnants of hurricanes and other events of this nature. Also, companies in our industry face a heightened risk of exposure to and have experienced acts of terrorism and vandalism. Our electric and gas physical infrastructure may be targets of physical security threats or terrorist activities that could disrupt our operations. We have increased security given the current environment and may be required by regulators or by the future threat environment to make investments in security that we cannot currently predict. In addition, the supply chain constraints that we are experiencing could impact our ability to timely restore services. The occurrence of such events could materially adversely affect our business, financial position and results of operations. In accordance with customary industry practice, we maintain insurance against some, but not all, of these risks and losses. As a result, the amount and scope of insurance coverage maintained against losses resulting from any such event may not be sufficient to cover such losses or otherwise adequately compensate for any business disruptions that could result.

We are exposed to significant reputational risks, which make us vulnerable to a loss of cost recovery, increased litigation and negative public perception.

As a utility company, we are subject to adverse publicity focused on the actual or perceived reliability or affordability of our services, the speed with which we are able to respond effectively to electric outages, natural gas leaks or events and related accidents and similar interruptions caused by storm damage, physical or cybersecurity incidents, or other unanticipated events, as well as our own or third parties' actions or failure to act. We are subject to prevailing labor markets and potential high attrition, which may impact the speed of our customer service response. We are also facing supply chain challenges, the impacts of which may adversely impact our reputation in several areas as described elsewhere in these risk factors. We are also subject to adverse publicity related to actual or perceived environmental practices or impacts, including our ability to meet the challenges posed by climate change and achieve our carbon emission reduction goals, as well as negative opinions regarding the appropriateness of such goals. If customers, legislators or regulators have or develop a negative opinion of us, this could result in less favorable legislative and regulatory outcomes or increased regulatory oversight, increased litigation and negative public perception. The foregoing may have adverse effects on our business, results of operations, cash flow and financial condition.

The physical impacts of climate change and the transition to a lower carbon future are impacting our business and could materially adversely affect our results of operations.

Climate change is exacerbating risks to our physical infrastructure by increasing the frequency of extreme weather, including temperature stresses to our electric and gas systems and equipment and storms and floods that damage infrastructure. In addition, climate change is likely to cause lake and river level changes that affect the manner in which services are currently provided and droughts or other limits on water used to supply services, and other extreme weather conditions. We have adapted and will continue to evolve our infrastructure and operations to meet current and future needs of our stakeholders. With higher frequency of these and other possible extreme weather events it may become more costly for us to safely and reliably deliver certain products and services to our customers. Further, as our generation profile increases geographically, it is potentially more vulnerable to certain weather hazards than centralized generation, thereby increasing the frequency of weather impacts to overall electric reliability. Some of these costs may not be recovered. To the extent that we are unable to recover those costs, or if higher rates arising from recovery of such costs result in reduced demand for services, our future financial results may be adversely impacted. Further, as the intensity and frequency of significant weather events increases, insurers may reprice or remove themselves from insuring risks for which the company has historically maintained insurance, resulting in increased cost or risk to us.

Our strategy may be impacted by policy and legal, technology, market and reputational risks and opportunities that are associated with the transition to a lower-carbon economy, as disclosed in other risk factors in this section. As a result of increased awareness regarding climate change, coupled with economic considerations, availability of alternative energy sources, including private solar, microturbines, fuel cells, energy-efficient buildings and energy storage devices, and regulations restricting, or imposing fees on, emissions, some consumers and companies may use less energy, meet their own energy needs through alternative energy sources or avoid expansions of their facilities, including natural gas facilities, which may result in less demand for our services. As these technologies become a more cost-competitive option, whether through cost effectiveness or government incentives and subsidies, certain customers may choose to meet their own energy needs and subsequently decrease usage of our systems and services, which may result in, among other things, our facilities becoming less competitive and economical. Further, evolving investor sentiment related to the use of fossil fuels and initiatives to restrict continued production of fossil fuels could result in a significant impact on our electric generation and natural gas businesses in the future.

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We are unable to forecast the future of commodity markets. Some of our generation is dependent on natural gas and coal, and we pass through the costs for these energy sources to our customers. In addition, in our gas distribution business, we procure natural gas on behalf of certain customers, and we pass through the actual cost of the gas consumed. Diminished investor interest in funding fossil fuel development could reduce the amount of exploration and production of natural gas or coal, or investment in gas transmission pipelines. Reduced production and transportation of natural gas could, in the long-term, lead to supply shortages leading to baseload generation outages. Given that we pass through commodity costs to customers, this could also create the potential for regulatory questions resulting from increased customer costs, reduced fossil fuel investment, due to evolving investor sentiment, could lead to higher commodity prices and shortages impacting our generation and our reputation with regulators. Conversely, demand for our services may increase as a result of customer changes in response to climate change. For example, as the utilization of electric vehicles increases, demand for electricity may increase, resulting in increased usage of our systems and services.

Any negative views with respect to our environmental practices or our ability to meet the challenges posed by climate change from regulators, customers, investors or legislators could not only harm our reputation, but could adversely affect the perceived value of our products and services. Changes in policy to combat climate change, and technology advancement, each of which can also accelerate the implications of a transition to a lower carbon economy, may materially adversely impact our business, financial position, results of operations, and cash flows. For example, Maryland is considering policies related to the planning, practices, and future operations of natural gas suppliers in its state which could impact our business in the future.

We are subject to operational and financial risks and liabilities associated with the implementation and efforts to achieve our carbon emission reduction goals.

In November 2022, we announced our goal of reaching net zero Scope 1 and 2 greenhouse gas emissions by 2040 (the “Net Zero Goal”). Achieving the Net Zero Goal will require supportive regulatory and legislative policies, favorable stakeholder environments and advancement of technologies that are not currently economically or technologically feasible to deploy at scale, of which, the impacts and costs are not currently fully understood. NIPSCO’s electric generation transition, which is outlined in the 2024 Plan, is a key element of the Net Zero Goal. Our analysis and plan for execution requires us to make a number of assumptions. These goals and underlying assumptions involve risks and uncertainties and are not guarantees. Should one or more of our underlying assumptions prove incorrect, our actual results and ability to achieve our emissions goal could differ materially from our expectations. Certain of the assumptions that could impact our ability to meet our emissions goal include, but are not limited to: the accuracy of current emission measurements, the ability to complete and implement generation alternatives to NIPSCO’s coal generation and retire NIPSCO’s coal facilities; the ability to implement our modernization plans for our natural gas pipelines and facilities, including construction of new pipelines and facilities; customer demand and capacity needs remaining in line with current expectations, including impacts from energy efficiency and technological innovation and adoption of alternative energy sources; the ability to effectively manage business opportunities from data center development; the ability to manage costs and supply chain risks associated with construction of electric and natural gas assets; technological innovation and costs of energy generation technologies such as wind, solar, thermal and energy storage, and of carbon abatement technologies such as carbon capture solutions; regulatory approval; impacts of potential future environmental regulations or legislation, including potential GHG pricing regimes such as a carbon tax or methane fee; price, availability and regulation of carbon offsets; and price of natural gas and alternative fuels such as hydrogen. Any negative opinions with respect to these goals or our environmental practices, including our ability to meet the challenges posed by climate change and our ability to achieve our carbon emission reduction goals, or a scaling back of these goals, formed by regulators, customers, investors or legislators could harm our reputation and have an adverse effect on our financial condition.

FINANCIAL, ECONOMIC AND MARKET RISKS

We have substantial indebtedness which could adversely affect our financial condition.

Our business is capital intensive and we rely significantly on long-term debt to fund a portion of our capital expenditures and repay outstanding debt, and on short-term borrowings to fund a portion of day-to-day business operations. We had total consolidated indebtedness of \$13,960.3 million outstanding as of December 31, 2024. Our substantial indebtedness could have important consequences. For example, it could:

- limit our ability to borrow additional funds or increase the cost of borrowing additional funds;
- reduce the availability of cash flow from operations to fund working capital, capital expenditures and other general corporate purposes;
- limit our flexibility in planning for, or reacting to, changes in the business and the industries in which we operate;
- lead parties with whom we do business to require additional credit support, such as letters of credit, in order for us to transact such business;
- place us at a competitive disadvantage compared to competitors that are less leveraged;

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- increase vulnerability to general adverse economic and industry conditions; and
- limit our ability to execute on our growth strategy, which is dependent upon access to capital to fund our substantial infrastructure investment program.

Some of our debt obligations contain financial covenants related to debt-to-capital ratios and cross-default provisions. Our failure to comply with any of these covenants could result in an event of default, which, if not cured or waived, could result in the acceleration of outstanding debt obligations. Additionally, non-compliance with debt covenants could adversely affect our ability to obtain future borrowings and as a result materially adversely affect our business, financial condition, results of operations, and liquidity.

A drop in our credit ratings could adversely impact our cash flows, results of operation, financial condition and liquidity.

The availability and cost of credit for our businesses may be greatly affected by credit ratings. The credit rating agencies periodically review our ratings, taking into account factors such as our capital structure, earnings profile, liabilities, and overall shifts in the economy or business environment. We are committed to maintaining investment grade credit ratings; however, there is no assurance we will be able to do so in the future. Our credit ratings could be lowered or withdrawn entirely by a rating agency if, in its judgment, the circumstances warrant. Any negative rating action could adversely affect our ability to access capital at rates and on terms that are attractive. A negative rating action could also adversely impact our business relationships with suppliers and operating partners, who may be less willing to extend credit or offer us similarly favorable terms as secured in the past under such circumstances.

Certain of our subsidiaries have agreements that contain “ratings triggers” that require increased collateral in the form of cash, a letter of credit or other forms of security for new and existing transactions if our credit ratings (including the standalone credit ratings of certain of our subsidiaries) are dropped below investment grade. These agreements are primarily for insurance purposes and for the physical purchase or sale of gas or power. As of December 31, 2024, the collateral requirement that would be required in the event of a downgrade below the ratings trigger levels would amount to approximately \$115.5 million. In addition to agreements with ratings triggers, there are other agreements that contain “adequate assurance” or “material adverse change” provisions that could necessitate additional credit support such as letters of credit and cash collateral to transact business.

If our or certain of our subsidiaries’ credit ratings were downgraded, especially below investment grade, financing costs and the principal amount of borrowings would likely increase due to the additional risk of our debt and because certain counterparties may require additional credit support as described above. Such amounts may be material and could adversely affect our cash flows, results of operations and financial condition. Losing investment grade credit ratings may also result in more restrictive covenants and reduced flexibility on repayment terms in debt issuances, lower share price and greater stockholder dilution from common equity issuances, in addition to reputational damage within the investment community.

Adverse economic and market conditions, including increases in inflation or interest rates, recession or changes in investor sentiment could materially and adversely affect our business, results of operations, cash flows, financial condition and liquidity.

Deteriorating, sluggish or volatile economic conditions in our operating jurisdictions could adversely impact our ability to maintain or grow our customer base and collect revenues from customers, which could reduce our revenue or growth rate and increase operating costs. A continued economic downturn or recession, or slowing or stalled recovery from such economic downturn or recession, may have a material adverse effect on our business, financial condition, or results of operations.

We rely on access to the capital markets to finance our liquidity and long-term capital requirements, including expenditures for our utility infrastructure and to comply with future regulatory requirements, to the extent not satisfied by the cash flow generated by our operations. We have historically relied on long-term debt and on the issuance of equity securities to fund a portion of our capital expenditures and repay outstanding debt, and on short-term borrowings to fund a portion of day-to-day business operations. There may be external factors such as inflation, monetary policy or other market conditions which could impact our cost of borrowing and could make it more difficult to obtain financing for our operations or investments on favorable terms. Successful implementation of our long-term business strategies, including capital investment, is dependent upon our ability to access the capital and credit markets, including the banking and commercial paper markets, on competitive terms and rates. An economic downturn or uncertainty, market turmoil, changes in interest rates, changes in tax policy, challenges faced by financial institutions, changes in our credit ratings, or a change in investor sentiment toward us or the utilities industry generally could adversely affect our ability to raise additional capital or refinance debt. For example, because

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NIPSCO's current generating facilities substantially rely on coal for its operations, certain financial institutions may choose not to participate in our financing arrangements. In addition, investors may choose to sell or choose not to purchase our stock due to environmental, social and governance or sustainability concerns. Reduced access to capital markets, increased borrowing costs, and/or lower equity valuation levels could reduce future earnings per share and cash flows. In addition, any rise in interest rates may lead to higher borrowing costs, which may adversely impact reported earnings, cost of capital and capital holdings.

We may face limits, or the inability, to access credit and capital markets or may experience significant increases in the cost of capital, which could limit our ability to implement or increase the costs of implementing, our business plan, which, in turn, could materially and adversely affect our results of operations, cash flows, financial condition and liquidity.

Most of our revenues are subject to economic regulation and are exposed to the impact of regulatory rate reviews and proceedings.

Most of our revenues are subject to economic regulation at either the federal or state level. As such, the revenues generated by us are subject to regulatory review by the applicable federal or state authority. These rate reviews determine the rates charged to customers and directly impact revenues. Our financial results are dependent on frequent regulatory proceedings in order to ensure timely recovery of costs and investments. As described in more detail in the risk factor below, the outcomes of these proceedings are uncertain, potentially lengthy and could be influenced by many factors, some of which may be outside of our control, including the cost of providing service, the necessity of expenditures, regulatory interpretations, customer intervention, economic conditions, the political environment and customer affordability. Further, the rate orders are subject to appeal, which creates additional uncertainty as to the rates that will ultimately be allowed to be charged for services.

The actions of regulators and legislators could result in outcomes that may adversely affect our earnings and liquidity.

The rates that our electric and natural gas companies charge their customers are determined by their state regulatory commissions and by the FERC. These state regulatory commissions also regulate the companies' accounting, operations, the issuance of certain securities and certain other matters. The FERC also regulates the transmission of electric energy, the sale of electric energy at wholesale, accounting, issuance of certain securities and certain other matters, including reliability standards through the North American Electric Reliability Corporation (NERC).

Under state and federal law, our electric and natural gas companies are entitled to charge rates that are sufficient to allow them an opportunity to recover their prudently incurred operating and capital costs and a reasonable rate of return on invested capital, to attract needed capital and maintain their financial integrity, while also protecting relevant public interests. Our electric and natural gas companies are required to engage in regulatory approval proceedings as a part of the process of establishing the terms and rates for their respective services. Each of these companies prepares and submits periodic rate filings with their respective regulatory commissions for review and approval, which allows for various entities to challenge our current or future rates, structures or mechanisms and could alter or limit the rates we are allowed to charge our customers. These proceedings typically involve multiple parties, including governmental bodies and officials, consumer advocacy groups, and various consumers of energy, who have differing interests. Any change in rates, including changes in allowed rate of return, are subject to regulatory approval proceedings that can be contentious, lengthy, and subject to appeal. This may lead to uncertainty as to the ultimate result of those proceedings. Established rates are also subject to subsequent prudence reviews by state regulators, whereby various portions of rates could be adjusted, subject to refund or disallowed, including cost recovery mechanisms. The ultimate outcome and timing of regulatory rate proceedings could have a significant effect on our ability to recover costs or earn an adequate return. Adverse decisions in our proceedings could adversely affect our financial position, results of operations and cash flows.

There can be no assurance that regulators will approve the recovery of all operating and capital costs incurred by our electric and natural gas companies, including, but not limited to, costs for construction, operation and maintenance, and compliance with current and future changes in environmental, federal pipeline safety, critical infrastructure and cybersecurity laws and regulations. Further, we face regulatory challenges when our electric and gas companies seek regulatory recovery of increases to materials and other costs as a result of inflationary pressures, including accounting for inflationary pricing in plans and assumptions and ensuring there is a regulatory recovery model. There is debate among state regulators and other stakeholders over how to transition to a decarbonized economy and prudence arguments relative to investing in natural gas assets when the depreciable life of the assets may be shortened due to electrification. The inability to recover a significant amount of operating or capital costs could have an adverse effect on a company's financial position, results of operations and cash flows.

ITEM 1A. RISK FACTORS

NI SOURCE INC.

Changes to rates may occur at times different from when costs are incurred. Additionally, catastrophic events at other utilities could result in our regulators and legislators imposing additional requirements that may lead to additional costs or operational requirements for the companies.

In addition to the risk of disallowance of incurred costs, regulators may also impose downward adjustments in a company's allowed ROE as well as assess penalties and fines. Regulators may reduce ROE to mitigate potential customer bill increases due to items unrelated to capital investments. These actions would have an adverse effect on our financial position, results of operations and cash flows.

Our electric business is subject to mandatory reliability and critical infrastructure protection standards established by NERC and enforced by the FERC. The critical infrastructure protection standards focus on controlling access to critical physical and cybersecurity assets. Compliance with the mandatory reliability standards could subject our electric utilities to higher operating costs. In addition, compliance with PHMSA regulations, including the expected final ruling around leak detection and repair requirements could subject our gas utilities to higher operating costs and divert business resources from other activities in order to remain compliant. If our businesses are found to be in noncompliance, we could be subject to sanctions, including substantial monetary penalties, or damage to our reputation.

Changes in tax laws, as well as the potential tax effects of business decisions, could negatively impact our business, results of operations (including our expected project returns from our planned renewable energy projects), financial condition and cash flows.

Our business operations are subject to economic conditions in certain industries.

Business operations throughout our service territories have been and may continue to be adversely affected by economic events at the national and local level where our businesses operate. In particular, sales to large industrial customers, such as those in the steel, oil refining, industrial gas and related industries, are impacted by economic downturns and recession; geographic or technological shifts in production or production methods; and consumer demand for environmentally friendly products and practices. The U.S. manufacturing industry continues to adjust to changing market conditions including international competition, inflation and increasing costs, government and societal pressure to decarbonization, and fluctuating demand for its products.

We are exposed to risk that customers will not remit payment for delivered energy or services, and that suppliers or counterparties will not perform under various financial or operating agreements.

Our extension of credit is governed by a Corporate Credit Risk Management Policy, involves judgment by our employees and is based on an evaluation of customer, supplier, or counterparty's financial condition, credit history and other factors. We monitor our credit risk exposure by obtaining credit reports and updated financial information for customers and suppliers, and by evaluating the financial status of our banking partners and other counterparties by reference to market-based metrics such as credit default swap pricing levels, and to traditional credit ratings provided by the major credit rating agencies. Adverse economic conditions impacting these credit risk exposures could result in an increase in defaults by customers, suppliers and counterparties. We are also exposed to the risk that due to adverse economic conditions one or more suppliers or counterparties may fail or delay the performance of their contractual obligations, such risks could negatively impact our business, financial condition and cash flow.

We are a holding company and are dependent on cash generated by our subsidiaries to meet our debt obligations and pay dividends on our stock.

We are a holding company and conduct our operations primarily through our subsidiaries, which are separate and distinct legal entities. Substantially all of our consolidated assets are held by our subsidiaries. Accordingly, our ability to meet our debt obligations or pay dividends on our common stock and preferred stock is largely dependent upon cash generated by these subsidiaries. In the event a major subsidiary is not able to pay dividends or transfer cash flows to us, our ability to service our debt obligations or pay dividends could be negatively affected.

Capital market performance and other factors may decrease the value of benefit plan assets, which then could require significant additional funding and impact earnings.

The performance of the capital markets affects the value of the assets that are held in trust to satisfy future obligations under defined benefit pension and other postretirement benefit plans. We have significant obligations in these areas and hold significant assets in these trusts. These assets are subject to market fluctuations and may yield uncertain returns, which could fall below our projected rates of return. A decline in the market value of assets may increase the funding requirements of the

ITEM 1A. RISK FACTORS

NiSOURCE INC.

obligations under the defined benefit pension plans. Additionally, changes in interest rates affect the liabilities under these benefit plans; as interest rates decrease, the liabilities increase, which could potentially increase funding requirements. Further, the funding requirements of the obligations related to these benefits plans may increase due to changes in governmental regulations and participant demographics, including increased numbers of retirements or longer life expectancy assumptions, as well as voluntary early retirements. In addition, lower asset returns result in increased expenses. Ultimately, significant funding requirements and increased pension or other postretirement benefit plan expenses could negatively impact our results of operations and financial position.

We have significant goodwill. Any future impairments of goodwill could result in a significant charge to earnings in a future period and negatively impact our compliance with certain covenants under financing agreements.

In accordance with GAAP, we test goodwill for impairment at least annually and review our definite-lived intangible assets for impairment when events or changes in circumstances indicate its fair value might be below its carrying value. Goodwill is also tested for impairment when factors, examples of which include reduced cash flow estimates, a sustained decline in stock price or market capitalization below book value, indicate that the carrying value may not be recoverable and results in a significant charge to earnings. We cannot predict the timing, magnitude, or duration of such changes. In general, the carrying value of goodwill would not be recoverable, in which case we may record a non-cash impairment charge, which could materially impact our results of operations and financial position.

A significant impairment charge in the future could impact the capitalization ratio covenant under certain financing agreements. We are subject to a financial covenant under our revolving credit facility, which requires us to maintain a debt to capitalization ratio that does not exceed 70%. As of December 31, 2024, the ratio was 52.6%.

LITIGATION, REGULATORY AND LEGISLATIVE RISKS

The outcome of legal and regulatory proceedings, investigations, inquiries, claims and litigation related to our business operations may have a material adverse effect on our results of operations, financial position or liquidity.

We are, or may be, involved in legal and regulatory proceedings, investigations, inquiries, claims and litigation in connection with our business operations, the most significant of which are summarized in, Note 19, "Other Commitments and Contingencies," in the Notes to Consolidated Financial Statements. While we maintain insurance, it may not cover all costs or expenses incurred relating to litigation. Due to the inherent uncertainty of the outcomes of such matters, there can be no assurance that the resolution of any particular claim or proceeding would not have a material adverse effect on our results of operations, financial position or liquidity.

Our businesses are subject to various federal, state and local laws, regulations, tariffs and policies and a failure to comply with changes in, or new or different interpretations of, such laws, regulations, tariffs and policies could have an adverse impact on our business.

Our businesses are subject to various federal, state and local laws, regulations, tariffs and policies, including, but not limited to, those relating to natural gas pipeline safety, employee safety, the environment and our energy infrastructure. In particular, we are subject to significant federal, state and local regulations applicable to utility companies, including regulations by the various utility commissions in the states where we serve customers. These regulations significantly influence our operating environment, may affect our ability to recover costs from utility customers, and cause us to incur substantial compliance and other costs. Existing laws, regulations, tariffs and policies may be revised or become subject to new interpretations, and new laws, regulations, tariffs and policies may be adopted or become applicable to us and our operations. In some cases, compliance with new or different laws, regulations, tariffs and policies increases our costs or risks of liability. Supply chain constraints, both direct and indirect, including but not limited to material or labor shortages, may challenge our ability to remain in compliance with these laws, regulations, tariffs and policies and operate our business in a compliant manner. If we fail to comply with laws, regulations and tariffs applicable to us or with any changes in or new interpretations of such laws, regulations, tariffs or policies, our financial condition, results of operations, regulatory outcomes and cash flows may be materially adversely affected.

Our businesses are regulated under numerous environmental laws and regulations. The cost of compliance with these laws and regulations, and changes to or additions to, or reinterpretations of the laws and regulations, could be significant, and the cost of compliance may not be recoverable. Liability from the failure to comply with existing or changed laws and regulations could have a material adverse effect on our business, results of operations, cash flows and financial condition.

Our businesses are subject to extensive federal, state and local environmental laws and rules that regulate, among other things, air emissions, water usage and discharges, leak detection and repair, GHG and waste products such as CCR. Compliance with

ITEM 1A. RISK FACTORS

NiSOURCE INC.

these legal obligations require us to make significant expenditures for installation of pollution control equipment, remediation, environmental monitoring, emissions fees, and permits at many of our facilities. Furthermore, if we fail to comply with environmental laws and regulations or are found to have caused damage to the environment or persons, that failure or harm may result in the assessment of civil or criminal penalties and damages against us, injunctions to remedy the failure or harm, and the inability to operate facilities as designed and intended. Further, failing to comply with such laws and regulations or a determination that we have caused damage to the environment or persons, could result in reputational damage.

Existing environmental laws and regulations may be revised and new laws and regulations may be adopted or become applicable to us, with an increasing focus on the impact of coal and natural gas facilities that may result in significant additional expense and operating restrictions on our facilities, which may not be fully recoverable from customers and could materially affect the continued economic viability of our facilities.

An area of significant uncertainty and risk are potential changes to the laws concerning emission of GHG. While we have set a Net Zero Goal and continue to execute our plan to reduce our GHG emissions by the increased sourcing of renewable energy, priority pipeline replacement, leak detection and repair, and other methods, GHG emissions are anticipated to be associated with energy delivery for many years. Future GHG legislation and/or regulation related to the generation of electricity or the extraction, production, distribution, transmission, storage and end use of natural gas could materially impact our gas supply, financial position, financial results and cash flows.

Another area of significant uncertainty and risk are the regulations concerning CCR. The EPA has issued regulations and may promulgate additional regulations concerning the management, storage, use and disposal of CCRs. NIPSCO is also incurring or will incur costs associated with closing, corrective action, and ongoing monitoring of certain CCR impoundments. Further, a release of CCR to the environment could result in remediation costs, penalties, claims, litigation, increased compliance costs, and reputational damage.

We currently have a pending application with the EPA to continue operation of a CCR impoundment that is tied to operation of R.M. Schahfer Generating Station Units 17 and 18 to the end of 2025, with the CCR impoundment closing by October 2028. In proposed and final EPA actions denying continued operation of CCR impoundments at other utilities, EPA said that CCR impoundments should cease receipt of CCRs within 135 days of final EPA action unless certain conditions are demonstrated, such as potential reliability issues. In the event that approval is not obtained, future operations could be impacted.

The actual future expenditures to achieve environmental compliance depends on many factors, including the nature and extent of impact, the method of improvement, the cost of raw materials, contractor costs, and requirements established by environmental authorities. Changes or increases in costs and the ability to recover under regulatory mechanisms could affect our financial position, financial results and cash flows.

Changes in tax laws or the interpretation thereof and challenges to tax positions could adversely affect our financial results.

We are subject to taxation by the various taxing authorities at the federal, state and local levels where we do business. Legislation or regulation which could affect our tax burden could be enacted or interpreted by any of these governmental authorities. The IRA imposed a 15 percent minimum tax rate on book earnings for corporations with higher than \$1 billion of annual income, along with a 1 percent excise tax on corporate stock repurchases while providing tax incentives to promote various clean energy initiatives. Our NIPSCO subsidiary's renewable portfolio is eligible for tax credits associated with the investment in renewable generation assets and production of power from those assets. Statutory changes, a challenge by a taxing authority, changes in taxing authorities' administrative interpretations, decisions, policies and positions, our ability to utilize tax benefits such as carryforwards or tax credits, or a deviation from other tax-related assumptions may cause actual financial results to deviate from previous estimates.

ITEM 1B. UNRESOLVED STAFF COMMENTS

NiSOURCE INC.

None.

ITEM 1C. CYBERSECURITY

NiSource has implemented and maintains a comprehensive cybersecurity program that includes a variety of security controls and measures designed to identify, assess, and manage material cybersecurity risks. The program is a part of NiSource's enterprise risk management strategy. The enterprise risk team and the Risk Management Committee review material risks to any NiSource operating company based on perspectives from external experts, peer surveys, and the potential impact to NiSource's enterprise assets and strategic objectives.

Risk events are classified based on both the timing of impact and NiSource's ability to preventatively mitigate the risk. For the cybersecurity risks that can be preventively mitigated, the enterprise risk team gathers quarterly updates on mitigation gap closure from risk owners. The Risk Management Committee reviews any mitigation gaps identified by risk owners and approves or rejects the pace of mitigation activities as a statement of risk tolerance and then directs that mitigation activities be included in budgets and the business plan as appropriate.

The NiSource cybersecurity program includes the following key components:

Risk assessment. NiSource regularly assesses its cybersecurity risks to identify and prioritize the most significant threats. The risk assessment process considers a variety of factors, including those specific to the utility/energy industry, the types of data NiSource collects and stores, and the threats posed by known vulnerabilities. NiSource engages third parties to perform independent assessments of its cybersecurity program, provide intelligence about the threat environment, and to provide operational assistance in managing the program. Annually, a third-party independent assessment is performed to evaluate NiSource cybersecurity maturity against a framework of cybersecurity controls. NiSource also performs bi-annual penetration testing and social engineering assessments performed by a third-party.

Third-party risk management. NiSource performs cyber assessments periodically on third-party vendors and service providers with whom NiSource shares data, relies on for critical business functions, or provides access to the NiSource network or systems. NiSource's Supply Chain function works with the Legal and Cyber functions to periodically update cybersecurity contractual provisions in its vendor agreements, with deviations from such provisions requiring approval from the Legal and Cyber functions. NiSource's Supplier Code of Business Conduct requires, among other things, that suppliers ensure safe and secure use of information assets, comply with applicable law relating to personal information, and adhering to standards relative to the use and protection of Company information, including that of our employees, customers, vendors and other stakeholders. In addition, all vendors and contractors that have access and/or connectivity to the NiSource environment must complete cybersecurity training annually.

Security controls. NiSource has implemented a variety of security controls to mitigate cybersecurity risks. These controls include technical controls, such as firewalls and intrusion detection systems, as well as administrative controls, such as employee training and security awareness programs. To ensure cybersecurity controls, NiSource OT within the electric business adheres to the NERC CIP. Within the natural gas business, cybersecurity controls are managed and monitored based on the TSA Security Directives.

Incident response. NiSource has a comprehensive incident response plan in place to respond to cybersecurity incidents. The plan includes steps for detection, analysis, containment, eradication, and recovery from incidents, as well as steps for notifying affected individuals and regulators.

The NiSource Board of Directors' Audit Committee has responsibility for oversight of the cybersecurity program and risks from cybersecurity threats. The Audit Committee regularly reviews NiSource's cybersecurity posture. The CISO briefs the Audit Committee on cybersecurity risks and risk mitigation initiatives and actions. In addition, the Board of Directors remains informed of key and emerging cybersecurity risks and receives updates by the Audit Committee after each of its regularly scheduled meetings.

At the management level, the CISO leads the cybersecurity program and is responsible for assessing and managing cybersecurity risks. Our CISO has expertise and experience in cybersecurity derived from over 15 years of cyber related work experience and possesses several certifications including CISSP, CRISC, and CISA. The CISO is supported by the NiSource

ITEM 2. PROPERTIES

NiSOURCE INC.

Enterprise Security team which performs the cybersecurity function and engages directly on the prevention, detection, mitigation, and remediation of cybersecurity incidents.

As of the date of filing this Annual Report on Form 10-K, NiSource is not aware of any material cybersecurity incidents during the past year. NiSource monitors the increasing sophistication of cybersecurity threats and continues to allocate resources to enhance its cybersecurity program to protect its information systems and assets. No cybersecurity program is effective to identify and mitigate all threats and NiSource cannot guarantee that it will be able to prevent all cybersecurity incidents. Such an incident could interrupt our normal operations and require us to incur significant costs to remediate any such incident and could have a material impact on our businesses, operations and financial condition. For more information regarding the risks associated with cybersecurity, refer to "Item 1A. Risk Factors" of this Annual Report on Form 10-K.

ITEM 2. PROPERTIES

Discussed below are the principal properties held by us and our subsidiaries as of December 31, 2024.

Columbia Operations

Refer to Item 1, "Business - Columbia Operations," of this report for further information on Columbia Operations properties.

NIPSCO Operations

Refer to Item 1, "Business - NIPSCO Operations," of this report for further information on NIPSCO Operations properties.

Corporate and Other Operations

We own the Southlake Complex, our 325,000 square foot headquarters building located in Merrillville, Indiana.

Character of Ownership

Our principal properties and our subsidiaries' principal properties are owned free from encumbrances, subject to minor exceptions, none of which are of such a nature as to impair substantially the usefulness of such properties. Many of our subsidiary offices in various communities served are occupied under leases. All properties are subject to routine liens for taxes, assessments and undetermined charges (if any) incidental to construction. It is our practice to regularly pay such amounts, as and when due, unless contested in good faith. In general, the electric lines, gas pipelines and related facilities are located on land not owned by us or our subsidiaries, but are covered by necessary consents of various governmental authorities or by appropriate rights obtained from owners of private property. We do not, however, generally have specific easements from the owners of the property adjacent to public highways over, upon or under which our electric lines and gas distribution pipelines are located. At the time each of the principal properties was purchased, a title search was made. In general, no examination of titles as to rights-of-way for electric lines, gas pipelines or related facilities was made, other than examination, in certain cases, to verify the grantors' ownership and the lien status thereof.

ITEM 3. LEGAL PROCEEDINGS

For a description of our legal proceedings, see Note 19, "Other Commitments and Contingencies - C. Legal Proceedings," in the Notes to Consolidated Financial Statements.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II**ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES****NiSource Inc.**

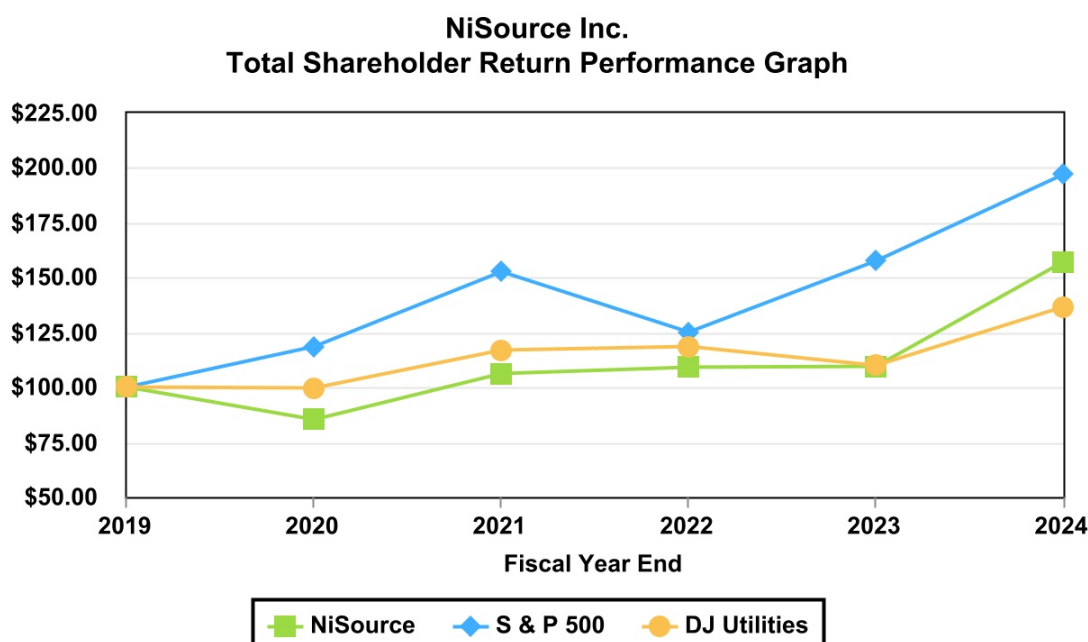
NiSource's common stock is listed and traded on the New York Stock Exchange under the symbol "NI."

Holders of shares of NiSource's common stock are entitled to receive dividends if and when declared by the Board out of funds legally available. There is no preferred stock outstanding as of December 31, 2024. The policy of the Board has been to declare cash dividends on a quarterly basis payable on or about the 20th day of February, May, August, and November. At its January 23, 2025 meeting, the Board declared a quarterly common dividend of \$0.280 per share, payable on February 20, 2025 to holders of record on February 3, 2025.

Although the Board currently intends to continue the payment of regular quarterly cash dividends on common shares, the timing and amount of future dividends will depend on the earnings of NiSource's subsidiaries, their financial condition, cash requirements, regulatory restrictions, any restrictions in financing agreements and other factors deemed relevant by the Board. There can be no assurance that NiSource will continue to pay such dividends or the amount of such dividends.

As of February 5, 2025 NiSource had 14,161 common stockholders of record and 469,939,639 shares outstanding.

The graph below compares the cumulative total shareholder return of NiSource's common stock for the period commencing December 31, 2019 and ending December 31, 2024 with the cumulative total return for the same period of the S&P 500 and the Dow Jones Utility indices.



The foregoing performance graph is being furnished as part of this Annual Report on Form 10-K solely in accordance with the requirement under Rule 14a-3(b)(9) to furnish stockholders with such information, and therefore, shall not be deemed to be filed or incorporated by reference into any filings by NiSource under the Securities Act or the Exchange Act.

The total shareholder return for NiSource common stock and the two indices is calculated from an assumed initial investment of \$100 and assumes dividend reinvestment.

Purchases of Equity Securities by Issuer and Affiliated Purchasers. For the three months ended December 31, 2024, no equity securities that are registered by NiSource Inc. pursuant to Section 12 of the Securities Exchange Act of 1934 were purchased by or on behalf of us or any of our affiliated purchasers.

ITEM 6. RESERVED

NiSOURCE INC.

Not applicable.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**NiSOURCE INC.**

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EXECUTIVE SUMMARY

This Management's Discussion and Analysis of Financial Condition and Results of Operations ("Management's Discussion") includes management's analysis of past financial results and certain potential factors that may affect future results, potential future risks and approaches that may be used to manage those risks. See "Note regarding forward-looking statements" and Item 1A, "Risk Factors" at the beginning of this report for a list of factors that may cause results to differ materially. Refer to the "Business" section under Item 1 of this Annual Report on Form 10-K and Note 21, "Business Segment Information," in the Notes to Consolidated Financial Statements for further discussion of our regulated utility business segments.

This Management's Discussion is designed to provide an understanding of our operations and financial performance and should be read in conjunction with our Consolidated Financial Statements and related Notes to Consolidated Financial Statements in this Annual Report on Form 10-K.

We are an energy holding company under the Public Utility Holding Company Act of 2005 whose subsidiaries are fully regulated natural gas and electric utility companies serving customers in six states. We generate substantially all of our operating income through these rate-regulated businesses, which are summarized for financial reporting purposes into two primary reportable segments: Columbia Operations and NIPSCO Operations.

Our vision is to be a premier, innovative and trusted energy partner. We exist to deliver safe, reliable energy that drives value to our customers. In order to achieve this goal, we seek to develop strategies that benefit all stakeholders as we (i) support long-term infrastructure investment and safety programs to better serve our customers, (ii) align our tariff structures with our cost structure, and (iii) drive value and enable growth in an evolving energy ecosystem. These strategies focus on improving safety and reliability, enhancing customer experience, pursuing regulatory and legislative initiatives to increase accessibility for customers currently not on our gas and electric service, ensuring customer affordability and reducing emissions while generating sustainable returns. The safety of our customers, communities and employees remains our focus. Serving as a guiding practice for our SMS, NiSource is certified in conformance to the American Petroleum Institute Recommended Practice 1173, which is the foundation to our journey towards operational excellence.

2024 Overview: In 2024, we continued to make significant progress on the remaining portfolio of projects that will enable our electric generation transition, including placing one solar and battery project into service and receiving approval of a new gas peaking facility. During the year, we received orders for three rate cases: Columbia of Pennsylvania, Columbia of Kentucky, and NIPSCO Gas. In addition, the Columbia of Virginia, Columbia of Maryland and NIPSCO Electric rate cases filed in 2024 are anticipated to be resolved during 2025 with balanced outcomes supporting all stakeholders. We continued to build and advance our SMS by successfully maintaining our certification of conformance for API 1173 and achieving LRQA's ISO 50001 certification. Between our Columbia and NIPSCO Operating Segments, we added 21,000 customers. We also invested \$1.5 billion in infrastructure modernization to enhance safe, reliable service, including replacement of 288 miles of distribution main and service lines, 24 miles of underground cable and 1,240 electric poles. We achieved the first major milestone in our Transformation road map and continue to increase the efficiency of our operating companies.

The following describes in more detail the advancements we have made in our key strategic initiatives.

Energy Transition: We are advancing our energy transition strategy primarily through the continuation and enhancement of existing programs, such as retiring and replacing remaining coal-fired electric generation by 2028 with a balanced mix of low or zero-emission electric generation and battery storage, ongoing pipe replacement and modernization programs, and deployment of advanced leak detection and repair. Our electric generation transition, initiated through our 2018 Integrated Resource Plan

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)**NISOURCE INC.**

("2018 Plan") is well underway, and we are continually adjusting to the dynamic energy landscape. As of December 31, we have placed in service owned renewable and storage projects, developed under BTAs, with combined nameplate capacities of 1,065 MW and 45 MW respectively. Renewable PPA projects with a combined nameplate capacity of 600 MW have also been placed in service. In addition, renewable and storage BTA projects with combined nameplate capacities of 1,085 MW and 56 MW, respectively, and renewable PPA projects with a combined nameplate capacity of 600 MW were under development as of December 31, all of which have received IURC approval. The capacity figure for BTA projects in development includes the Templeton Wind project. In October 2024, NIPSCO contracted with a developer to convert the previously approved Templeton Wind PPA to a BTA and has provided a notice of intent to file a CPCN with the IURC. In 2024, the IURC approved full ownership of the Cavalry, Dunns Bridge II, Fairbanks and Gibson and the cost of the Fairbanks project as contemplated in contractual actions. Full ownership of these projects allows NIPSCO to leverage provisions of the IRA, monetize renewable tax credits more effectively, and provide enhanced benefits to customers as compared to the previous tax equity partnership structure approved by the IURC. We remain on track to retire R.M Schahfer's remaining two coal units by the end of 2025. For additional information, see "Results and Discussion of Operations - NIPSCO Operations," in this Management's Discussion.

NIPSCO's 2021 Integrated Resource Plan ("2021 Plan") lays out a timeline to retire the Michigan City Generating Station by the end of 2028. The 2021 Plan calls replacing the retiring coal units with a diverse portfolio of resources including demand side management resources, renewables, stand-alone energy storage and upgrades to existing facilities at the Sugar Creek Generating Station, among other steps. In 2024, Sugar Creek completed an Advanced Gas Path Tech upgrade that will enhance its overall production capabilities. Additionally, the 2021 Plan calls for a new natural gas peaking facility to replace existing vintage gas peaking facilities at the R.M. Schahfer Generating Station to support system reliability and resiliency, and upgrades to the electric transmission system. In October 2024, we received approval for the issuance of a CPCN for an approximately 400 MW natural gas peaking generation facility from the IURC. The planned retirement of the two vintage gas peaking facilities at the R.M. Schahfer Generating Station is also expected to occur by the end of 2028. Final retirement dates for these units, as well as Michigan City, will be subject to MISO approval.

NIPSCO's 2024 Plan was submitted to the IURC on December 9, 2024. The 2024 Plan informs future generation investments required to ensure reliability for NIPSCO's customers and incorporates factors such as anticipated load growth from data centers and other economic development opportunities, new EPA emissions rules, and evolving MISO resource accreditation rules. We have seen an acceleration of customer interest in our northern Indiana service territory in the form of data center development. We believe data center development can enhance our local tax base, diversify the employment base across the state of Indiana, and provide greater value to existing customers and shareholders. We are evaluating the potential for data center development in our service territory, including ways to effectively manage the potential power demand, generation sources, and transmission capabilities to meet potential load growth from any data center customer, while at the same time focusing on our environmental goals. We expect the management of large load growth would require new generation resources, including gas-fired resource, and transmission capabilities. We plan to move as efficiently as possible while maintaining the integrity of our commercial, planning, regulatory, procurement and operational execution processes.

We continue to enhance safety and reduce methane emissions on our gas systems through modernization programs and utilization of advanced leak detection and repair. In addition, we plan to advance other low- or zero-emission energy resources and technologies, such as hydrogen and renewable natural gas.

Transformation: Our enterprise-wide transformation roadmap focuses on operational excellence, safety, operation and maintenance management, and unlocking efficiencies. We are committed to identifying and implementing initiatives that will enable us to streamline work and improve processes company-wide. These efforts include investments in proven technologies backed with standardized processes that will change the way we plan, schedule, and execute work in the field and how we engage and provide service to our customers. Taken together, all of our optimization initiatives will prioritize safety and continue to optimize our long-term growth profile. We are making progress towards our transformation goals with a successful completion of the first phase of our WAM program, an enterprise resource planning system that will optimize the scheduling, dispatch, and execution of our field operations. This phase of the program implemented the solution within our electric distribution and transmission operations, while the remaining phases associated with gas distribution and generation operations are anticipated to be completed by the end of 2025.

Economic Environment: We continue to monitor risks related to order and delivery lead times for construction and other materials, potential unavailability of materials due to global shortages in raw materials, and decreased construction labor productivity in the event of disruptions in the availability of materials. We continue to see increasing prices associated with certain materials and supplies. To the extent that work plan delays occur or our costs increase, our business operations, results

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSOURCE INC.

of operations, cash flows, and financial condition could be materially adversely affected. Refer to Item 1A. Risk Factors, "Financial, Economic and Market Risks" of this Annual Report on Form 10-K for further detail.

We are faced with increased competition for employee and contractor talent in the current labor market which has resulted in increased costs to attract and retain talent. We are ensuring that we use all internal human capital programs (development, leadership enablement programs, succession, performance management) to promote retention of our current employees along with having a competitive and attractive appeal for potential recruits. With a focus on workforce planning, we are evaluating our future talent footprint by creating flexible work arrangements where possible to support a broader talent footprint for sourcing needed talent. Refer to Item 1A. Risk Factors, "Operational Risks" of this Annual Report on Form 10-K for further detail.

The market price of natural gas was stable during 2024 and was very close to levels seen in 2023. Similar to natural gas pricing, electric commodity costs have remained stable due to available supplies of natural gas and coal and the growing influence of renewable generation on power market pricing. Changes in commodity prices do not have a material impact on our results of operations, however higher commodity prices can impact our cash flows and liquidity. For more information on our commodity price impacts, see Item 1A. Risk Factors, "Operational Risks" of this Annual Report on Form 10-K, "Results and Discussion of Segment Operations - Columbia Operations," "Results and Discussion of Segment Operations - NIPSCO Operations," and "Market Risk Disclosures."

We continue to evaluate our financing plan to manage interest expense and exposure to rates. For more information on interest rate risk, see "Market Risk Disclosures" and Item 1A. Risk Factors, "Financial, Economic and Market Risks" of this Annual Report on Form 10-K.

NIPSCO Minority Interest Transaction: On December 31, 2023, contemporaneously with the closing of the NIPSCO Minority Interest Transaction, Blackstone, NIPSCO Holdings I, NIPSCO Holdings II, and NiSource entered into an Amended and Restated Limited Liability Company Agreement (the "LLC Agreement") of NIPSCO Holdings II. On January 31, 2024, BIP transferred a 4.5% equity interest in NIPSCO Holdings II to BIP Blue Buyer VCOC L.L.C., a Delaware limited liability company and also an affiliate of Blackstone. Effective upon the closing of this transfer, the members of NIPSCO Holdings II entered into a Second Amended and Restated Limited Liability Company Operating Agreement of NIPSCO Holdings II (the "Amended LLC Agreement"). The two affiliates of Blackstone must vote their equity holdings under the Amended LLC Agreement as one investor. Refer to Note 4, "Noncontrolling Interests," in the Notes to the Consolidated Financial Statements for more information on this transaction.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
NiSOURCE INC.
Summary of Consolidated Financial Results

A summary of our consolidated financial results for the years ended December 31, 2024, 2023 and 2022, are presented below:

Year Ended December 31, (in millions, except per share amounts)	Favorable (Unfavorable)					
	2024	2023	2022	2024 vs. 2023	2023 vs. 2022	
Operating Revenues	\$ 5,455.1	\$ 5,505.4	\$ 5,850.6	\$ (50.3)	\$ (345.2)	
Operating Expenses						
Cost of energy	1,132.2	1,533.3	2,110.5	401.1	577.2	
Other Operating Expenses	2,867.4	2,676.6	2,474.3	(190.8)	(202.3)	
Total Operating Expenses	3,999.6	4,209.9	4,584.8	210.3	374.9	
Operating Income	1,455.5	1,295.5	1,265.8	160.0	29.7	
Total Other Deductions, Net	(452.7)	(481.6)	(309.4)	28.9	(172.2)	
Income Taxes	158.1	139.5	164.6	(18.6)	25.1	
Net Income	844.7	674.4	791.8	170.3	(117.4)	
Net (loss) income attributable to noncontrolling interest	84.3	(39.9)	(12.3)	(124.2)	27.6	
Net Income attributable to NiSource	760.4	714.3	804.1	46.1	(89.8)	
Preferred dividends and redemption premium	(20.7)	(52.6)	(55.1)	31.9	2.5	
Net Income Available to Common Shareholders	739.7	661.7	749.0	78.0	(87.3)	
Basic Earnings Per Share	\$ 1.63	\$ 1.59	\$ 1.84	\$ 0.04	\$ (0.25)	
Diluted Earnings Per Share	\$ 1.62	\$ 1.48	\$ 1.70	\$ 0.14	\$ (0.22)	

The majority of the costs of energy in both segments are tracked costs that are passed through directly to the customer, resulting in an equal and offsetting amount reflected in operating revenues.

The increase in net income available to common shareholders during 2024 was primarily due to higher revenues, net of cost of energy, driven by our continued investment in safety, reliability and low- or zero-emission generation as well as increased AFUDC, reported in Other Deductions, Net, primarily related to NIPSCO's wholly owned Cavalry and Dunns Bridge II projects. The increase in net income available to common shareholders is partially offset by higher depreciation expense attributed to our planned capital expenditures, higher interest expense and higher net income attributable to noncontrolling interest following the consummation of the NIPSCO Minority Interest Transaction. See Note 6, "Equity," for additional information.

For additional information on operating income variance drivers see "Results and Discussion of Operations" for Columbia Operations and NIPSCO Operations in this Management's Discussion.

Other Deductions, Net

The change in Other deductions, net in 2024 compared to 2023 is primarily driven by higher long-term debt interest in 2024 offset by increases in AFUDC. See Note 7, "Short-Term Borrowings," and Note 8, "Long-Term Debt," in the Notes to Consolidated Financial Statements for additional information.

Income Taxes

The increase in income tax expense in 2024 compared to the same period in 2023 is primarily due to higher pre-tax income, partially offset by the tax effect of non-controlling interest. Refer to Note 15, "Income Taxes," in the Notes to Consolidated Financial Statements for additional information on income taxes and the change in the effective tax rate.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSOURCE INC.

RESULTS AND DISCUSSION OF OPERATIONS

Presentation of Segment Information

In response to the NIPSCO Minority Interest Transaction, our operations are now evaluated through two primary reportable segments, Columbia Operations and NIPSCO Operations. Our historical segment disclosures have been recast to be consistent with the current presentation. Columbia Operations aggregates the results of the fully regulated and wholly owned subsidiaries of NiSource Gas Distribution Group, Inc. Each Columbia distribution company is an operating segment which we aggregate to form the Columbia Operations reportable segment. NIPSCO Operations aggregates the results of NIPSCO Holdings I, and its majority-owned subsidiaries, including NIPSCO, which has both fully regulated gas and electric operations in northern Indiana. The remainder of our operations, which are not significant enough on a stand-alone basis to warrant treatment as a reportable segment, are presented as "Corporate and Other" within the Notes to the Consolidated Financial Statements and primarily are comprised of interest expense on holding company debt, and unallocated corporate costs and activities.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
**NiSOURCE INC.
Columbia Operations**

Financial and operational data for the Columbia Operations segment for the years ended December 31, 2024, 2023 and 2022, are presented below:

Year Ended December 31, (in millions)	2024	2023	2022	Favorable (Unfavorable)	
				2024 vs. 2023	2023 vs. 2022
Operating Revenues	\$ 2,716.0	\$ 2,746.1	\$ 2,964.4	\$ (30.1)	\$ (218.3)
Operating Expenses					
Cost of energy	514.7	645.0	978.4	130.3	333.4
Operation and maintenance	837.5	792.3	791.3	(45.2)	(1.0)
Depreciation and amortization	409.1	371.7	329.4	(37.4)	(42.3)
Loss on impairment of assets	2.7	—	—	(2.7)	—
Loss (gain) on sale of assets, net	4.7	—	(103.9)	(4.7)	(103.9)
Other taxes	218.6	198.8	184.2	(19.8)	(14.6)
Total Operating Expenses	1,987.3	2,007.8	2,179.4	20.5	171.6
Operating Income	\$ 728.7	\$ 738.3	\$ 785.0	\$ (9.6)	\$ (46.7)
Revenues					
Residential	\$ 1,891.5	\$ 1,882.8	\$ 1,918.1	\$ 8.7	\$ (35.3)
Commercial	588.4	606.2	674.8	(17.8)	(68.6)
Industrial	145.2	139.5	136.4	5.7	3.1
Off-System	42.6	60.7	192.8	(18.1)	(132.1)
Other	48.3	56.9	42.3	(8.6)	14.6
Total	\$ 2,716.0	\$ 2,746.1	\$ 2,964.4	\$ (30.1)	\$ (218.3)
Sales and Transportation (MMDth)					
Residential	153.2	155.2	180.2	(2.0)	(25.0)
Commercial	121.8	120.4	134.3	1.4	(13.9)
Industrial	277.9	255.3	243.2	22.6	12.1
Off-System	23.8	31.8	32.3	(8.0)	(0.5)
Other	0.2	0.3	0.3	(0.1)	—
Total	576.9	563.0	590.3	13.9	(27.3)
Heating Degree Days	4,262	4,373	5,195	(111)	(822)
Normal Heating Degree Days	5,134	5,137	5,137	(3)	—
% (Warmer) Colder than Normal	(17)%	(15)%	1 %		
% (Warmer) Colder than Prior Year	(3)%	(16)%	8 %		
Gas Distribution Customers					
Residential	2,225,564	2,215,293	2,201,999	10,271	13,294
Commercial	188,699	188,561	188,374	138	187
Industrial	1,991	1,986	1,995	5	(9)
Other	5	4	3	1	1
Total	2,416,259	2,405,844	2,392,371	10,415	13,473

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSOURCE INC.

Columbia Operations (continued)

Comparability of operation and maintenance expenses, depreciation and amortization, and other taxes may be impacted by regulatory, depreciation and tax trackers that allow for the recovery in rates of certain costs.

The underlying reasons for changes in our operating revenues and expenses from 2024 to 2023 are presented in the respective tables below.

	Favorable (Unfavorable)	
Changes in Operating Revenues (in millions)	2024 vs 2023	
New rates from base rate proceedings and regulatory capital programs	\$	112.5
The effects of customer growth		6.2
The effects of customer usage		5.9
The effects of weather in 2024 compared to 2023		(5.2)
Other		(4.2)
Change in operating revenues (before cost of energy and other tracked items)	\$	115.2
Operating revenues offset in operating expense		
Lower cost of energy billed to customers		(130.3)
Lower tracker recoveries within operation and maintenance, depreciation, and tax		(15.0)
Total change in operating revenues	\$	(30.1)

Weather

In general, we calculate the weather-related revenue variance based on changing customer demand driven by weather variance from normal heating degree days, net of weather normalization mechanisms. Our composite heating degree days reported do not directly correlate to the weather-related dollar impact on the results of Columbia Operations. Heating degree days experienced during different times of the year or in different operating locations may have more or less impact on volume and dollars depending on when and where they occur. When the detailed results are combined for reporting, there may be weather-related dollar impacts on operations when there is not an apparent or significant change in our aggregated composite heating degree day comparison.

Throughput

The increase in total volumes sold and transported in 2024 compared to 2023 of 13.9 MMDth is primarily attributable to the increased industrial usage offset by off-system sales.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NISOURCE INC.

Columbia Operations (continued)

Commodity Price Impact

Cost of energy for the Columbia Operations segment is principally comprised of the cost of natural gas procured on behalf of and sold to customers while providing transportation and distribution services. All of our Columbia Operations companies have state-approved recovery mechanisms that provide a means for full recovery of prudently incurred gas costs. These are tracked costs that are passed through directly to the customer, and the gas costs included in revenues are matched with the gas cost expense recorded in the period. Any difference in actual costs incurred and amounts billed to customers is recorded on the Consolidated Balance Sheets as under-recovered or over-recovered gas cost to be included in future customer billings. Therefore, increases in these tracked operating expenses are offset by increases in operating revenues and have essentially no impact on net income. Certain Columbia Operations companies continue to offer choice opportunities, where customers can choose to purchase gas from a third-party supplier, through regulatory initiatives in their respective jurisdictions.

	Favorable (Unfavorable)	
Changes in Operating Expenses (in millions)	2024 vs 2023	
Higher employee related expenses	\$	(47.5)
Higher depreciation and amortization expense		(37.4)
Higher property tax		(17.2)
Loss on sale of assets and impairments		(7.4)
Higher materials and supplies expense		(7.0)
Other		(8.3)
Change in operating expenses (before cost of energy and other tracked items)	\$	(124.8)
Operating expenses offset in operating revenue		
Lower cost of energy billed to customers		130.3
Higher tracker recoveries within operation and maintenance, depreciation, and tax		15.0
Total change in operating expense	\$	20.5

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
NiSOURCE INC.
NIPSCO Operations

Financial and operational data for the NIPSCO Operations segment, which services both gas and electric customers, for the years ended December 31, 2024, 2023 and 2022, are presented below:

Year Ended December 31, <i>(in millions)</i>	2024	2023	2022	Favorable (Unfavorable)	
				2024 vs. 2023	2023 vs. 2022
NIPSCO Operations					
Operating Revenues	\$ 2,752.0	\$ 2,771.6	\$ 2,887.1	\$ (19.6)	\$ (115.5)
Operating Expenses					
Cost of energy	617.5	888.3	1,132.1	270.8	243.8
Operation and maintenance	761.4	787.7	740.4	26.3	(47.3)
Depreciation and amortization	590.3	493.8	449.4	(96.5)	(44.4)
Loss on impairment of assets	0.4	—	—	(0.4)	—
Loss (gain) on sale of assets, net	(1.7)	2.2	—	3.9	(2.2)
Other taxes	64.3	57.9	72.1	(6.4)	14.2
Total Operating Expenses	2,032.2	2,229.9	2,394.0	197.7	164.1
Operating Income	\$ 719.8	\$ 541.7	\$ 493.1	\$ 178.1	\$ 48.6

Year Ended December 31, <i>(in millions)</i>	2024	2023	2022	Favorable (Unfavorable)	
				2024 vs. 2023	2023 vs. 2022
NIPSCO Electric					
Revenues					
Residential	\$ 649.9	\$ 583.9	\$ 592.4	\$ 66.0	\$ (8.5)
Commercial	620.4	578.1	571.0	42.3	7.1
Industrial	500.0	475.0	561.4	25.0	(86.4)
Wholesale	38.3	32.0	13.5	6.3	18.5
Other	105.0	116.0	93.4	(11.0)	22.6
Total	\$ 1,913.6	\$ 1,785.0	\$ 1,831.7	\$ 128.6	\$ (46.7)
Sales (GWh)					
Residential	3,404.9	3,262.9	3,482.9	142.0	(220.0)
Commercial	3,697.9	3,614.2	3,682.4	83.7	(68.2)
Industrial	7,984.8	7,820.3	7,915.3	164.5	(95.0)
Wholesale	889.7	556.4	50.0	333.3	506.4
Other	85.2	78.9	89.5	6.3	(10.6)
Total	16,062.5	15,332.7	15,220.1	729.8	112.6
Cooling Degree Days	903	710	942	193	(232)
Normal Cooling Degree Days	852	831	831	21	—
% Warmer (Colder) than Normal	6 %	(15)%	13 %		
% Warmer (Colder) than prior year	27 %	(25)%	(8)%		
NIPSCO Electric Customers					
Residential	430,648	427,217	424,735	3,431	2,482
Commercial	59,214	58,779	58,374	435	405
Industrial	2,121	2,126	2,130	(5)	(4)
Wholesale	705	708	710	(3)	(2)
Other	2	3	3	(1)	—
Total	492,690	488,833	485,952	3,857	2,881

ITEM 7. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
NiSOURCE INC.
NIPSCO Operations

Year Ended December 31, (in millions)	2024	2023	2022	Favorable (Unfavorable)	
				2024 vs. 2023	2023 vs. 2022
NIPSCO Gas					
Revenues					
Residential	\$ 540.9	\$ 634.9	\$ 691.5	\$ (94.0)	\$ (56.6)
Commercial	202.4	249.1	267.6	(46.7)	(18.5)
Industrial	79.0	86.9	85.1	(7.9)	1.8
Other	16.1	15.7	11.2	0.4	4.5
Total	\$ 838.4	\$ 986.6	\$ 1,055.4	\$ (148.2)	\$ (68.8)
Sales and Transportation Volumes (MMDth)					
Residential	58.2	60.3	68.8	(2.1)	(8.5)
Commercial	42.5	43.9	47.0	(1.4)	(3.1)
Industrial	256.8	261.8	247.5	(5.0)	14.3
Total	357.5	366.0	363.3	(8.5)	2.7
Heating Degree Days	4,975	5,198	6,133	(223)	(935)
Normal Heating Degree Days	6,001	5,954	5,985	47	(31)
% (Warmer) Colder than Normal	(17)%	(13)%	2 %		
% (Warmer) Colder than prior year	(4)%	(15)%	10 %		
NIPSCO Gas Customers					
Residential	801,740	795,656	789,914	6,084	5,742
Commercial	66,633	66,305	66,062	328	243
Industrial	2,734	2,808	2,875	(74)	(67)
Total	871,107	864,769	858,851	6,338	5,918

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSOURCE INC.

NIPSCO Operations (continued)

Comparability of operation and maintenance expenses and depreciation and amortization may be impacted by regulatory and depreciation trackers that allow for the recovery in rates of certain costs.

The underlying reasons for changes in our operating revenues and expenses from 2024 to 2023 are presented in the respective tables below.

	Favorable (Unfavorable)	
Changes in Operating Revenues (in millions)	2024 vs 2023	
New rates from base rate proceedings, regulatory capital, and DSM programs	\$	238.4
Renewable Joint Venture revenue, fully offset by Joint Venture operating expense and noncontrolling interest net income (loss)		17.5
The effects of customer usage		11.9
The effects of customer growth		11.2
Decreased fuel handling costs		9.7
Other		(6.2)
Change in operating revenues (before cost of energy and other tracked items)	\$	282.5
Operating revenues offset in operating expense		
Lower cost of energy billed to customers		(270.8)
Lower tracker deferrals within operation and maintenance, depreciation and tax		(32.4)
Reduction in gross receipts tax, offset in operating expenses		1.1
Total change in operating revenues	\$	(19.6)

Weather

The results of operations for the NIPSCO Operations segment include income from both electric and gas service lines. In general, we calculate the weather-related revenue variance based on changing customer demand driven by weather variance from normal cooling degree days and normal heating degree days, net of weather normalization mechanisms. Our composite cooling and heating degree days reported do not directly correlate to the weather-related dollar impact on the results of NIPSCO Operations. Cooling and heating degree days experienced during different times of the year or in different operating locations may have more or less impact on volume and dollars depending on when they occur. When the detailed results are combined for reporting, there may be weather-related dollar impacts on operations when there is not an apparent or significant change in our aggregated composite cooling and heating degree day comparison.

Sales

The increase in total volumes sold to electric customers for twelve months ended December 31, 2024 compared to the same period in 2023 was primarily attributable to increased usage by wholesale, industrial, and residential customers. NIPSCO Electric results remains closely linked to the performance of the steel industry. MWh sales to steel-related industries accounted for approximately 49.4% and 49.6% of the total industrial MWh sales for the years ended December 31, 2024 and 2023, respectively.

The decrease in total volumes sold to gas customers for the twelve months ended December 31, 2024 compared to the same period in 2023 was primarily attributable to decreased usage by industrial customers.

Commodity Price Impact

Cost of energy for the NIPSCO Operations segment's electric activities is principally comprised of the cost of coal, natural gas purchased for internal generation of electricity, transportation of coal and natural gas, and the cost of power purchased from generators of electricity for its generation and transmission activities. For its gas distribution activities, NIPSCO Operations' cost of energy is principally comprised of the cost of natural gas procured on behalf of and sold to customers while providing transportation and distribution services. NIPSCO Operations has a state-approved recovery mechanism that provides a means for full recovery of prudently incurred costs of energy. The majority of these costs of energy are passed through directly to the customer, and the costs of energy included in operating revenues are matched with the cost of energy expense recorded in the period. Any difference in actual costs incurred and amounts billed to customers is recorded on the Consolidated Balance Sheets

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
NiSOURCE INC.
NIPSCO Operations (continued)

as under-recovered or over-recovered fuel and gas cost to be included in future customer billings. Therefore, increases in these tracked operating expenses are offset by increases in operating revenues and have essentially no impact on net income.

	Favorable (Unfavorable)	
Changes in Operating Expenses (in millions)	2024 vs 2023	
Higher depreciation and amortization expense driven by new base rates	\$	(91.1)
Higher employee and administrative expenses		(21.8)
Higher outside services expenses		(8.6)
Higher environmental remediation costs		(4.7)
Lower materials and supplies		8.9
Renewable Joint Venture operating expense, partially offset by Joint Venture operating revenues		7.6
Other		5.3
Change in operating expenses (before cost of energy and other tracked items)	\$	(104.4)
Operating expenses offset in operating revenue		
Lower cost of energy billed to customers		270.8
Higher tracker deferrals within operation and maintenance, depreciation and tax		32.4
Reduction in gross receipts tax, offset in operating revenues		(1.1)
Total change in operating expense	\$	197.7

Electric Supply and Generation Transition

NIPSCO continues to execute on an electric generation transition consistent with the 2018 Plan and 2021 Plan and maintained in the 2024 Plan, which outlines the path to retire the remaining two coal units at R.M. Schahfer by the end of 2025 and the remaining coal-fired generation at Michigan City by the end of 2028, to be replaced by lower-cost, reliable and cleaner options. See "Liquidity and Capital Resources" in this Management's Discussion for additional information on our capital investment spend.

NIPSCO continues to await EPA decision on an administrative approval associated with the operation of R.M. Schahfer's remaining two coal units, which are expected to be retired by the end of 2025. In the event that the approval is not obtained, future operations could be impacted. We cannot estimate the financial impact on us if this approval is not obtained. Refer to Item 1A. Risk Factors, "Operational Risks," of this Annual Report on Form 10-K for further detail.

The current replacement plan primarily includes renewable sources of energy, including wind, solar, battery storage, and flexible natural gas resources to be obtained through a combination of NIPSCO ownership and PPAs. NIPSCO has sold, and may in the future sell, renewable energy credits from its renewable generation to third parties to offset customer costs. NIPSCO has executed several PPAs to purchase 100% of the output from renewable generation facilities at a fixed price per MWh. Each facility supplying the energy will have an associated nameplate capacity, and payments under the PPAs will not begin until the associated generation facility is constructed by the owner/seller. NIPSCO has also executed several BTAs with developers to construct renewable generation facilities.

Since 2020, two wind PPA projects and six owned projects (two wind, two solar and two solar plus storage) have been placed into service totaling 2,201 MW of nameplate capacity, including Dunns Bridge II which was placed into service in January 2025. NIPSCO has executed commercial agreements for each of the six remaining identified projects. Fairbanks, Gibson, Green River, Appleseed and Carpenter have received IURC approval. The Templeton Wind project previously received approval as a PPA, however, NIPSCO has contracted with a developer to convert the PPA to a BTA and has provided a notice of intent to file a CPCN with the IURC. In January 2024, the IURC approved increases to the project costs as well as the full ownership of Cavalry and Dunns Bridge II. In August 2024, the IURC approved full ownership of Gibson and Fairbanks as well as increases to the cost of the Fairbanks project. In October 2024, the IURC approved the CPCN for NIPSCO's planned gas peaking facility to be located at the R.M. Schahfer Generating Station. See "Executive Summary - Energy Transition" in this Management's

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)**NiSOURCE INC.****NIPSCO Operations (continued)**

Discussion for additional information. We expect our remaining contracted BTA and PPA projects to be placed in service between 2025 and 2027.

Remaining Renewables Projects	Transaction Type	Technology	Nameplate Capacity (MW)	Storage Capacity (MW)
Fairbanks	BTA	Solar	250	—
Gibson	BTA	Solar	200	—
Templeton	BTA ⁽¹⁾	Wind	200	—
Green River	20 year PPA	Solar	200	—
Appleseed	20 year PPA	Solar	200	—
Carpenter	20 year PPA	Wind	200	—

⁽¹⁾ Pending regulatory approval.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)**NiSOURCE INC.****Liquidity and Capital Resources**

We continually evaluate the availability of adequate financing to fund our ongoing business operations, working capital and core safety and infrastructure investment programs. Our financing is sourced through cash flow from operations and the issuance of debt and/or equity. External debt financing is provided primarily through the issuance of long-term debt, accounts receivable securitization programs and our \$1.85 billion commercial paper program, which is backstopped by our committed revolving credit facility with a total availability from third-party lenders of \$1.85 billion. Sources of financing activities for the current year are as follows:

- On December 31, 2023, we consummated the NIPSCO Minority Interest Transaction in exchange for a capital contribution of \$2.16 billion in cash.
- On January 3, 2024, we applied the proceeds from the NIPSCO Minority Interest Transaction and repaid in full our \$1.0 billion term credit agreement and our \$650.0 million term credit agreement.
- On February 22, 2024, we entered into an ATM equity program that provides an opportunity to issue and sell shares of our common stock up to an aggregate issuance of \$900.0 million through December 31, 2025. As of December 31, 2024, the ATM program had approximately \$297.7 million of equity available for issuance.
- On March 14, 2024, we completed the issuance and sale of \$650.0 million of 5.350% senior unsecured notes maturing in 2034, which resulted in approximately \$642.6 million of net proceeds after discount and debt issuance costs.
- On March 15, 2024, we redeemed all 20,000 outstanding shares of Series B Preferred Stock for a redemption price of \$25,000 per share and all 20,000 outstanding shares of Series B-1 Preferred Stock for a redemption price of \$0.01 per share or \$500.0 million in total.
- On May 16, 2024, we completed the issuance and sale of \$500.0 million of 6.950% fixed-to-fixed reset rate junior subordinated notes maturing in 2054, which resulted in approximately \$493.4 million of net proceeds after debt issuance costs.
- On June 24, 2024, we completed the issuance and sale of \$600.0 million of 5.200% senior unsecured notes maturing in 2029, which resulted in approximately \$593.7 million of net proceeds after discount and debt issuance costs.
- On September 9, 2024, we completed the issuance and sale of \$500.0 million of 6.375% fixed-to-fixed reset rate junior subordinated notes maturing in 2055, which resulted in approximately \$493.6 million of net proceeds after debt issuance costs.

See Note 4, "Noncontrolling Interests," Note 6, "Equity," Note 7, "Short-Term Borrowings," and Note 8, "Long-Term Debt," in the Notes to the Consolidated Financial Statements for more information.

We believe these sources provide adequate capital to fund our operating activities and capital expenditures in 2025 and beyond.

Operating Activities

Net cash from operating activities for the year ended December 31, 2024 was \$1,781.5 million, a decrease of \$153.6 million from 2023. This decrease in cash from operating activities was primarily driven by year over year change in accounts receivable collections and exchange gas receivables due to the impact of lower gas prices, offset by a year over year increase in revenue, net of cost of energy and higher accounts payables due to increased gas purchases.

Investing Activities

Net cash used for investing activities for the year ended December 31, 2024 was \$3,213.0 million, a decrease of \$358.6 million from 2023. Lower current year investing activities were primarily driven by lower milestone payments to renewable generation asset developers for certain of our BTA projects in 2024 compared to 2023.

ITEM 7. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
NiSOURCE INC.

Capital Expenditures. The table below reflects actual capital expenditures and certain other investing activities by segment for 2024.

<i>(in millions)</i>	Actual 2024
Columbia Operations	
System Growth and Tracker	\$ 923.0
Maintenance	286.0
Total Columbia Operations	1,209.0
NIPSCO Operations	
System Growth and Tracker	754.0
Maintenance	492.0
Generation Transition Investments	1,006.4
Total NIPSCO Operations	2,252.4
Corporate and Other Operations - Maintenance ⁽¹⁾	231.1
Total Capital Expenditures ⁽²⁾	\$ 3,692.5

⁽¹⁾ Certain amounts may subsequently be allocated out of Corporate and Other Maintenance Costs to the Columbia Operations and NIPSCO Operations segments when placed in service.

⁽²⁾ Amounts differ from those presented on the Statements of Consolidated Cash Flows primarily due to the capitalized portion of the Corporate Incentive Plan payout, inclusion of capital expenditures included in current liabilities and AFUDC Equity.

In addition to these capital expenditures, we made \$29.0 million of advanced deposits for project costs related to the construction of the R.M. Schahfer gas peaker as part of our generation transition and invested \$65.7 million in deferred cloud computing costs in 2024. We also made \$454.2 million of capital investments in the form of milestone payments to the renewable generation asset developers in 2023 that were recognized in capital expenditures in 2024.

We expect to make capital investments totaling approximately \$19.4 billion during the 2025-2029 period related to infrastructure modernization, generation transition and customer growth. This forecast incorporates an estimated \$1.6 billion of additional investment in renewable generation projects.

<i>(in billions)</i>	2024 Actual	2025 Estimated	2026 Estimated	2027 Estimated	2028 Estimated	2029 Estimated
Capital Investments	\$3.3	\$4.0 - 4.3	\$3.4 - 3.7	\$3.6 - 3.9	\$3.7 - 4.0	\$3.8 - 4.1

Regulatory Capital Programs. We are in the process of upgrading and modernizing our electric system to enhance safety and reliability by addressing aged infrastructure and deploying advanced grid technologies. We are also upgrading and modernizing our gas infrastructure to enhance safety and reliability by reducing leaks. An ancillary benefit of these programs is the reduction of GHG emissions. In 2024, we continued to move forward on core infrastructure and environmental investment programs supported by complementary regulatory and customer initiatives across all six states of our operating area.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
NISOURCE INC.

The following table describes the most recent vintage of our regulatory programs to recover infrastructure replacement and other federally mandated compliance investments:

(in millions)

Company	Program	Capital Investment	Investment Period	Filing Date	Costs Covered ⁽¹⁾
Approved					
Columbia of Pennsylvania ⁽²⁾	DSIC - Q4 2024	\$ 180.1	2/24-8/24	9/20/2024	Eligible project costs including piping, couplings, gas service lines, excess flow valves, risers, meter bars, meters, and other related capitalized investments to improve the distribution system.
Columbia of Ohio	IRP - 2024	\$ 753.5	4/21-12/23	2/26/2024	Replacement of hazardous service lines, cast iron, wrought iron, uncoated steel, and bare steel pipe.
Columbia of Ohio	PHMSA IRP - 2024	\$ 14.6	1/23-12/23	2/28/2024	Investments necessary to comply with the PHMSA Mega Rule.
Columbia of Ohio	CEP - 2024	\$ 763.3	4/21-12/23	2/26/2024	Assets not included in the IRP or PHMSA IRP.
Columbia of Virginia	SAVE - 2025	\$ 89.0	10/24-12/25	8/15/2024	Replacement projects that (1) enhance system safety or reliability, or (2) reduce, or potentially reduce, greenhouse gas emissions. Includes costs associated with Advanced Leak Detection and Repair.
Columbia of Kentucky	SMRP - 2024	\$ 81.9	1/23-12/24	10/13/2023	Replacement of mains and inclusion of system safety investments.
NIPSCO - Electric	TDSIC - 5	\$ 346.9	7/22-3/24	5/28/2024	New or replacement projects undertaken for the purpose of safety, reliability, system modernization or economic development.
NIPSCO - Gas	TDSIC - 8	\$ 8.3	1/23-2/24	4/30/2024	New or replacement projects undertaken for the purpose of safety, reliability, system modernization or economic development.
NIPSCO - Gas	FMCA - 3	\$ 27.0	1/23-6/24	8/27/2024	Project costs to comply with federal mandates.
Pending Commission Approval ⁽³⁾					
Columbia of Kentucky ⁽⁴⁾	SMRP - 2025	\$ 128.5	1/23-12/25	10/15/2024	Replacement of mains and inclusion of system safety investments.
NIPSCO - Electric	TDSIC - 6	\$ 555.0	7/22-9/24	11/26/2024	New or replacement projects undertaken for the purpose of safety, reliability, system modernization or economic development.
NIPSCO - Electric ⁽⁵⁾	GCT - 1	\$ 149.9	9/23-10/25	12/16/2024	New gas peaker generation project costs forecasted through the requested billing period May – Oct. 2025.

⁽¹⁾Programs do not include any costs already included in base rates.

⁽²⁾Rate decreased to zero on December 14, 2024 with the implementation of new base rates resulting from Columbia of Pennsylvania's 2024 Rate Case.

⁽³⁾On July 30, 2024, CMD filed an application for approval of a new five-year STRIDE. On December 30, 2024, the filing was withdrawn.

⁽⁴⁾Rates went into effect January 2, 2025, subject to refund.

⁽⁵⁾Capital investment is based off of a projected amount. The capital investment has not all been incurred to date and represents a forecasted average for the billing period.

Refer to Note 12, "Regulatory Matters," in the Notes to Consolidated Financial Statements for a further discussion of regulatory developments during 2024.

Financing Activities

Common Stock, Preferred Stock and Equity Unit Sale. Refer to Note 6, "Equity," in the Notes to Consolidated Financial Statements for information on common stock, preferred stock and equity units activity.

Short-term Debt. Refer to Note 7, "Short-Term Borrowings," in the Notes to Consolidated Financial Statements for information on short-term debt.

Long-term Debt. Refer to Note 8, "Long-Term Debt," in the Notes to Consolidated Financial Statements for information on long-term debt.

Non-controlling Interest. Refer to Note 4, "Noncontrolling Interests," in the Notes to Consolidated Financial Statements for more information.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
NiSOURCE INC.
Sources of Liquidity

The following table displays our liquidity position as of December 31, 2024 and 2023:

Year Ended December 31, (in millions)	2024	2023
Current Liquidity		
Revolving Credit Facility	\$ 1,850.0	\$ 1,850.0
Accounts Receivable Programs ⁽¹⁾	175.0	383.9
Less:		
Commercial Paper	604.6	1,061.0
Accounts Receivable Programs Utilized	—	337.6
Letters of Credit Outstanding Under Credit Facility	9.4	9.9
Add:		
Cash and Cash Equivalents	156.6	2,245.4
Net Available Liquidity	\$ 1,567.6	\$ 3,070.8

⁽¹⁾Represents the lesser of the seasonal limit or maximum borrowings supportable by the underlying receivables.

Debt Covenants. We are subject to a financial covenant under our revolving credit facility which requires us to maintain a debt to capitalization ratio that does not exceed 70%. As of December 31, 2024, the ratio was 52.6%.

Credit Ratings. The credit rating agencies periodically review our ratings, taking into account factors such as our capital structure and earnings profile. The following table includes our and NIPSCO's credit ratings and ratings outlook as of December 31, 2024. There have been no changes to our credit ratings or outlooks since February 2020.

A credit rating is not a recommendation to buy, sell or hold securities, and may be subject to revision or withdrawal at any time by the assigning rating organization.

	S&P		Moody's		Fitch	
	Rating	Outlook	Rating	Outlook	Rating	Outlook
NiSource	BBB+	Stable	Baa2	Stable	BBB	Stable
NIPSCO	BBB+	Stable	Baa1	Stable	BBB	Stable
Commercial Paper	A-2	Stable	P-2	Stable	F2	Stable

Certain of our subsidiaries have agreements that contain "ratings triggers" that require increased collateral if our credit ratings or the credit ratings of certain of our subsidiaries are below investment grade. These agreements are primarily for insurance purposes and for the physical purchase or sale of power. As of December 31, 2024, a collateral requirement of approximately \$115.5 million would be required in the event of a downgrade below investment grade. In addition to agreements with ratings triggers, there are other agreements that contain "adequate assurance" or "material adverse change" provisions that could necessitate additional credit support such as letters of credit and cash collateral to transact business.

Equity. Our authorized capital stock consists of 770,000,000 shares, \$0.01 par value, of which 750,000,000 are common stock and 20,000,000 are preferred stock. As of December 31, 2024, 469,822,472 shares of common stock were outstanding. For more information regarding our common and preferred stock, see Note 6, "Equity," in the Notes to Consolidated Financial Statements.

Contractual Obligations, Cash Requirements and Off-Balance Sheet Arrangements

We have certain contractual obligations requiring payments at specified periods. Our material cash requirements are detailed below. We intend to use funds from the liquidity sources referenced above to meet these cash requirements.

At December 31, 2024, we had \$13,355.7 million in long-term debt, of which \$1,281.2 million is current and \$604.6 million in short-term borrowings outstanding.

During 2025 and 2026, we expect to make cash payments of \$685.5 million and \$631.2 million, respectively, related to pipeline service obligations including demand for gas transportation, gas storage and gas purchases, and \$140.5 million and \$24.9 million, respectively, for long lead time items related to plant equipment purchases.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NISOURCE INC.

Our expected payments include employer contributions to pension and other postretirement benefits plans expected to be made in 2025. Plan contributions beyond 2025 are dependent upon a number of factors, including actual returns on plan assets, which cannot be reliably estimated at this time. In 2025, we expect to make contributions of approximately \$2.3 million to our pension plans and approximately \$21.3 million to our postretirement medical and life plans. Refer to Note 16, "Pension and Other Postemployment Benefits," in the Notes to Consolidated Financial Statements for more information.

We cannot reasonably estimate the settlement amounts or timing of cash flows related to certain of our long-term obligations classified as "Total Other Liabilities" on the Consolidated Balance Sheets.

We have uncertain income tax positions for which we are unable to predict when the matters will be resolved. Refer to Note 15, "Income Taxes," in the Notes to Consolidated Financial Statements for more information.

NIPSCO has executed several PPAs to purchase 100% of the output from renewable generation facilities at a fixed price per MWh. NIPSCO has also executed several BTAs with developers to construct renewable generation facilities. See Note 19, "Other Commitments and Contingencies - A. Contractual Obligations," and Note 19, "Other Commitments and Contingencies - E. Other Matters," in the Notes to Consolidated Financial Statements for additional information.

In addition, we, along with certain of our subsidiaries, enter into various agreements providing financial or performance assurance to third parties on behalf of certain subsidiaries. Such agreements include guarantees and stand-by letters of credit.

Refer to Note 19, "Other Commitments and Contingencies," in the Notes to Consolidated Financial Statements for additional information regarding our contractual obligations over the next 5 years and thereafter and our off-balance sheet arrangements.

Market Risk Disclosures

Risk is an inherent part of our businesses. The extent to which we properly and effectively identify, assess, monitor and manage each of the various types of risk involved in our businesses is critical to our profitability. We seek to identify, assess, monitor and manage, in accordance with defined policies and procedures, the following principal market risks that are involved in our businesses: commodity price risk, interest rate risk and credit risk. We manage risk through a multi-faceted process with oversight by the Risk Management Committee that requires constant communication, judgment and knowledge of specialized products and markets. Our senior management takes an active role in the risk management process and has developed policies and procedures that require specific administrative and business functions to assist in the identification, assessment and control of various risks. These may include, but are not limited to market, operational, financial, compliance and strategic risk types. In recognition of the increasingly varied and complex nature of the energy business, our risk management process, policies and procedures continue to evolve and are subject to ongoing review and modification.

Commodity Price Risk

Our gas and electric subsidiaries have commodity price risk primarily related to the purchases of natural gas and power. To manage this market risk, our subsidiaries use derivatives, including commodity futures contracts, swaps, forwards and options. We do not participate in speculative energy trading activity.

Commodity price risk resulting from derivative activities at our rate-regulated subsidiaries is limited and does not bear significant exposure to earnings risk, since our current regulatory mechanisms allow recovery of prudently incurred purchased power, fuel and gas costs through the rate-making process, including gains or losses on these derivative instruments. These changes are included in the GCA and FAC regulatory rate-recovery mechanisms. If these mechanisms were to be adjusted or eliminated, these subsidiaries may begin providing services without the benefit of the traditional rate-making process and may be more exposed to commodity price risk. For additional information, see "Results and Discussion of Operations" in this Management's Discussion.

Our subsidiaries are required to make cash margin deposits with their brokers to cover actual and potential losses in the value of outstanding exchange traded derivative contracts. The amount of these deposits, some of which are reflected in our restricted cash balance, may fluctuate significantly during periods of high volatility in the energy commodity markets.

Refer to Note 13, "Risk Management Activities," in the Notes to Consolidated Financial Statements for further information on our commodity price risk assets and liabilities as of December 31, 2024 and 2023.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSOURCE INC.

Interest Rate Risk

We are exposed to interest rate risk as a result of changes in interest rates on borrowings under our revolving credit agreement, commercial paper program, and accounts receivable programs, which have interest rates that are indexed to short-term market interest rates. Based upon average borrowings and debt obligations subject to fluctuations in short-term market interest rates, an increase (or decrease) in short-term interest rates of 100 basis points (1%) would have increased (or decreased) interest expense by \$7.9 million and \$18.9 million for 2024 and 2023, respectively. We are also exposed to interest rate risk as a result of changes in benchmark rates that can influence the interest rates of future long-term debt issuances. From time to time, we may enter into forward interest rate instruments to lock in long term interest costs and/ or rates.

Credit Risk

Due to the nature of the industry, credit risk is embedded in many of our business activities. Our extension of credit is governed by a Corporate Credit Risk Management Policy which establishes guidelines for documenting management approval levels for credit limits, evaluating creditworthiness, and credit risk mitigation efforts. Exposures to credit risks are monitored by the risk management function, which is independent of commercial operations. Credit risk arises due to the possibility that a customer, supplier or counterparty will not be able or willing to fulfill its obligations on a transaction on or before the settlement date. For derivative-related contracts, credit risk arises when counterparties are obligated to deliver or purchase defined commodity units of gas or power to us at a future date per execution of contractual terms and conditions. Exposure to credit risk is measured in terms of both current obligations and the market value of forward positions net of any posted collateral such as cash and letters of credit.

The financial status of our banking partners is periodically assessed through traditional credit ratings provided by major credit rating agencies.

Other Information

Critical Accounting Estimates

We apply certain accounting policies in accordance with GAAP, which require that we make estimates and judgments that have had, and may continue to have, significant impacts on our operations and Consolidated Financial Statements. We evaluate our estimates on an ongoing basis. We base our estimates on historical experience and on various other assumptions that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. We believe the following represent the more significant items requiring the use of judgment in preparing our Consolidated Financial Statements:

Basis of Accounting for Rate-Regulated Subsidiaries. ASC Topic 980, *Regulated Operations*, provides that rate-regulated subsidiaries account for and report assets and liabilities consistent with the economic effect of the way in which regulators establish rates, if the rates established are designed to recover the costs of providing the regulated service and if the competitive environment makes it probable that such rates can be billed and collected. Accordingly, certain expenses and credits subject to utility regulation or rate determination normally reflected in income may be deferred on the Consolidated Balance Sheets and recognized in income as the related amounts are included in service rates and recovered from or refunded to customers. For additional information, refer to Note 12, "Regulatory Matters," in the Notes to Consolidated Financial Statements.

In the event that regulation significantly changes the opportunity for us to recover our costs in the future, all or a portion of our regulated operations may no longer meet the criteria for the application of ASC Topic 980, *Regulated Operations*. In such event, a write-down of all or a portion of our existing regulatory assets and liabilities could result. If transition cost recovery is approved by the appropriate regulatory bodies that would meet the requirements under GAAP for continued accounting as regulatory assets and liabilities during such recovery period, the regulatory assets and liabilities would be reported at the recoverable amounts. If we were unable to continue to apply the provisions of ASC Topic 980, *Regulated Operations*, we would be required to apply the provisions of ASC Topic 980-20, *Discontinuation of Rate-Regulated Accounting*. In management's opinion, our regulated subsidiaries will be subject to ASC Topic 980, *Regulated Operations* for the foreseeable future.

Certain of the regulatory assets reflected on our Consolidated Balance Sheets require specific regulatory action in order to be included in future service rates. Although recovery of these amounts is not guaranteed, we believe that these costs meet the requirements for deferral as regulatory assets. If we determine that the amounts included as regulatory assets are no longer probable of recovery, a charge to income would immediately be required to the extent of the unrecoverable amounts.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)**NISOURCE INC.**

One of the more significant items recorded through the application of this accounting guidance is the regulatory overlay for JV accounting. The application of HLBV to consolidated VIEs generally results in the recognition of profit from the related JVs over a time frame that is different from when the regulatory return is earned. In accordance with the principles of ASC 980, we have recognized a regulatory deferral of certain amounts representing the timing difference between the profit earned from the JVs and the amount included in regulated rates to recover our approved investments in consolidated JVs. For additional information, refer to Note 1, "Nature of Operations and Summary of Significant Accounting Policies - S. Noncontrolling Interest," in the Notes to Consolidated Financial Statements.

Pension and Postretirement Benefits. We have defined benefit plans for both pension and other postretirement benefits. The calculation of the net obligations and annual expense related to the plans requires a significant degree of judgment regarding the discount rates to be used in bringing the liabilities to present value, expected long-term rates of return on plan assets, health care trend rates, and mortality rates, among other assumptions. Due to the size of the plans and the long-term nature of the associated liabilities, changes in the assumptions used in the actuarial estimates could have material impacts on the measurement of the net obligations and annual expense recognition. Differences between actuarial assumptions and actual plan results are deferred into AOCI or a regulatory balance sheet account, depending on the jurisdiction of our entity. These deferred gains or losses are then amortized into the income statement when the accumulated differences exceed 10% of the greater of the projected benefit obligation or the fair value of plan assets (known in GAAP as the "corridor" method) or when settlement accounting is triggered.

The discount rates, expected long-term rates of return on plan assets, health care cost trend rates and mortality rates are critical assumptions. Methods used to develop these assumptions are described below. While a third party actuarial firm assists with the development of many of these assumptions, we are ultimately responsible for selecting the final assumptions.

The discount rate is utilized principally in calculating the actuarial present value of pension and other postretirement benefit obligations and net periodic pension and other postretirement benefit plan costs. Our discount rates for both pension and other postretirement benefits are determined using spot rates along an AA-rated above median yield curve with cash flows matching the expected duration of benefit payments to be made to plan participants.

The expected long-term rate of return on plan assets is a component utilized in calculating annual pension and other postretirement benefit plan costs. We estimate the expected return on plan assets by evaluating expected bond returns, equity risk premiums, target asset allocations, the effects of active plan management, the impact of periodic plan asset rebalancing and historical performance. We also consider the guidance from our investment advisors in making a final determination of our expected rate of return on assets. For measurement of 2024 net periodic benefit cost, we selected a weighted-average assumption of the expected pre-tax long-term rate of return of 7.02% and 7.06% for our pension and other postretirement benefit plan assets, respectively. For measurement of 2025 net periodic benefit cost, we selected a weighted-average assumption of the expected pre-tax long-term rate of return of 7.30% and 7.09 % respectively, for our pension and other postretirement benefit plan assets.

We estimate the assumed health care cost trend rate, which is used in determining our other postretirement benefit net expense, based upon our actual health care cost experience, the effects of recently enacted legislation, third-party actuarial surveys and general economic conditions.

We utilize a full yield curve approach to estimate the service and interest components of net periodic benefit cost for pension and other postretirement benefits by applying the specific spot rates along the yield curve used in the determination of the benefit obligation to the relevant projected cash flows. For further discussion of our pension and other postretirement benefits, see Note 16, "Pension and Other Postemployment Benefits," in the Notes to Consolidated Financial Statements.

Typically, we use the Society of Actuaries' most recently published mortality data in developing a best estimate of mortality as part of the calculation of the pension and other postretirement benefit obligations. We adopted Aon's U.S. Endemic Mortality Improvement scale MP-2021, accounting for both the near-term and long-term COVID-19 impacts.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
NiSOURCE INC.

The following tables illustrate the effects of changes in these actuarial assumptions while holding all other assumptions constant:

Change in Assumptions <i>(in millions)</i>	Impact on December 31, 2024 Projected Benefit Obligation Increase/(Decrease)	
	Pension Benefits	Other Postretirement Benefits
+50 basis points change in discount rate	\$ (44.9)	\$ (18.8)
-50 basis points change in discount rate	48.2	20.4

Change in Assumptions <i>(in millions)</i>	Impact on 2024 Expense Increase/(Decrease) ⁽¹⁾	
	Pension Benefits	Other Postretirement Benefits
+50 basis points change in discount rate	\$ (1.6)	\$ 0.3
-50 basis points change in discount rate	1.6	0.4
+50 basis points change in expected long-term rate of return on plan assets	(6.8)	(1.2)
-50 basis points change in expected long-term rate of return on plan assets	6.8	1.2

⁽¹⁾Before labor capitalization and regulatory deferrals.

Goodwill and Other Intangible Assets. We have six goodwill reporting units, comprised of the six state operating companies within both the Columbia Operations and NIPSCO Operations reportable segments. Our goodwill assets at December 31, 2024 were \$1,485.9 million, most of which resulted from the acquisition of Columbia on November 1, 2000.

As required by GAAP, we test for impairment of goodwill on an annual basis and on an interim basis when events or circumstances indicate that a potential impairment may exist. Our annual goodwill test takes place in the second quarter of each year and was performed on May 1, 2024. A quantitative ("step 1") test was completed on May 1, 2024 for all reporting units. Consistent with our historical impairment testing of goodwill, fair value of the reporting units was determined based on a weighting of income and market approaches. These approaches require significant judgments including appropriate long-term growth rates and discount rates for the income approach and appropriate multiples of earnings for peer companies and control premiums for the market approach. The discount rates were derived using peer company data compiled with the assistance of a third party valuation services firm. The discount rates used are subject to change based on changes in tax rates at both the state and federal level, debt and equity ratios at each reporting unit, U.S. Treasury interest rates and general economic conditions. The long-term growth rate was derived by evaluating historic growth rates, new business and investment opportunities beyond the near term horizon. The long-term growth rate is subject to change depending on inflationary impacts to the U.S. economy and the individual business environments in which each reporting unit operates. The Step 1 analysis performed indicated that the fair value of each of the reporting units exceeds their carrying value. As a result, no impairment charges were recorded. See Note 10, "Goodwill," in the Notes to Consolidated Financial Statements for information regarding our 2024 analyses and assumptions.

Unbilled Revenue. We record utility operating revenues when energy is delivered to our customers. However, the determination of energy sales to individual customers is based upon the reading of their meters, which occurs on a systematic basis throughout the month. At the end of each month, amounts of energy delivered to customers since the date of their last meter reading are estimated and corresponding unbilled revenues are calculated. This unbilled revenue is estimated each month based upon historical usage, customer rates and weather. As of December 31, 2024, we recorded \$408.1 million of customer accounts receivable for unbilled revenue. Significant fluctuations in energy demand for the unbilled period or changes in the composition of customer classes could impact the accuracy of the unbilled revenue estimate. Refer to Note 3, "Revenue Recognition," in the Notes to Consolidated Financial Statements for additional information regarding our significant judgments and estimates related to unbilled revenue recognition.

Income Taxes. The consolidated income tax provision and deferred income tax assets and liabilities, as well as any unrecognized tax benefits and valuation allowances, require use of estimates and significant management judgement. Although we believe that current estimates for deferred tax assets and liabilities are reasonable, actual results could differ from these estimates for a variety of reasons, including reasonable projections of taxable income, the ability and intent to implement tax planning strategies if necessary, and interpretations of applicable tax laws and regulations across multiple taxing jurisdictions.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSOURCE INC.

Ultimate resolution or clarification of income tax matters may result in favorable or unfavorable impacts to net income and cash flows, and adjustments to tax-related assets and liabilities could be material.

We account for uncertain income tax positions using a benefit recognition model with a two-step approach including a more-likely-than-not recognition threshold and a measurement approach based on the largest amount of tax benefit that is greater than 50% likely of being realized upon ultimate settlement. We evaluate each position based solely on the technical merits and facts and circumstances of the position, assuming the position will be examined by a taxing authority having full knowledge of all relevant information. Significant judgment is required to determine whether the recognition threshold has been met and, if so, the appropriate amount of tax benefits to be recorded in the consolidated financial statements. At December 31, 2024 and 2023, we had \$21.7 million of unrecognized tax benefits. Changes in these unrecognized tax benefits may result from remeasurement of amounts expected to be realized, settlements with tax authorities and expiration of statutes of limitations.

On a quarterly basis, we evaluate our deferred tax assets by considering current and historical financial results, expectations for future taxable income and the availability of tax planning strategies that can be implemented, if necessary, to realize deferred tax assets. Failure to achieve forecasted taxable income or successfully implement tax planning strategies may affect the realization of deferred tax assets. We establish a valuation allowance when we conclude it is more likely than not that all, or a portion, of a deferred tax asset will not be realized in future periods. Significant judgment is required to determine the amount of tax benefits expected to be realized. At December 31, 2024 and 2023, we had established \$6.4 million and \$6.4 million, respectively, of valuation allowances (net of federal benefit) related to certain state net operating loss carryforwards. Refer to Note 15, "Income Taxes," in the Notes to Consolidated Financial Statements for additional information.

Recently Issued Accounting Pronouncements

Refer to Note 2, "Recent Accounting Pronouncements," in the Notes to Consolidated Financial Statements.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Quantitative and Qualitative Disclosures about Market Risk are reported in Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations – Market Risk Disclosures."

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA**NI SOURCE INC.**

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ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA (continued)

NiSource Inc.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of NiSource Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of NiSource Inc. and subsidiaries (the "Company") as of December 31, 2024 and 2023, the related consolidated statements of income, comprehensive income, stockholders' equity, and cash flows, for each of the three years in the period ended December 31, 2024, and the related notes and the schedule listed in the Index at Item 15 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 12, 2025, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current-period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Regulatory Matters - Impact of Rate Regulation on the Financial Statements – Refer to Notes 1, 9, and 12 to the financial statements

Critical Audit Matter Description

The Company's primary subsidiaries are fully regulated natural gas and electric utility companies serving customers in six states. These rate-regulated subsidiaries account for and report assets and liabilities consistent with the economic effect of the manner in which regulators establish rates, if the rates established are designed to recover the costs of providing the regulated service and it is probable that such rates can be charged to and collected from customers. Certain expenses and credits subject to utility regulation or rate determination normally reflected in income are deferred on the consolidated balance sheets and are later recognized in income as the related amounts are included in customer rates and recovered from or refunded to customers.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA (continued)**NISOURCE INC.****REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The Company's subsidiaries' rates are determined and approved in regulatory proceedings based on an analysis of the subsidiaries' costs to provide utility service and a return on, and recovery of, the subsidiaries' investment in the utility business. Regulatory decisions can have an impact on the recovery of costs, the rate of return earned on investment, and the timing and amount of assets to be recovered by rates. The respective commission's regulation of rates is premised on the full recovery of prudently incurred costs and a reasonable rate of return on invested capital. Decisions to be made by the commission in the future will impact the accounting for regulated operations, including decisions about the amount of allowable costs and return on invested capital included in rates and any refunds that may be required. While the Company has indicated it expects to recover costs from customers through regulated rates, there is a risk that the commission will not approve: (1) full recovery of the costs of providing utility service, or (2) full recovery of all amounts invested in the utility business and a reasonable return on that investment.

We identified the impact of rate regulation, specifically certain regulatory assets and liabilities at the Company's Northern Indiana Public Service Company LLC and Columbia Gas of Ohio, Inc. subsidiaries, as a critical audit matter due to the significant judgments made by management to support its assertions about certain account balances and the significant degree of subjectivity involved in assessing the likelihood of recovery of incurred costs in current or future rates due in part to uncertainty related to future decisions by the rate regulators. This required specialized knowledge of accounting for rate regulation and the rate setting process due to its inherent complexities and a significant degree of auditor judgment when performing audit procedures to evaluate the reasonableness of management's conclusions.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the application of specialized rules to account for the effects of cost-based rate regulation related to the uncertainty of future decisions by the rate regulators, specifically the Indiana Utility Regulatory Commission (IURC) and the Public Utility Commission of Ohio (PUCO), included the following, among others:

- We tested the effectiveness of management's controls over (1) the evaluation of the likelihood of (a) the recovery of costs deferred as regulatory assets in future periods, and (b) regulatory developments that may affect the likelihood of recovering costs in future rates or of a future reduction in rates; and (2) the evaluation of Hypothetical Liquidation Book Value (HLBV) accounting for the company's Renewable Joint Ventures and its impact on the Company's regulatory liability.
- We evaluated Northern Indiana Public Service Company LLC and Columbia Gas of Ohio, Inc.'s disclosures related to the financial statement impacts of rate regulation.
- We read relevant regulatory orders issued by the IURC and the PUCO, including regulatory statutes, interpretations, procedural memorandums, filings made by interveners, and other publicly available information to assess the likelihood of recovery in future rates or a future reduction in rates based on precedents of the commissions' treatment of similar costs under similar circumstances. We evaluated this external information and compared to management's recorded regulatory asset and liability balances for completeness, including the implementation of new rate orders at Northern Indiana Public Service Company LLC's gas business.
- We inspected minutes of the boards of directors for discussions of changes in legal, regulatory, or business factors which could impact management's conclusions with respect to the financial statement impacts of rate regulation.
- For the Northern Indiana Public Service Company LLC electric base rate case proceeding that is in-process, we inspected the Company's and intervenors' filings with the commission that may impact the Company's future rates, for any evidence that might contradict management's assertions related to recoverability of recorded assets.
- We inquired of management about property, plant, and equipment that may be abandoned with an emphasis on the generation strategy related to Northern Indiana Public Service Company LLC's R.M. Schahfer and Michigan City Generating Stations. We inspected minutes of the board of directors and regulatory orders and other filings with the IURC to identify evidence that may contradict management's assertion regarding probability of an abandonment.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA (continued)

NI SOURCE INC.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

- We read the relevant regulatory orders issued by the IURC for the Company's renewable energy investments. We evaluated the appropriateness of recognizing a regulatory liability representing timing differences between the profit allocated under the HLBV method related to the consolidated joint ventures and the allowed earnings included in regulatory rates. We also evaluated the appropriateness of the offset to the regulatory liability recorded in depreciation expense.

/s/ DELOITTE & TOUCHE LLP

Columbus, Ohio

February 12, 2025

We have served as the Company's auditor since 2002.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA (continued)
NiSOURCE INC.
STATEMENTS OF CONSOLIDATED INCOME

Year Ended December 31, <i>(in millions, except per share amounts)</i>	2024	2023	2022
Operating Revenues			
Customer revenues	\$ 5,282.9	\$ 5,347.8	\$ 5,738.6
Other revenues	172.2	157.6	112.0
Total Operating Revenues	5,455.1	5,505.4	5,850.6
Operating Expenses			
Cost of energy	1,132.2	1,533.3	2,110.5
Operation and maintenance	1,515.2	1,494.9	1,489.4
Depreciation and amortization	1,043.2	908.2	820.8
Loss on impairment of assets	6.1	—	—
Loss (gain) on sale of assets, net	2.9	2.9	(104.2)
Other taxes	300.0	270.6	268.3
Total Operating Expenses	3,999.6	4,209.9	4,584.8
Operating Income	1,455.5	1,295.5	1,265.8
Other Income (Deductions)			
Interest expense, net	(517.2)	(489.6)	(361.6)
Other, net	64.5	8.0	52.2
Total Other Deductions, Net	(452.7)	(481.6)	(309.4)
Income before Income Taxes	1,002.8	813.9	956.4
Income Taxes	158.1	139.5	164.6
Net Income	844.7	674.4	791.8
Net income (loss) attributable to noncontrolling interest	84.3	(39.9)	(12.3)
Net Income attributable to NiSource	760.4	714.3	804.1
Preferred dividends	(6.7)	(42.8)	(55.1)
Preferred redemption premium	(14.0)	(9.8)	—
Net Income Available to Common Shareholders	\$ 739.7	\$ 661.7	\$ 749.0
Earnings Per Share			
Basic Earnings Per Share	\$ 1.63	\$ 1.59	\$ 1.84
Diluted Earnings Per Share	\$ 1.62	\$ 1.48	\$ 1.70
Basic Average Common Shares Outstanding	454.2	416.1	407.1
Diluted Average Common Shares	456.0	447.9	442.7

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA (continued)
NISource Inc.
STATEMENTS OF CONSOLIDATED COMPREHENSIVE INCOME

Year Ended December 31, <i>(in millions, net of taxes)</i>	2024	2023	2022
Net Income	\$ 844.7	\$ 674.4	\$ 791.8
Other comprehensive income:			
Net unrealized gain (loss) on available-for-sale securities ⁽¹⁾	3.3	3.9	(13.3)
Net unrealized (loss) gain on cash flow hedges ⁽²⁾	(0.4)	(0.2)	109.9
Unrecognized pension and OPEB benefit (costs) ⁽³⁾	0.3	(0.2)	(6.9)
Total other comprehensive income	3.2	3.5	89.7
Total Comprehensive Income	\$ 847.9	\$ 677.9	\$ 881.5

⁽¹⁾ Net unrealized gain (loss) on available-for-sale securities, net of \$0.9 million tax expense, \$1.0 million tax expense and \$3.5 million tax benefit in 2024, 2023 and 2022, respectively.

⁽²⁾ Net unrealized (loss) gain on derivatives qualifying as cash flow hedges, net of \$0.1 million tax benefit, \$0.1 million tax benefit and \$36.4 million tax expense in 2024, 2023 and 2022, respectively.

⁽³⁾ Unrecognized pension and OPEB benefit (costs), net of \$0.3 million tax expense, \$0.1 million tax benefit and \$2.3 million tax benefit in 2024, 2023 and 2022, respectively.

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA (continued)
**NISource Inc.
CONSOLIDATED BALANCE SHEETS**

<i>(in millions)</i>	December 31, 2024	December 31, 2023
ASSETS		
Property, Plant and Equipment		
Plant	\$ 34,152.9	\$ 30,482.1
Accumulated depreciation and amortization	(8,699.0)	(8,207.2)
Net Property, Plant and Equipment ⁽¹⁾	25,453.9	22,274.9
Investments and Other Assets		
Unconsolidated affiliates	6.5	5.3
Available-for-sale debt securities (amortized cost of \$91.9 and \$169.0, allowance for credit losses of \$0.1 and \$0.6, respectively)	86.7	159.1
Other investments	85.5	82.7
Total Investments and Other Assets	178.7	247.1
Current Assets		
Cash and cash equivalents	156.6	2,245.4
Restricted cash	42.0	35.7
Accounts receivable	987.9	884.9
Allowance for credit losses	(23.7)	(22.9)
Accounts receivable, net	964.2	862.0
Gas storage	179.6	265.8
Materials and supplies, at average cost	173.3	172.1
Electric production fuel, at average cost	36.2	65.3
Exchange gas receivable	45.7	66.0
Regulatory assets	319.9	214.3
Deposits to renewable generation asset developer	—	454.2
Prepayments	138.5	105.5
Other current assets	24.2	13.1
Total Current Assets ⁽¹⁾	2,080.2	4,499.4
Other Assets		
Regulatory assets	2,157.4	2,245.9
Goodwill	1,485.9	1,485.9
Deferred charges and other	432.0	324.0
Total Other Assets	4,075.3	4,055.8
Total Assets	\$ 31,788.1	\$ 31,077.2

⁽¹⁾Includes \$1,323.8 million and \$1,369.8 million in 2024 and 2023, respectively, of net property, plant and equipment assets, \$65.0 million and \$63.6 million in 2024 and 2023, respectively, of current assets of consolidated VIEs that may be used only to settle obligations of the consolidated VIEs. Refer to Note 4, "Noncontrolling Interests," for additional information.

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA (continued)
NI SOURCE INC.
CONSOLIDATED BALANCE SHEETS

<i>(in millions, except share amounts)</i>	December 31, 2024	December 31, 2023
CAPITALIZATION AND LIABILITIES		
Capitalization		
Stockholders' Equity		
Common stock - \$0.01 par value, 750,000,000 shares authorized; 469,822,472 and 447,381,671 shares outstanding, respectively	\$ 4.7	\$ 4.5
Preferred stock - \$0.01 par value, 20,000,000 shares authorized; 0 and 40,000 shares outstanding, respectively	—	486.1
Treasury stock	(99.9)	(99.9)
Additional paid-in capital	9,521.5	8,879.5
Retained deficit	(711.7)	(967.0)
Accumulated other comprehensive loss	(30.4)	(33.6)
Total NiSource Stockholders' Equity	8,684.2	8,269.6
Noncontrolling interest in consolidated subsidiaries	1,984.1	1,866.7
Total Stockholders' Equity	10,668.3	10,136.3
Long-term debt, excluding amounts due within one year	12,074.5	11,055.5
Total Capitalization	22,742.8	21,191.8
Current Liabilities		
Current portion of long-term debt	1,281.2	23.8
Short-term borrowings	604.6	3,048.6
Accounts payable	863.1	749.4
Customer deposits and credits	268.8	294.4
Taxes accrued	173.4	166.2
Interest accrued	157.0	136.1
Asset retirement obligations	84.6	72.5
Exchange gas payable	91.8	50.5
Regulatory liabilities	150.5	278.6
Accrued compensation and employee benefits	268.2	227.6
Other accruals	170.2	217.4
Total Current Liabilities ⁽¹⁾	4,113.4	5,265.1
Other Liabilities		
Deferred income taxes	2,281.6	2,080.4
Accrued liability for postretirement and postemployment benefits	207.5	250.1
Regulatory liabilities	1,431.2	1,510.7
Asset retirement obligations	698.6	480.5
Other noncurrent liabilities and deferred credits	313.0	298.6
Total Other Liabilities ⁽¹⁾	4,931.9	4,620.3
Commitments and Contingencies (Refer to Note 19, "Other Commitments and Contingencies")		
Total Capitalization and Liabilities	\$ 31,788.1	\$ 31,077.2

⁽¹⁾Includes \$53.7 million and \$68.3 million in 2024 and 2023, respectively, of current liabilities, \$58.3 million and \$55.7 million in 2024 and 2023, respectively, of other liabilities, and finance leases of \$40.4 million in 2024, of consolidated VIEs that creditors do not have recourse to our general credit. Refer to Note 4, "Noncontrolling Interests," for additional information.

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA (continued)
**NISOURCE INC.
STATEMENTS OF CONSOLIDATED CASH FLOWS**

Year Ended December 31, (in millions)	2024	2023	2022
Operating Activities			
Net Income	\$ 844.7	\$ 674.4	\$ 791.8
Adjustments to Reconcile Net Income to Net Cash from Operating Activities:			
Depreciation and amortization	1,043.2	908.2	820.8
Deferred income taxes	168.0	134.1	156.9
Stock compensation expense and 401(k) profit sharing contribution	43.6	33.5	24.9
Loss (gain) on sale of assets	2.9	2.9	(105.3)
Payments for assets retirement obligations	(72.5)	(41.6)	(22.3)
Other adjustments	(52.8)	(17.9)	5.7
Changes in Assets and Liabilities:			
Accounts receivable	(101.5)	184.1	(216.3)
Gas storage and other inventories	102.0	233.9	(258.9)
Accounts payable	71.5	(171.8)	165.0
Exchange gas receivable/payable	(133.5)	126.5	57.8
Other accruals	9.5	(102.9)	73.4
Prepayments and other current assets	(75.9)	36.7	(9.8)
Regulatory assets/liabilities	(8.7)	(26.2)	(129.4)
Postretirement and postemployment benefits	(64.3)	(22.0)	84.7
Deferred charges and other noncurrent assets	(20.8)	(10.1)	(4.1)
Other noncurrent liabilities and deferred credits	26.1	(6.7)	(25.5)
Net Cash Flows from Operating Activities	1,781.5	1,935.1	1,409.4
Investing Activities			
Capital expenditures	(2,614.0)	(2,645.8)	(2,203.1)
Insurance recoveries	0.8	3.0	105.0
Cost of removal	(166.8)	(160.8)	(151.7)
Purchases of available-for-sale securities	(17.8)	(42.8)	(73.5)
Sales of available-for-sale securities	93.2	39.9	75.7
Milestone and final payments to renewable generation asset developer	(482.0)	(761.4)	(323.9)
Advanced deposits for project costs	(29.0)	—	—
Other investing activities	2.6	(3.7)	1.3
Net Cash Flows used for Investing Activities	(3,213.0)	(3,571.6)	(2,570.2)
Financing Activities			
Proceeds from issuance of long-term debt	2,229.5	1,488.7	345.6
Repayments of long-term debt and finance lease obligations	(25.6)	(33.1)	(60.3)
Repayment of short term credit agreements	(1,650.0)	—	—
Issuance of short term credit agreements	—	650.0	1,000.0
Net change in commercial paper and other short-term borrowings	(794.0)	636.4	202.2
Issuance of common stock, net of issuance costs	612.6	12.9	154.3
Redemption of preferred stock	(486.1)	(393.9)	—
Preferred stock redemption premium	(14.0)	(6.2)	—
Payment of obligation to renewable generation asset developer	—	(347.2)	—
Equity costs, premiums and other debt related costs	(67.3)	(30.2)	(13.0)
Contributions from NIPSCO minority interest holders	99.5	2,161.9	—
Distributions to NIPSCO minority interest holders	(50.3)	—	—
Contributions from tax equity partners	—	240.9	21.2
Distributions to tax equity partners	(16.1)	(14.1)	(6.0)
Dividends paid - common stock	(481.0)	(413.5)	(381.5)
Dividends paid - preferred stock	(8.2)	(43.8)	(55.1)
Contract liability payment	—	(66.6)	(66.1)
Net Cash Flows (used for) from Financing Activities	(651.0)	3,842.2	1,141.3
Change in cash, cash equivalents and restricted cash	(2,082.5)	2,205.7	(19.5)
Cash, cash equivalents and restricted cash at beginning of period	2,281.1	75.4	94.9
Cash, Cash Equivalents and Restricted Cash at End of Period	\$ 198.6	\$ 2,281.1	\$ 75.4
Reconciliation to Balance Sheet	2024	2023	2022
Cash and cash equivalents	156.6	2,245.4	40.8
Restricted Cash	42.0	35.7	34.6
Total Cash, Cash Equivalents and Restricted Cash	198.6	2,281.1	75.4

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA (continued)
**NI SOURCE INC.
STATEMENTS OF CONSOLIDATED STOCKHOLDERS' EQUITY**

<i>(in millions)</i>	Common Stock	Preferred Stock ⁽¹⁾	Treasury Stock	Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest in Consolidated Subsidiaries	Total
Balance as of January 1, 2022	\$ 4.1	\$ 1,546.5	\$ (99.9)	\$ 7,204.3	\$ (1,580.9)	\$ (126.8)	\$ 325.6	\$ 7,272.9
Comprehensive Income:								
Net Income (Loss)	—	—	—	—	804.1	—	(12.3)	791.8
Other comprehensive income, net of tax	—	—	—	—	—	89.7	—	89.7
Dividends:								
Common stock (\$0.94 per share)	—	—	—	—	(381.7)	—	—	(381.7)
Preferred stock (See Note 6)	—	—	—	—	(55.1)	—	—	(55.1)
Noncontrolling Interests:								
Contributions from noncontrolling interest	—	—	—	—	—	—	19.1	19.1
Distributions to noncontrolling interest	—	—	—	—	—	—	(6.0)	(6.0)
Stock issuances:								
Employee stock purchase plan	—	—	—	5.2	—	—	—	5.2
Long-term incentive plan	—	—	—	14.3	—	—	—	14.3
401(k) and profit sharing	—	—	—	9.7	—	—	—	9.7
ATM Program	0.1	—	—	141.8	—	—	—	141.9
Balance as of December 31, 2022	\$ 4.2	\$ 1,546.5	\$ (99.9)	\$ 7,375.3	\$ (1,213.6)	\$ (37.1)	\$ 326.4	\$ 7,901.8
Comprehensive Income:								
Net Income (Loss)	—	—	—	—	714.3	—	(39.9)	674.4
Other comprehensive income, net of tax	—	—	—	—	—	3.5	—	3.5
Dividends:								
Common stock (\$1.00 per share)	—	—	—	—	(414.1)	—	—	(414.1)
Preferred stock (See Note 6)	—	—	—	—	(43.8)	—	—	(43.8)
Noncontrolling Interests:								
Issuance of noncontrolling interests ⁽²⁾	—	—	—	809.6	—	—	1,361.1	2,170.7
Contributions from noncontrolling interest ⁽³⁾	—	—	—	—	—	—	233.2	233.2
Distributions to noncontrolling interest	—	—	—	—	—	—	(14.1)	(14.1)
Stock issuances:								
Equity Units	0.3	(666.5)	—	666.2	—	—	—	—
Series A Preferred stock redemption	—	(393.9)	—	—	—	—	—	(393.9)
Series A Preferred stock redemption premium	—	—	—	—	(9.8)	—	—	(9.8)
Employee stock purchase plan	—	—	—	5.9	—	—	—	5.9
Long-term incentive plan	—	—	—	12.6	—	—	—	12.6
401(k) and profit sharing	—	—	—	9.9	—	—	—	9.9
Balance as of December 31, 2023	\$ 4.5	\$ 486.1	\$ (99.9)	\$ 8,879.5	\$ (967.0)	\$ (33.6)	\$ 1,866.7	\$ 10,136.3
Comprehensive Income:								
Net Income	—	—	—	—	760.4	—	84.3	844.7
Other comprehensive income, net of tax	—	—	—	—	—	3.2	—	3.2
Dividends:								
Common stock (\$1.06 per share)	—	—	—	—	(483.0)	—	—	(483.0)
Preferred stock (See Note 6)	—	—	—	—	(8.1)	—	—	(8.1)
Noncontrolling Interests:								
Contributions from noncontrolling interest	—	—	—	—	—	—	99.5	99.5
Distributions to noncontrolling interests	—	—	—	—	—	—	(66.4)	(66.4)
Stock issuances (redemptions):								
Series B and B-1 Preferred stock redemption	—	(486.1)	—	—	—	—	—	(486.1)
Series B and B-1 Preferred stock redemption premium	—	—	—	—	(14.0)	—	—	(14.0)
Employee stock purchase plan	—	—	—	6.4	—	—	—	6.4
Long-term incentive plan	—	—	—	26.6	—	—	—	26.6
401(k) and profit sharing	—	—	—	9.2	—	—	—	9.2
ATM Program	0.2	—	—	599.8	—	—	—	600.0
Balance as of December 31, 2024	\$ 4.7	\$ —	\$ (99.9)	\$ 9,521.5	\$ (711.7)	\$ (30.4)	\$ 1,984.1	\$ 10,668.3

⁽¹⁾ Series A, Series B and Series C shares had an aggregate liquidation preference of \$400M, \$500M and \$863M, respectively.

⁽²⁾ Relates to the NIPSCO Minority Interest Transaction. See Note 4, "Noncontrolling Interests," for additional discussion.

⁽³⁾ Contributions from noncontrolling interest is net of transaction costs.

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA (continued)
NI SOURCE INC.
STATEMENTS OF CONSOLIDATED STOCKHOLDERS' EQUITY (continued)

<i>(in thousands)</i>	Preferred	Common		
	Shares	Shares	Treasury	Outstanding
Balance as of January 1, 2022	1,303	409,266	(3,963)	405,303
Issued:				
Employee stock purchase plan	—	186	—	186
Long-term incentive plan	—	375	—	375
401(k) and profit sharing plan	—	337	—	337
ATM Program	—	5,942	—	5,942
Balance as of December 31, 2022	1,303	416,106	(3,963)	412,143
Issued:				
Employee stock purchase plan	—	216	—	216
Long-term incentive plan	—	758	—	758
401(k) and profit sharing plan	—	366	—	366
Equity Units ⁽¹⁾	—	33,899	—	33,899
Redeemed:				
Equity Units ⁽¹⁾	(863)	—	—	—
Series A Preferred Stock	(400)	—	—	—
Balance as of December 31, 2023	40	451,345	(3,963)	447,382
Issued:				
Employee stock purchase plan	—	218	—	218
Long-term incentive plan	—	769	—	769
401(k) and profit sharing plan	—	309	—	309
ATM Program	—	21,144	—	21,144
Redeemed:				
Series B and B-1 Preferred Stock	(40)	—	—	—
Balance as of December 31, 2024	—	473,785	(3,963)	469,822

⁽¹⁾See Note 6, "Equity," for additional information.

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

1. Nature of Operations and Summary of Significant Accounting Policies

A. Company Structure and Principles of Consolidation. We are an energy holding company incorporated in Delaware and headquartered in Merrillville, Indiana. Our subsidiaries are fully regulated natural gas and electric utility companies serving approximately 3.8 million customers in six states. We generate substantially all of our operating income through these rate-regulated businesses. The consolidated financial statements include the accounts of us, our majority-owned subsidiaries, and VIEs of which we are the primary beneficiary after the elimination of all intercompany accounts and transactions.

B. Use of Estimates. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

C. Cash, Cash Equivalents and Restricted Cash. We consider all highly liquid investments with original maturities of three months or less to be cash equivalents. We report amounts deposited in brokerage accounts for margin requirements as restricted cash. In addition, we have amounts deposited in trusts to satisfy requirements for the provision of various property, liability, workers compensation, and long-term disability insurance, and holdbacks related to certain joint venture development agreements which is classified as restricted cash on the Consolidated Balance Sheets and disclosed with cash and cash equivalents on the Statements of Consolidated Cash Flows.

D. Accounts Receivable and Unbilled Revenue. Accounts receivable on the Consolidated Balance Sheets includes both billed and unbilled amounts. Unbilled amounts of accounts receivable relate to a portion of a customer's consumption of gas or electricity from their last cycle billing date through the last day of the month (balance sheet date). Factors taken into consideration when estimating unbilled revenue include historical usage, customer rates, weather and reasonable and supportable forecasts. Accounts receivable fluctuates from year to year depending in large part on weather impacts and price volatility. Our accounts receivable on the Consolidated Balance Sheets include unbilled revenue, less reserves. The reserve for uncollectible receivables is our best estimate of the amount of probable credit losses in the existing accounts receivable. We determined the reserve based on historical collection experience, current market conditions and reasonable and supportable forecasts. Account balances are charged against the allowance when it is anticipated the receivable will not be recovered. Refer to Note 3, "Revenue Recognition," for additional information on customer-related accounts receivable, including amounts related to unbilled revenues.

E. Investments in Debt Securities. Our investments in debt securities are carried at fair value and are designated as available-for-sale. These investments are included within "Available-for-sale debt securities" on the Consolidated Balance Sheets. Unrealized gains and losses, net of deferred income taxes, are recorded to accumulated other comprehensive income or loss. At each reporting period these investments are qualitatively and quantitatively assessed to determine whether a decline in fair value below the amortized cost basis has resulted from a credit loss or other factors. Impairments related to credit loss are recorded through an allowance for credit losses. Impairments that are not related to credit losses are included in other comprehensive income and are reflected in the Statements of Consolidated Income. No material impairment charges were recorded for the years ended December 31, 2024, 2023 or 2022. Refer to Note 14, "Fair Value," for additional information.

F. Basis of Accounting for Rate-Regulated Subsidiaries. Rate-regulated subsidiaries account for and report assets and liabilities consistent with the economic effect of the way in which regulators establish rates, if the rates established are designed to recover the costs of providing the regulated service and it is probable that such rates can be billed and collected. Certain expenses and credits subject to utility regulation or rate determination that would normally be reflected in income for non-regulated entities are deferred on the Consolidated Balance Sheets and are later recognized in income as the related amounts are included in customer rates and recovered from or refunded to customers.

We continually evaluate whether or not our operations are within the scope of ASC 980 and rate regulations. As part of that analysis, we evaluate probability of recovery for our regulatory assets. In management's opinion, our regulated subsidiaries will be subject to regulatory accounting for the foreseeable future. Refer to Note 12, "Regulatory Matters," for additional information.

G. Plant and Other Property and Related Depreciation and Maintenance. Property, plant and equipment (principally utility plant) is stated at cost. Our rate-regulated subsidiaries record depreciation using composite rates on a straight-line basis over the remaining service lives of the electric, gas and common properties, as approved by the appropriate regulators.

Non-utility property, consisting of renewable generation assets owned by JVs of which we are the primary beneficiary and certain retired regulatory assets described below, is generally depreciated over the life of the associated assets. Refer to Note 9, "Property, Plant and Equipment," for additional information related to depreciation expense.

For rate-regulated companies where provided for in rates, AFUDC is capitalized on all classes of property except organization costs, land, autos, office equipment, tools and other general property purchases. The allowance is applied to construction costs for that period of time between the date of the expenditure and the date on which such project is placed in service. Our consolidated pre-tax rate for AFUDC was 4.8% in 2024, 3.9% in 2023 and 3.4% in 2022.

Generally, our subsidiaries follow the practice of charging maintenance and repairs, including the cost of removal of minor items of property, to expense as incurred. When our subsidiaries retire regulated property, plant and equipment, original cost plus the cost of retirement, less salvage value, is charged to accumulated depreciation. However, when it becomes probable a regulated asset will be retired substantially in advance of its original expected useful life or is abandoned, the cost of the asset and the corresponding accumulated depreciation is recognized as a separate asset. If the asset is still in operation, the gross amounts are classified as "Non-Utility and Other " as described in Note 9, "Property, Plant and Equipment." If the asset is no longer operating but still subject to recovery, the net amount is classified in "Regulatory assets" on the Consolidated Balance Sheets. If we are able to recover a full return of and on investment, the carrying value of the asset is based on historical cost. If we are not able to recover a full return on investment, a loss on impairment is recognized to the extent the net book value of the asset exceeds the present value of future revenues discounted at the incremental borrowing rate.

External and internal costs associated with on-premise computer software developed for internal use are capitalized. Capitalization of such costs commences upon the completion of the preliminary stage of each project. Once the installed software is ready for its intended use, such capitalized costs are amortized on a straight-line basis generally over a period of five years. External and internal up-front implementation costs associated with cloud computing arrangements that are service contracts are deferred on the Consolidated Balance Sheets, with the associated internal-use software capitalized to plant if the we have a contractual right to take possession of the software at any time during the hosting period without significant penalty and it is feasible for us to either run the software on our own hardware or contract with another party unrelated to the vendor to host the software. Once the installed software is ready for its intended use, such deferred costs are amortized on a straight-line basis to "Operation and maintenance," over the minimum term of the contract plus contractually-provided renewal periods that are reasonably expected to be exercised.

H. Goodwill and Other Intangible Assets. Substantially all of our goodwill relates to the excess of cost over the fair value of the net assets acquired in the Columbia acquisition on November 1, 2000. We test our goodwill for impairment annually as of May 1, or more frequently if events and circumstances indicate that goodwill might be impaired. Fair value of our reporting units is determined using a combination of income and market approaches. See Note 10, "Goodwill," for additional information.

I. Accounts Receivable Transfer Programs. Certain of our subsidiaries have agreements with third parties to transfer certain accounts receivable without recourse. These transfers of accounts receivable are accounted for as secured borrowings. The entire gross receivables balance remains on the December 31, 2024 and 2023 Consolidated Balance Sheets. When amounts are securitized, the short-term debt is recorded in the amount of proceeds received from the transferees involved in the transactions. Refer to Note 7, "Short-Term Borrowings," for further information.

J. Gas Cost and Fuel Adjustment Clause. Our regulated subsidiaries defer most differences between gas and fuel purchase costs and the recovery of such costs in revenues and adjust future billings for such deferrals on a basis consistent with applicable state-approved tariff provisions. These deferred balances are recorded as "Regulatory assets" or "Regulatory liabilities," as appropriate, on the Consolidated Balance Sheets. Refer to Note 12, "Regulatory Matters," for additional information.

K. Gas Storage and Other Inventories. Both the LIFO inventory methodology and the weighted average cost methodology are used to value natural gas in storage, as approved by regulators for all of our regulated subsidiaries. Inventory valued using LIFO was \$43.8 million and \$43.9 million at December 31, 2024 and 2023, respectively. Based on the average cost of gas using the LIFO method, the estimated replacement cost of gas in storage was less than the stated LIFO cost by \$12.8 million at December 31, 2024 and was less than the stated LIFO cost by \$22.5 million at December 31, 2023. As all LIFO inventory costs are collected from customers through our rate-regulated subsidiaries, no inventory impairment has been recorded. Gas inventory valued using the weighted average cost methodology was \$135.8 million at December 31, 2024 and \$222.0 million at December 31, 2023.

Electric production fuel is valued using the weighted average cost inventory methodology, as approved by NIPSCO's regulator.

Materials and supplies are valued using the weighted average cost inventory methodology. Materials and supplies are charged to expense or capitalized to property, plant and equipment when issued.

L. Accounting for Exchange and Balancing Arrangements of Natural Gas. Our Columbia Operations and NIPSCO Operations segment enters into balancing and exchange arrangements of natural gas as part of its operations and off-system sales programs. We record a receivable or payable for any of our respective cumulative gas imbalances, as well as for any gas inventory borrowed or lent under an exchange agreement. Exchange gas is valued based on individual regulatory jurisdiction requirements (for example, historical spot rate, spot at the beginning of the month). These receivables and payables are recorded as "Exchange gas receivable" or "Exchange gas payable" on our Consolidated Balance Sheets, as appropriate.

M. Accounting for Risk Management Activities. We account for our derivatives and hedging activities in accordance with ASC 815. We recognize all derivatives as either assets or liabilities on the Consolidated Balance Sheets at fair value, unless such contracts are exempted as a normal purchase normal sale under the provisions of the standard. The accounting for changes in the fair value of a derivative depends on the intended use of the derivative and resulting designation.

We do not offset the fair value amounts recognized for any of our derivative instruments against the fair value amounts recognized for the right to reclaim cash collateral or obligation to return cash collateral for derivative instruments executed with the same counterparty under a master netting arrangement. See Note 13, "Risk Management Activities," for additional information.

N. Income Taxes and Investment Tax Credits. Under the asset and liability method, deferred income taxes are provided for the tax consequences of temporary differences by applying enacted statutory tax rates applicable to future years to differences between the financial statement carrying amount and the tax basis of existing assets and liabilities. Investment tax credits associated with regulated operations are deferred and amortized as a reduction to income tax expense over the estimated useful lives of the related properties. Furthermore, the tax basis of the asset is reduced by 50% of the ITCs received, resulting in a net deferred tax asset.

To the extent certain deferred income taxes of the regulated companies are recoverable or payable through future rates, regulatory assets and liabilities have been established. Regulatory assets for income taxes are primarily attributable to property-related tax timing differences for which deferred taxes had not been provided in the past when regulators did not recognize such taxes as costs in the rate-making process. Regulatory liabilities for income taxes are primarily attributable to the regulated companies' obligation to refund to ratepayers deferred income taxes provided at rates higher than the current Federal income tax rate. Such property-related amounts are credited to ratepayers using either the average rate assumption method or the reverse South Georgia method. Non property-related amounts are credited to ratepayers consistent with state utility commission direction.

Pursuant to the Internal Revenue Code and relevant state taxing authorities, we and our subsidiaries file consolidated income tax returns for federal and certain state jurisdictions. We and our subsidiaries are parties to a tax sharing agreement. Income taxes recorded by each party represent amounts that would be owed had the party been separately subject to tax.

O. Pension Remeasurement. We utilize a third-party actuary for the purpose of performing actuarial valuations of our defined benefit plans. Annually, as of December 31, we perform a remeasurement for our defined benefit plans. Quarterly, we monitor for significant events, and if a significant event is identified, we perform a qualitative and quantitative assessment to determine if the resulting remeasurement would materially impact the NiSource financial statements. If material, an interim remeasurement is performed. See Note 16, "Pension and Other Postemployment Benefits," for additional information.

P. Environmental Expenditures. We accrue for costs associated with environmental remediation obligations, including expenditures related to asset retirement obligations and cost of removal, when the incurrence of such costs is probable and the amounts can be reasonably estimated, regardless of when the expenditures are actually made. The estimated future expenditures are based on currently enacted laws and regulations, existing technology and estimated site-specific costs where assumptions may be made about the nature and extent of site contamination, the extent of cleanup efforts, costs of alternative cleanup methods and other variables. The liability is adjusted as further information is discovered or circumstances change. The accruals for estimated environmental expenditures are recorded on the Consolidated Balance Sheets in "Other accruals" for short-term portions of these liabilities and "Other noncurrent liabilities and deferred credits" for the respective long-term portions of these liabilities. Rate-regulated subsidiaries applying regulatory accounting establish regulatory assets on the Consolidated Balance

Sheets to the extent that future recovery of environmental remediation costs is probable through the regulatory process. Refer to Note 11, "Asset Retirement Obligations," and Note 19, "Other Commitments and Contingencies," for further information.

Q. Excise Taxes. As an agent for some state and local governments, we invoice and collect certain excise taxes levied by state and local governments on customers and record these amounts as liabilities payable to the applicable taxing jurisdiction. Such balances are presented within "Other accruals" on the Consolidated Balance Sheets. These types of taxes collected from customers, comprised largely of sales taxes, are presented on a net basis affecting neither revenues nor cost of sales. We account for excise taxes for which we are liable by recording a liability for the expected tax with a corresponding charge to "Other taxes" expense on the Statements of Consolidated Income.

R. Accrued Insurance Liabilities. We accrue for insurance costs related to workers compensation, automobile, property, general and employment practices liabilities based on the most probable value of each claim. In general, claim values are determined by professional, licensed loss adjusters who consider the facts of the claim, anticipated indemnification and legal expenses, and respective state rules. Claims are reviewed by us at least quarterly and an adjustment is made to the accrual based on the most current information.

S. Noncontrolling Interest. We maintain a controlling financial interest in certain of our less than wholly owned subsidiaries. We consolidate these subsidiaries as either voting interest entities or VIEs and present the third-party investors' portion of our net income (loss), net assets and comprehensive income (loss) as noncontrolling interest. Noncontrolling interest is included as a component of equity on the Consolidated Balance Sheet.

On December 31, 2023, the NIPSCO Minority Interest Transaction closed and a 19.9% equity interest in NIPSCO Holdings II, the sole owner of NIPSCO, was issued to an affiliate of Blackstone. NIPSCO Holdings II does not meet the criteria of a VIE and instead is consolidated under the voting interest model in accordance with ASC 810 as we maintain control through a majority interest in NIPSCO Holdings II. Refer to Note 4, "Noncontrolling Interests," for further discussion on the NIPSCO Minority Interest Transaction.

We fund a portion of our renewable generation assets through JVs with tax equity partners. We consolidate these JVs in accordance with ASC 810 as they are VIEs in which we hold a variable interest, and we control decisions that are significant to the JVs' ongoing operations and economic results (i.e., we are the primary beneficiary).

These JVs are subject to profit sharing arrangements in which the allocation of the JVs' cash distributions and tax benefits to members is based on factors other than members' relative ownership percentages. As such, we utilize the HLBV method to allocate proceeds to each partner at the balance sheet date based on the liquidation provisions of the related JV's operating agreement and adjust the amount of the VIE's net income attributable to us and the noncontrolling tax equity member during the period.

In each reporting period, the application of HLBV to our consolidated VIEs results in a difference between the amount of profit from the consolidated JVs and the amount included in regulated rates. As discussed above in "F. Basis of Accounting for Rate-Regulated Subsidiaries," we are subject to the accounting and reporting requirements of ASC 980. In accordance with these principles, we recognize a regulatory liability or asset for amounts representing the timing difference between the profit earned from the JVs and the amount included in regulated rates to recover our approved investments in consolidated JVs. The amounts recorded in income will ultimately reflect the amount allowed in regulated rates to recover our investments over the useful life of the projects. The offset to the regulatory liability or asset associated with our renewable investments included in regulated rates is recorded in "Depreciation expense" on the Statements of Consolidated Income.

2. Recent Accounting Pronouncements

Recently Issued Accounting Pronouncements

In November 2024, the FASB issued ASU 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40)*. This pronouncement requires disaggregated disclosure of income statement expenses for public business entities. The ASU requires disclosure in tabular format of disaggregation of relevant expense captions presented on the income statement by certain natural expense categories with certain related qualitative disclosures within the notes to the financial statements. The ASU does not change the expense captions an entity presents on the income

statement. The ASU is effective for fiscal years beginning after December 15, 2026 and interim reporting periods beginning after December 15, 2027. We are currently evaluating the impacts this amendment will have on our required disclosures.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. This pronouncement enhances required income tax disclosures. The pronouncement will require disclosure of specific categories and reconciling items included in the rate reconciliation, disaggregation between federal, state and local income taxes paid, and disclosure of income taxes paid by jurisdictions over a certain threshold. Additionally, the pronouncement eliminates certain required disclosures related to unrecognized tax benefits. This ASU is effective for annual periods beginning after December 15, 2024, with early adoption permitted, and is to be applied on a prospective basis with retrospective application permitted. We will implement and provide the required disclosures beginning in 2025.

Recently Adopted Accounting Pronouncements

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*. This pronouncement enhances annual and interim disclosure requirements over reportable segments, primarily through enhanced disclosures about significant segment expenses. Specifically, the pronouncement requires disclosure of significant segment expenses that are regularly provided to the Chief Operating Decision Maker ("CODM") and included within each reported measure of segment profit or loss, disclosure of an amount for other segment items representing the difference between segment revenue and segment expenses already disclosed, disclosure of all required annual disclosures for interim periods and disclosure of title and position of the CODM and how the CODM uses reported measures. The pronouncement also allows for more than one measure of segment profit if the CODM uses more than one measure in assessing segment performance. This pronouncement is effective for annual periods beginning after December 15, 2023 and interim periods within fiscal years beginning after December 15, 2024. The Company adopted this pronouncement as of December 31, 2024 with retrospective application and updated its disclosures to include significant expenses regularly provided to the CODM, the CODM's title and how the CODM utilizes reported measures. See Note 21, "Business Segment Information" for further discussion.

3. Revenue Recognition

Customer Revenues. Substantially all of our revenues are tariff-based. Under ASC 606, the recipients of our utility service meet the definition of a customer, while the operating company tariffs represent an agreement that meets the definition of a contract, which creates enforceable rights and obligations. Customers in certain of our jurisdictions participate in programs that allow for a fixed payment each month regardless of usage. Payments received that exceed the value of gas or electricity actually delivered are recorded as a liability and presented in "Customer deposits and credits" on the Consolidated Balance Sheets. Amounts in this account are reduced and revenue is recorded when customer usage exceeds payments received.

We have identified our performance obligations created under tariff-based sales as 1) the commodity (natural gas or electricity, which includes generation and capacity) and 2) delivery. These commodities are sold and / or delivered to and generally consumed by customers simultaneously, leading to satisfaction of our performance obligations over time as gas or electricity is delivered to customers. Due to the at-will nature of utility customers, performance obligations are limited to the services requested and received to date. Once complete, we generally maintain no additional performance obligations.

Transaction prices for each performance obligation are generally prescribed by each operating company's respective tariff. Rates include provisions to adjust billings for fluctuations in fuel and purchased power costs and cost of natural gas. Revenues are adjusted for differences between actual costs, subject to reconciliation, and the amounts billed in current rates. Under or over recovered revenues related to these cost recovery mechanisms are included in "Regulatory assets" or "Regulatory liabilities" on the Consolidated Balance Sheets and are recovered from or returned to customers through adjustments to tariff rates. As we provide and deliver service to customers, revenue is recognized based on the transaction price allocated to each performance obligation. Distribution revenues are generally considered daily or "at-will" contracts as customers may cancel their service at any time (subject to notification requirements), and revenue generally represents the amount we are entitled to bill customers.

In addition to tariff-based sales, our gas distribution in both our Columbia Operations and NIPSCO Operations segments enters into balancing and exchange arrangements of natural gas as part of our operations and off-system sales programs. Performance obligations for these types of sales include transportation and storage of natural gas and can be satisfied at a point in time or over a period of time, depending on the specific transaction. For those transactions that span a period of time, we record a

receivable or payable for any cumulative gas imbalances, as well as for any gas inventory borrowed or lent under a gas distribution operations exchange agreement.

Revenue Disaggregation and Reconciliation. We disaggregate revenue from contracts with customers based upon reportable segment, as well as by customer class. As of January 1, 2024, we have changed our reportable segments from Gas Distribution Operations and Electric Operations to Columbia Operations and NIPSCO Operations. Our historical segment disclosures have been recast to be consistent with the current presentation. For additional information see Note 21, "Business Segment Information".

The Columbia Operations segment provides regulated natural gas service and transportation for residential, commercial and industrial customers in Ohio, Pennsylvania, Virginia, Kentucky, and Maryland. The NIPSCO Operations segment provides regulated gas and electric service in northern Indiana for residential, commercial and industrial customers.

Other Revenues. As permitted by accounting principles generally accepted in the United States, regulated utilities have the ability to earn certain types of revenue that are outside the scope of ASC 606. These revenues primarily represent revenue earned under alternative revenue programs. Alternative revenue programs represent regulator-approved mechanisms that allow for the adjustment of billings and revenue for certain approved programs. We maintain a variety of these programs, including demand side management initiatives that recover costs associated with the implementation of energy efficiency programs, as well as normalization programs that adjust revenues for the effects of weather or other external factors. Additionally, we maintain certain programs with future test periods that operate similarly to FERC formula rate programs and allow for recovery of costs incurred to replace aging infrastructure. When the criteria to recognize alternative revenue have been met, we establish a regulatory asset and present revenue from alternative revenue programs on the Statements of Consolidated Income as "Other revenues". When amounts previously recognized under alternative revenue accounting guidance are billed, we reduce the regulatory asset and record a customer account receivable.

The tables below reconcile revenue disaggregation by customer class to segment revenue, as well as to revenues reflected on the Statements of Consolidated Income:

Year Ended December 31, 2024 (in millions)	Columbia Operations		NIPSCO Operations		Corporate and Other		Total
Gas Distribution							
Residential	\$	1,833.8	\$	531.4	\$	—	\$ 2,365.2
Commercial		580.3		199.2		—	779.5
Industrial		144.2		79.0		—	223.2
Off-system		42.6		—		—	42.6
Wholesale		1.2		—		—	1.2
Miscellaneous ⁽¹⁾		26.3		15.4		—	41.7
Subtotal	\$	2,628.4	\$	825.0	\$	—	\$ 3,453.4
Electric Generation and Power Delivery							
Residential	\$	—	\$	649.9	\$	—	\$ 649.9
Commercial		—		620.4		—	620.4
Industrial		—		499.1		—	499.1
Wholesale		—		38.3		—	38.3
Public Authority		—		8.1		—	8.1
Miscellaneous ⁽¹⁾		—		13.7		—	13.7
Subtotal	\$	—	\$	1,829.5	\$	—	\$ 1,829.5
Total Customer Revenues ⁽²⁾		2,628.4		2,654.5		—	5,282.9
Other Revenues ⁽³⁾		74.8		96.5		0.9	172.2
Total Operating Revenues	\$	2,703.2	\$	2,751.0	\$	0.9	\$ 5,455.1

⁽¹⁾Amounts included in Columbia Operations are primarily related to earnings sharing mechanisms and late fees. Amounts included in NIPSCO Operations are primarily related to revenue refunds, public repairs and property rentals.

⁽²⁾Customer revenue amounts exclude intersegment revenues. See Note 21, "Business Segment Information," for discussion of intersegment revenues.

⁽³⁾Amounts included in Columbia Operations primarily relate to weather normalization adjustment mechanisms. Amounts included in NIPSCO Operations primarily relate to weather normalization adjustment mechanisms, MISO multi-value projects and revenue from non-jurisdictional transmission assets.

Year Ended December 31, 2023 <i>(in millions)</i>	Columbia Operations	NIPSCO Operations	Corporate and Other	Total
<i>Gas Distribution</i>				
Residential	\$ 1,827.5	\$ 635.0	\$ —	\$ 2,462.5
Commercial	598.9	249.0	—	847.9
Industrial	139.0	87.0	—	226.0
Off-system	60.6	—	—	60.6
Wholesale	1.6	—	—	1.6
Miscellaneous ⁽¹⁾	33.4	14.8	—	48.2
Subtotal	2,661.0	985.8	—	3,646.8
<i>Electric Generation and Power Delivery</i>				
Residential	—	583.9	—	583.9
Commercial	—	578.1	—	578.1
Industrial	—	474.1	—	474.1
Wholesale	—	32.0	—	32.0
Public Authority	—	11.5	—	11.5
Miscellaneous ⁽¹⁾	—	21.4	—	21.4
Subtotal	—	1,701.0	—	1,701.0
Total Customer Revenues⁽²⁾	\$ 2,661.0	\$ 2,686.8	\$ —	\$ 5,347.8
Other Revenues⁽³⁾	72.9	83.9	0.8	157.6
Total Operating Revenues	\$ 2,733.9	\$ 2,770.7	\$ 0.8	\$ 5,505.4

⁽¹⁾Amounts included in Columbia Operations are primarily related to earnings sharing mechanisms and late fees. Amounts included in NIPSCO Operations are primarily related to late fees, property rentals, revenue refunds, and adjustments.

⁽²⁾Customer revenue amounts exclude intersegment revenues. See Note 21, "Business Segment Information," for discussion of intersegment revenues.

⁽³⁾Amounts included in Columbia Operations primarily related to weather normalization adjustment mechanisms. Amounts included in NIPSCO Operations primarily related to MISO multi-value projects and revenue from non-jurisdictional transmission assets.

Year Ended December 31, 2022 (in millions)	Columbia Operations		NIPSCO Operations		Corporate and Other		Total
Gas Distribution							
Residential	\$	1,918.2	\$	691.5	\$	—	\$ 2,609.7
Commercial		672.2		267.4		—	939.6
Industrial		135.5		85.1		—	220.6
Off-system		192.9		—		—	192.9
Wholesale		2.1		—		—	2.1
Miscellaneous ⁽¹⁾		27.3		10.9		—	38.2
Subtotal	\$	2,948.2	\$	1,054.9	\$	—	\$ 4,003.1
Electric Generation and Power Delivery							
Residential	\$	—	\$	592.4	\$	—	\$ 592.4
Commercial		—		571.0		—	571.0
Industrial		—		560.6		—	560.6
Wholesale		—		13.5		—	13.5
Public Authority		—		12.1		—	12.1
Miscellaneous ⁽¹⁾		—		(14.1)		—	(14.1)
Subtotal	\$	—	\$	1,735.5	\$	—	\$ 1,735.5
Total Customer Revenues⁽²⁾	\$	2,948.2	\$	2,790.4	\$	—	\$ 5,738.6
Other Revenues⁽³⁾		3.7		95.8		12.5	112.0
Total Operating Revenues	\$	2,951.9	\$	2,886.2	\$	12.5	\$ 5,850.6

⁽¹⁾Amounts included in Columbia Operations are primarily related to earnings share mechanisms and late fees. Amounts included in NIPSCO Operations are primarily related to revenue trackers, late fees and property rentals.2.1

⁽²⁾Customer revenue amounts exclude intersegment revenues. See Note 21, "Business Segment Information," for discussion of intersegment revenues.

⁽³⁾Amounts included in Columbia Operations primarily related to weather normalization adjustment mechanisms. Amounts included in NIPSCO Operations primarily related to MISO multi-value projects and revenue from non-jurisdictional transmission assets. Amounts included in Corporate and Other primarily related to the Transition Services Agreement entered into in connection with the sale of the Massachusetts Business.

Customer Accounts Receivable. Accounts receivable on our Consolidated Balance Sheets includes both billed and unbilled amounts, as well as certain amounts that are not related to customer revenues. Unbilled amounts of accounts receivable relate to a portion of a customer's consumption of gas or electricity from the date of their last cycle billing through the last day of the month (balance sheet date). Factors taken into consideration when estimating unbilled revenue include historical usage, customer rates, and weather. A significant portion of our operations are subject to seasonal fluctuations in sales. During the heating season, primarily from November through March, revenues and receivables from gas sales are more significant than in other months. The opening and closing balances of customer receivables for the year ended December 31, 2024, are presented in the table below. We had no significant contract assets or liabilities during the period. Additionally, we have not incurred any significant costs to obtain or fulfill contracts.

(in millions)	Customer Accounts Receivable, Billed (less reserve)		Customer Accounts Receivable, Unbilled (less reserve)	
Balance as of December 31, 2023	\$	479.4	\$	337.6
Balance as of December 31, 2024		525.1		408.1

Utility revenues are billed to customers monthly on a cycle basis. We expect that substantially all customer accounts receivable will be collected following customer billing, as this revenue consists primarily of periodic, tariff-based billings for service and usage. We maintain common utility credit risk mitigation practices, including requiring deposits and actively pursuing collection of past due amounts. Our regulated operations also utilize certain regulatory mechanisms that facilitate recovery of bad debt costs within tariff-based rates, which provides further evidence of collectibility. It is probable that substantially all of the consideration to which we are entitled from customers will be collected upon satisfaction of performance obligations.

Allowance for Credit Losses. To evaluate for expected credit losses, customer account receivables are pooled based on similar risk characteristics, such as customer type, geography, payment terms, and related macro-economic risks. Expected credit losses are established using a model that considers historical collections experience, current information, and reasonable and supportable forecasts. Internal and external inputs are used in our credit model including, but not limited to, energy consumption trends, revenue projections, actual charge-offs data, recoveries data, shut-offs, customer delinquencies, final bill data, and inflation. We continuously evaluate available information relevant to assessing collectability of current and future receivables. We evaluate creditworthiness of specific customers periodically or following changes in facts and circumstances. When we become aware of a specific commercial or industrial customer's inability to pay, an allowance for expected credit losses is recorded for the relevant amount. We also monitor other circumstances that could affect our overall expected credit losses including, but not limited to, creditworthiness of overall population in service territories, adverse conditions impacting an industry sector, and current economic conditions.

At each reporting period, we record expected credit losses to an allowance for credit losses account. When deemed to be uncollectible, customer accounts are written-off. A rollforward of our allowance for credit losses as of December 31, 2024 and December 31, 2023, are presented in the tables below:

<i>(in millions)</i>	Columbia Operations	NIPSCO Operations	Corporate and Other	Total
Balance as of January 1, 2024	\$ 10.2	\$ 11.9	\$ 0.8	\$ 22.9
Current period provisions	26.7	12.1	—	38.8
Write-offs charged against allowance	(43.9)	(11.0)	(0.8)	(55.7)
Recoveries of amounts previously written off	16.8	0.9	—	17.7
Balance as of December 31, 2024	\$ 9.8	\$ 13.9	\$ —	\$ 23.7

<i>(in millions)</i>	Columbia Operations	NIPSCO Operations	Corporate and Other	Total
Balance as of January 1, 2023	\$ 11.1	\$ 12.0	\$ 0.8	\$ 23.9
Current period provisions	28.3	11.5	—	39.8
Write-offs charged against allowance	(49.2)	(12.4)	—	(61.6)
Recoveries of amounts previously written off	20.0	0.8	—	20.8
Balance as of December 31, 2023	\$ 10.2	\$ 11.9	\$ 0.8	\$ 22.9

4. Noncontrolling Interests

Variable Interest Entities. A VIE is an entity in which the controlling interest is determined through means other than a majority voting interest. Refer to Note 1, "Nature of Operations and Summary of Significant Accounting Policies - S. Noncontrolling Interest," for information on our accounting policy for the VIEs.

NIPSCO is the managing member and operator of two wind JVs, Rosewater and Indiana Crossroads Wind, which have 102 MW and 302 MW of nameplate capacity, respectively. NIPSCO is also a managing member and operator of two solar JVs, Indiana Crossroads Solar and Dunns Bridge I, which have a nameplate capacity of 200 MW and 265 MW, respectively. We have determined that these JVs are VIEs. NIPSCO controls decisions that are significant to these entities' ongoing operations and economic results. Therefore, we have concluded that NIPSCO is the primary beneficiary and have consolidated all four entities.

Members of each respective JV include NIPSCO (who is the managing member) and a tax equity partner. Earnings, tax attributes and cash flows are allocated to both NIPSCO and the tax equity partner in varying percentages by category and over the life of the partnership. NIPSCO and each tax equity partner contributed cash to the respective JV. Once the tax equity partner has earned their negotiated rate of return and the JV has reached a stated contractual date, NIPSCO has the option to purchase the remaining interest in the respective JV from the tax equity partner. NIPSCO has an obligation to purchase 100% of the electricity generated by each commercially operational JV.

We did not provide any financial or other support during the year that was not contractually required.

Our Consolidated Balance Sheets included the following assets and liabilities associated with VIEs.

<i>(in millions)</i>	December 31, 2024	December 31, 2023
Net Property, Plant and Equipment	\$ 1,323.8	\$ 1,369.8
Current assets	65.0	63.6
Total assets⁽¹⁾⁽²⁾	1,388.8	1,433.4
Current liabilities	53.7	68.3
Asset retirement obligations	58.3	55.7
Finance lease obligations	40.4	—
Total liabilities⁽¹⁾⁽²⁾	\$ 152.4	\$ 124.0

⁽¹⁾The assets of each VIE represent assets of a consolidated VIE that can be used only to settle obligations of the respective consolidated VIE. The creditors of the liabilities of the VIEs do not have recourse to the general credit of the primary beneficiary.

⁽²⁾In addition to the amounts disclosed above there is a de minimis amount of other noncurrent assets and liabilities at Rosewater as of December 31, 2024.

Voting Interest Entities. On December 31, 2023, we consummated the NIPSCO Minority Interest Transaction for a capital contribution of \$2.16 billion in cash. The difference between the \$2.16 billion consideration received and the \$1.36 billion carrying value of the noncontrolling interest claim on net assets was recorded to additional paid-in capital, net of \$54.7 million in transaction costs and a \$63.5 million income tax benefit. We retain a controlling financial interest in NIPSCO Holdings II and its subsidiaries and consolidate their financial results. For the twelve months ending December 31, 2024 we received \$99.5 million of contributions, and we made \$50.3 million of distributions, to our NIPSCO minority interest holders. See Note 19, "Other Commitments and Contingencies - E. Other Matters," for a detailed discussion of the NIPSCO Holdings II LLC Agreement and governance structure.

5. Earnings Per Share

The calculations of basic and diluted EPS are based on the weighted average number of shares of common stock and potential common stock outstanding during the period. Diluted EPS includes the incremental effects of the various long-term incentive compensation plans and ATM forward sale agreements under the treasury stock method when the impact would be dilutive. For the purposes of determining diluted EPS, for the twelve months ended December 31, 2023 and 2022, the shares underlying the purchase contracts included within the Equity Units were included in the calculation of potential common stock outstanding using the if-converted method under US GAAP and we assumed share settlement of the remaining purchase contract payment balance from our Equity Units based on the average share price during the period. This method assumes conversion at the beginning of the reporting period, or at time of issuance, if later. The purchase contracts were settled on December 1, 2023. For the purchase contracts, the number of shares of our common stock that would have been issuable at the end of each reporting period prior to the settlement date were reflected in the denominator of our diluted EPS calculation. A numerator adjustment was reflected in the calculation of diluted EPS for interest expense incurred in 2023 and 2022, net of tax, related to the purchase contracts.

We adopted ASU 2020-06 on January 1, 2022, which required us to assume share settlement of the remaining purchase contract payment balance from our Equity Units based on the average share price during the period.

The shares underlying the Series C Mandatory Convertible Preferred Stock included within the Equity Units were contingently convertible as the conversion was contingent on a successful remarketing. Contingently convertible shares where conversion was not tied to a market price trigger were excluded from the calculation of diluted EPS until such time as the contingency had been resolved under the if-converted method. The unsuccessful remarketing resolved the contingency and no shares were reflected in the denominator for the years ended December 31, 2023 and 2022, for the calculation of diluted EPS.

We began using the two-class method of computing earnings per share in 2023 because we have participating securities in the form of non-vested restricted stock units with a non-forfeitable right to dividend equivalents, for which vesting is predicated solely on the passage of time. The calculation of earnings per share using the two-class method excludes income attributable to these participating securities from the numerator and excludes the dilutive impact of those shares from the denominator.

During 2022, we had no outstanding securities other than common and preferred stock, which required holders' participation in dividends and earnings; therefore, we were not required to calculate EPS under the two-class method. Basic net income per share is computed by dividing net income available to common shareholders by the weighted-average number of shares of common stock outstanding during the period. Diluted net income per share is computed by giving effect to all potential shares of common stock, to the extent they are dilutive. Refer to Note 6, "Equity," for additional information.

The following table presents the calculation of our basic and diluted EPS:

Year Ended December 31, (in millions, except per share amounts)	2024	2023	2022
Numerator:			
Net Income Available to Common Shareholders	\$ 739.7	\$ 661.7	\$ 749.0
Less: Income allocated to participating securities	1.6	0.6	—
Net Income Available to Common Shareholders - Basic	\$ 738.1	\$ 661.1	\$ 749.0
Add: Dilutive effect of Equity Units	—	1.4	2.0
Net Income Available to Common Shareholders - Diluted	\$ 738.1	\$ 662.5	\$ 751.0
Denominator:			
Average common shares outstanding - Basic	454.2	416.1	407.1
Dilutive potential common shares:			
Equity Units purchase contracts	—	29.8	30.2
Equity Units purchase contract payment balance	—	0.9	3.2
Shares contingently issuable under employee stock plans	0.9	0.7	0.9
Shares restricted under employee stock plans	0.3	0.4	0.5
ATM Forward agreements	0.6	—	0.8
Average Common Shares - Diluted	456.0	447.9	442.7
Earnings per common share:			
Basic	\$ 1.63	\$ 1.59	\$ 1.84
Diluted	\$ 1.62	\$ 1.48	\$ 1.70

6. Equity

Holders of shares of our common stock are entitled to receive dividends when, as, and if declared by the Board out of funds legally available. The policy of the Board has been to declare cash dividends on a quarterly basis payable on or about the 20th day of February, May, August and November. We have certain debt covenants that could potentially limit the amount of dividends we could pay in order to maintain compliance with these covenants. Refer to Note 8, "Long-Term Debt," for more information. As of December 31, 2024, these covenants did not restrict the amount of dividends that were available to be paid.

There is no preferred stock outstanding as of December 31, 2024.

Common and preferred stock activity for 2024, 2023 and 2022 is described further below.

ATM Program. In February 2024, we entered into eight separate equity distribution agreements pursuant to which we were able to sell up to an aggregate of \$900.0 million of our common stock.

In February 2024, under the ATM program, we executed a forward sale agreement, which allowed us to issue a fixed number of shares at a price to be settled in the future. The forward purchaser under our forward sale agreement borrowed 7,757,951 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$25.78 per share. On September 17, 2024 we settled all the shares under the forward sale agreement for \$199.9 million, based on a net price of \$25.77 per share.

In May 2024, under the ATM program, we executed a forward sale agreement, which allowed us to issue a fixed number of shares at a price to be settled in the future. The forward purchaser under our forward sale agreement borrowed 10,390,000 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$28.87 per share. On September 11, 2024 we settled all the shares under the forward sale agreement for \$299.1 million, based on a net price of \$28.79 per share.

In September 2024, under the ATM program, we executed a forward sale agreement, which allowed us to issue a fixed number of shares at a price to be settled in the future. The forward purchaser under our forward sale agreement borrowed 1,495,949 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$34.01 per share. On November 19, 2024 we settled all the shares under the forward sale agreement for \$50.3 million, based on a net price of \$33.64 per share.

In September 2024, under the ATM program, we executed a second forward sale agreement, which allowed us to issue a fixed number of shares at a price to be settled in the future. The forward purchasers under our forward sale agreement borrowed 1,500,000 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$34.32 per share. On November 20, 2024 we settled all the shares under the forward sale agreement for \$51.0 million, based on a net price of \$33.99 per share.

As of December 31, 2024, the ATM program had approximately \$297.7 million of equity available for issuance. The program expires on December 31, 2025.

Series A Preferred Stock. During 2023, there were \$28.25 dividends declared per share for the Series A Preferred Stock.

On June 15, 2023, we redeemed all 400,000 outstanding shares of Series A Preferred Stock for a redemption price of \$1,000 per share or \$400.0 million in total.

Series B and B-1 Preferred Stock. During 2024 and 2023, dividends declared per share for the Series B Preferred Stock were \$406.25 and \$1,625.0, respectively.

On March 15, 2024, we redeemed all 20,000 outstanding shares of Series B Preferred Stock for a redemption price of \$25,000 per share and all 20,000 outstanding shares of Series B-1 Preferred Stock for a redemption price of \$0.01 per share or \$500.0 million in total. Following the redemption, dividends ceased to accrue on the shares of Series B Preferred Stock, shares of the Series B Preferred Stock and Series B-1 Preferred Stock were no longer deemed outstanding and all rights of the holders of such shares of Series B Preferred Stock and Series B-1 Preferred Stock terminated. In conjunction with the redemption, we recorded a \$14.0 million preferred stock redemption premium, calculated as the difference between the carrying value on the redemption date of the Series B Preferred Stock and Series B-1 Preferred Stock and the total amount of consideration paid to redeem, which was recorded as a reduction to retained earnings during the first quarter of 2024. We did not recognize an excise tax liability under the IRA in connection with this redemption as we issued common stock in 2024 in excess of the fair value of the Series B Preferred Stock and Series B-1 Preferred Stock redeemed.

In March 2024, we filed a Certificate of Elimination to our Amended and Restated Certificate of Incorporation with the Secretary of State of Delaware to eliminate from the Amended and Restated Certificate of Incorporation all matters set forth in the Certificate of Designations with respect to the Series B Preferred Stock and the Certificate of Designations with respect to the Series B-1 Preferred Stock. As a result, the 20,000 shares that were previously designated as Series B Preferred Stock and the 20,000 shares that were previously designated as Series B-1 Preferred Stock were returned to the status of authorized but unissued shares of preferred stock, par value \$0.01 per share, without designation as to series. The Certificate of Elimination does not change the total number of authorized shares of capital stock of NiSource or the total number of authorized shares of preferred stock. We voluntarily delisted the preferred stock from the New York Stock Exchange on March 15, 2024.

Equity Units. On December 1, 2023, we issued 33,898,837 shares of our common stock under the purchase contract component of the Corporate Units. As of December 1, 2023, each holder of Corporate Units was deemed to have automatically delivered to us the related Series C Mandatory Convertible Preferred Stock that were components of the Corporate Units in full satisfaction of such holder's obligations under the related purchase contract, and all 862,500 shares of Series C Mandatory Convertible Preferred Stock were returned to the status of authorized but unissued preferred stock, par value of \$0.01 per share, without designation as to series. We voluntarily delisted the Corporate Units from the New York Stock Exchange on December 1, 2023.

Refer to Note 5, "Earnings Per Share," for additional information regarding our treatment of the Equity Units for diluted EPS.

On October 21, 2024, we filed a Certificate of Elimination to our Amended and Restated Certificate of Incorporation with the Secretary of State of the State of Delaware to eliminate from the Amended and Restated Certificate of Incorporation all matters set forth in the Certificate of Designations with respect to the Series C Mandatory Convertible Preferred Stock.

Noncontrolling Interest in Consolidated Subsidiaries. As of December 31, 2024 and 2023, NIPSCO and tax equity partners have completed their cash contributions into the Indiana Crossroads Wind, Rosewater, Indiana Crossroads Solar and Dunns Bridge I JVs. Earnings, tax attributes and cash flows are allocated to both NIPSCO and the respective tax equity partners in varying percentages by category and over the life of the partnership. The tax equity partner's contributions, net of these allocations, is represented as a noncontrolling interest within total equity on the Consolidated Balance Sheets. Refer to Note 4, "Noncontrolling Interests," for more information.

On December 31, 2023, we consummated the closing of the NIPSCO Minority Interest Transaction and issued a 19.9% equity interest in NIPSCO Holdings II LLC to BIP in exchange for a capital contribution of \$2.16 billion in cash. Transaction costs and deferred tax impacts of \$54.7 million and \$63.5 million were recorded during the period ending December 31, 2023. Refer to Note 15, "Income Taxes," and Note 19, "Other Commitments and Contingencies - E. Other Matters," in the Notes to the Consolidated Financial Statements for more information on this transaction.

7. Short-Term Borrowings

We generate short-term borrowings from our revolving credit facility, commercial paper program, accounts receivable transfer programs, and term credit agreements. Each of these borrowing sources is described further below.

Revolving Credit Facility. We maintain a revolving credit facility to fund ongoing working capital requirements, including the provision of liquidity support for our commercial paper program, provide for issuance of letters of credit, and also for general corporate purposes. Our revolving credit facility has a program limit of \$1.85 billion and is comprised of a syndicate of banks. At December 31, 2024 and 2023, we had no outstanding borrowings under this facility.

Commercial Paper Program. At December 31, 2024 and December 31, 2023, our commercial paper program had a program limit of up to \$1.85 billion and \$1.50 billion, respectively. On February 9, 2024, we increased the program limit from \$1.50 billion to \$1.85 billion. We had \$604.6 million and \$1,061.0 million of commercial paper outstanding with weighted-average interest rates of 4.73% and 5.65% as of December 31, 2024 and 2023, respectively.

Accounts Receivable Transfer Programs. Columbia of Ohio, NIPSCO, and Columbia of Pennsylvania each maintain a receivables agreement whereby they transfer their customer accounts receivables to third party financial institutions through consolidated special purpose entities. The three agreements expire between May 2025 and October 2025 and may be further extended if mutually agreed to by the parties thereto.

All receivables transferred to third parties are valued at face value, which approximates fair value due to their short-term nature. The amount of the undivided percentage ownership interest in the accounts receivables transferred is determined in part by required loss reserves under the agreements.

Transfers of accounts receivable are accounted for as secured borrowings resulting in the recognition of short-term borrowings on the Consolidated Balance Sheets. As of December 31, 2024, the maximum amount we could borrow related to our accounts receivable programs is \$175.0 million.

We had zero and \$337.6 million short-term borrowings related to the securitization transactions as of December 31, 2024 and 2023, respectively.

For the year ended December 31, 2024 and 2023, \$337.6 million and \$9.6 million, respectively, was recorded as cash flows used for financing activities related to the change in short-term borrowings due to securitization transactions. For the accounts receivable transfer programs, we pay used facility fees for amounts borrowed, unused commitment fees for amounts not borrowed, and upfront renewal fees. Fees associated with the securitization transactions were \$1.5 million, \$2.7 million, and \$2.5 million for the years ended December 31, 2024, 2023 and 2022, respectively. Columbia of Ohio, NIPSCO and Columbia of Pennsylvania remain responsible for collecting the receivables securitized, and the receivables cannot be transferred to another party. Refer to Note 23, "Interest Expense, Net," for additional information on securitization transaction fees.

Term Credit Agreements. At December 31, 2023, we had \$1.0 billion, and \$650.0 million outstanding under term credit agreements with interest rates of 6.41% and 6.50%, respectively. On January 3, 2024, we terminated and repaid in full our \$1.0 billion and \$650.0 million term credit agreements with proceeds from the NIPSCO Minority Interest Transaction.

Items listed above, excluding the term credit agreements, are presented net in the Statements of Consolidated Cash Flows as their maturities are less than 90 days.

8. Long-Term Debt

Our long-term debt as of December 31, 2024 and 2023 is as follows:

Long-term debt type	Maturity as of December 31, 2024	Weighted average interest rate (%)	Outstanding balance as of December 31, (in millions)	
			2024	2023
Senior notes:				
NiSource	August 2025	0.950 %	\$ 1,250.0	\$ 1,250.0
NiSource	May 2027	3.490 %	1,000.0	1,000.0
NiSource	December 2027	6.780 %	3.0	3.0
NiSource	March 2028	5.250 %	1,050.0	1,050.0
NiSource	July 2029	5.200 %	600.0	—
NiSource	September 2029	2.950 %	750.0	750.0
NiSource	May 2030	3.600 %	1,000.0	1,000.0
NiSource	February 2031	1.700 %	750.0	750.0
NiSource	June 2033	5.400 %	450.0	450.0
NiSource	April 2034	5.350 %	650.0	—
NiSource	December 2040	6.250 %	152.6	152.6
NiSource	June 2041	5.950 %	347.4	347.4
NiSource	February 2042	5.800 %	250.0	250.0
NiSource	February 2043	5.250 %	500.0	500.0
NiSource	February 2044	4.800 %	750.0	750.0
NiSource	February 2045	5.650 %	500.0	500.0
NiSource	May 2047	4.375 %	1,000.0	1,000.0
NiSource	March 2048	3.950 %	750.0	750.0
NiSource	June 2052	5.000 %	350.0	350.0
Total senior notes			\$ 12,103.0	\$ 10,853.0
Junior subordinated notes:				
NiSource	November 2054	6.950 %	500.0	—
NiSource	March 2055	6.375 %	500.0	—
Total junior subordinated notes			\$ 1,000.0	\$ —
Medium term notes:				
NiSource	May 2027	7.990 %	\$ 29.0	\$ 29.0
NIPSCO	June 2027 to August 2027	7.644 %	58.0	58.0
Columbia of Massachusetts	December 2025 to February 2028	6.373 %	15.0	15.0
Total medium term notes			\$ 102.0	\$ 102.0
Finance leases:				
NiSource Corporate Services	January 2025 to September 2027	3.470 %	\$ 14.6	\$ 30.5
NIPSCO	December 2027 to November 2035	5.250 %	124.3	61.2
Columbia of Ohio	December 2025 to March 2044	6.150 %	85.6	90.3
Columbia of Virginia	July 2029 to November 2039	6.190 %	15.2	16.1
Columbia of Kentucky	May 2027	5.360 %	0.1	0.2
Columbia of Pennsylvania	July 2027 to May 2035	4.470 %	6.4	7.1
Total finance leases			\$ 246.2	\$ 205.4
Less: Unamortized issuance costs and discounts			(95.5)	(81.1)
Less: Current portion of long term debt			(1,281.2)	(23.8)
Total Long-Term Debt			\$ 12,074.5	\$ 11,055.5

Details of our 2024 long-term debt related activity are summarized below:

- On March 14, 2024, we completed the issuance and sale of \$650.0 million of 5.350% senior unsecured notes maturing in 2034, which resulted in approximately \$642.6 million of net proceeds after discount and debt issuance costs.

- On May 16, 2024, we completed the issuance and sale of \$500.0 million of 6.950% fixed-to-fixed reset rate junior subordinated notes maturing in 2054, which resulted in approximately \$493.4 million of net proceeds after debt issuance costs. The subordinated notes bear interest (i) from and including May 16, 2024 to, but excluding, November 30, 2029 at a rate of 6.950% per annum and (ii) from and including November 30, 2029, during each five-year reset period at a rate per annum equal to the five-year U.S. treasury rate (determined as described in the prospectus supplement dated May 13, 2024, which was filed with the SEC on May 14, 2024) as of the then most recent reset interest determination date plus a spread of 2.451%, to be reset on each reset date. At our option, we may redeem some or all of the subordinated notes during specified periods, and upon the occurrence of certain ratings or tax events, all as described in the prospectus supplement. In accordance with terms of the subordinated notes, we have the right, from time to time, to defer the payment of interest on the outstanding subordinated notes on one or more occasions for up to ten consecutive years. In the event that we were to exercise such right to defer interest on the subordinated notes, we would not be able to pay cash dividends on the common stock during the periods in which such payments were deferred. The subordinated notes were issued pursuant to a Subordinated Indenture, dated as of May 16, 2024, between us and The Bank of New York Mellon, as trustee, as supplemented by the First Supplemental Indenture thereto, dated as of May 16, 2024.
- On June 24, 2024, we completed the issuance and sale of \$600.0 million of 5.200% senior unsecured notes maturing in 2029, which resulted in approximately \$593.7 million of net proceeds after discount and debt issuance costs.
- On September 9, 2024, we completed the issuance and sale of \$500.0 million of 6.375% fixed-to-fixed reset rate junior subordinated notes maturing in 2055, which resulted in approximately \$493.6 million of net proceeds after debt issuance costs. The subordinated notes bear interest (i) from and including September 9, 2024 to, but excluding, March 31, 2035 at a rate of 6.375% per annum and (ii) from and including March 31, 2035, during each five-year reset period at a rate per annum equal to the five-year U.S. treasury rate (determined as described in the prospectus supplement dated September 3, 2024, which was filed with the SEC on September 4, 2024) as of the then most recent reset interest determination date plus a spread of 2.527%, to be reset on each reset date. At our option, we may redeem some or all of the subordinated notes during specified periods, and upon the occurrence of certain ratings or tax events, all as described in the prospectus supplement. In accordance with terms of the subordinated notes, we have the right, from time to time, to defer the payment of interest on the outstanding subordinated notes on one or more occasions for up to ten consecutive years. In the event that we were to exercise such right to defer interest on the subordinated notes, we would not be able to pay cash dividends on the common stock during the periods in which such payments were deferred. The subordinated notes were issued pursuant to a Subordinated Indenture, dated as of May 16, 2024, between us and The Bank of New York Mellon, as trustee, as supplemented by the Second Supplemental Indenture thereto, dated as of September 9, 2024.

Details of our 2023 long-term debt related activity are summarized below:

- On March 24, 2023, we completed the issuance sale of \$750.0 million of 5.250% senior unsecured notes maturing in 2028, which resulted in approximately \$742.2 million of net proceeds after discount and debt issuance costs.
- On June 8, 2023, we completed the issuance and sale of \$300.0 million of 5.250% senior unsecured notes maturing in 2028 (the "2028 Notes"). The terms of the 2028 Notes, other than the issue date and the price to the public, are identical to the terms of, and constitute as a reopening of, our 5.250% senior unsecured notes due 2028 issued on March 24, 2023. With the incremental issuance, we now have \$1.05 billion of 5.250% senior unsecured notes maturing in 2028. On June 8, 2023, we also completed the issuance and sale of \$450.0 million of 5.400% senior unsecured notes maturing in 2033. These issuances resulted in approximately \$742.5 million of total net proceeds after discount and debt issuance costs.

See Note 19, "Other Commitments and Contingencies - A. Contractual Obligations," for the outstanding long-term debt maturities at December 31, 2024.

Unamortized debt expense, premium and discount on long-term debt applicable to outstanding bonds are being amortized over the life of such bonds.

We are subject to a financial covenant under our revolving credit facility which requires us to maintain a debt to capitalization ratio that does not exceed 70%. As of December 31, 2024, the ratio was 52.6%.

We are also subject to certain other non-financial covenants under the revolving credit facility. Such covenants include a limitation on the creation or existence of new liens on our assets, generally exempting liens on utility assets, purchase money security interests, preexisting security interests and an additional subset of assets equal to \$200 million. An asset sale covenant generally restricts the sale, conveyance, lease, transfer or other disposition of our assets to those dispositions that are for a price not materially less than fair market of such assets, that would not materially impair our ability to perform obligations under the revolving credit facility, and that together with all other such dispositions, would not have a material adverse effect. The covenant also restricts dispositions to no more than 15% of our consolidated total assets on December 31, 2022. Additionally, the revolving credit facility requires us to own directly or indirectly at least 70% of NIPSCO. The revolving credit facility also includes a cross-default provision, which triggers an event of default under the credit facility in the event of an uncured payment default relating to any indebtedness of us or any of our subsidiaries in a principal amount of \$75.0 million or more.

Our indentures generally do not contain any financial maintenance covenants. However, our indentures are generally subject to cross-default provisions ranging from uncured payment defaults of \$5.0 million to \$50.0 million, and limitations on the incurrence of liens on our assets, generally exempting liens on utility assets, purchase money security interests, preexisting security interests and an additional subset of assets capped at 10% of our consolidated net tangible assets.

9. Property, Plant and Equipment

Our property, plant and equipment on the Consolidated Balance Sheets are classified as follows:

At December 31, (in millions)	2024	2023
Property, Plant and Equipment		
Gas Distribution Utility	\$ 20,007.2	\$ 18,154.5
Electric Utility	8,666.8	7,907.9
Corporate	248.1	274.2
Construction Work in Process	2,084.7	1,261.1
JV Renewable Generation Assets ⁽¹⁾	1,434.2	1,434.4
Non-Utility and Other	1,711.9	1,450.0
Total Property, Plant and Equipment	\$ 34,152.9	\$ 30,482.1
Accumulated Depreciation and Amortization		
Gas Distribution Utility	\$ (4,166.8)	\$ (3,924.4)
Electric Utility	(2,707.8)	(2,709.5)
Corporate	(163.4)	(174.2)
JV Renewable Generation Assets ⁽¹⁾	(110.4)	(64.5)
Non-Utility and Other	(1,550.6)	(1,334.6)
Total Accumulated Depreciation and Amortization	\$ (8,699.0)	\$ (8,207.2)
Net Property, Plant and Equipment	\$ 25,453.9	\$ 22,274.9

⁽¹⁾These JV renewable generation assets owned and operated by JVs between NIPSCO and unrelated tax equity partners represent Non-Utility Property, are depreciated straight-line over 30 years and are part of our NIPSCO Operations segment. Refer to Note 4, "Noncontrolling Interests," for additional information.

The weighted average depreciation provisions for utility plant, as a percentage of the original cost, for the periods ended December 31, 2024, 2023 and 2022 were as follows:

	2024	2023	2022
NIPSCO Operations	3.0 %	3.0 %	2.7 %
Columbia Operations	2.6 %	2.5 %	2.4 %

We recognized depreciation expense of \$820.4 million, \$756.9 million and \$685.0 million for the years ended 2024, 2023 and 2022, respectively. The 2024, 2023 and 2022, depreciation expense includes \$58.9 million, \$12.5 million, and \$11.0 million

related to the regulatory deferral of income associated with our JVs. See Note 1, "Nature of Operations and Summary of Significant Accounting Policies - S. Noncontrolling Interest," for additional details.

Amortization of on-premise Software Costs. We amortized \$85.2 million, \$77.5 million and \$53.1 million in 2024, 2023 and 2022, respectively, related to software recorded as intangible assets. Our unamortized software balance was \$236.1 million and \$205.6 million at December 31, 2024 and 2023, respectively.

Amortization of Cloud Computing Costs. We amortized \$17.7 million, \$12.6 million and \$11.1 million in 2024, 2023 and 2022, respectively, related to cloud computing costs to "Operation and maintenance" expense. Our unamortized cloud computing balance was \$77.5 million and \$32.2 million at December 31, 2024 and 2023, respectively.

10. Goodwill

Substantially all of our goodwill relates to the excess of cost over the fair value of the net assets acquired in the Columbia acquisition on November 1, 2000. Our goodwill balance was \$1,485.9 million as of December 31, 2024 and 2023. The majority of our goodwill has been allocated to the Columbia Operations segment.

For our annual goodwill impairment analysis performed as of May 1, 2024, we completed a quantitative ("step 1") fair value measurement of our reporting units. Fair value of our reporting units was determined based on a weighting of income and market approaches. The income approach calculated discounted cash flows using updated cash flow projections, discount rates and return on equity assumptions. The market approach applied a combination of comparable company multiples and comparable transactions and used the most recent cash flow projections. The test indicated that the fair value of each of the reporting units that are allocated goodwill exceeded their carrying values, indicating that no impairment was necessary.

11. Asset Retirement Obligations

We have recognized asset retirement obligations associated with various legal obligations including costs to remove and dispose of certain construction materials located within many of our facilities (including our JV facilities), certain costs to retire pipeline, removal costs for certain underground storage tanks, removal of certain pipelines known to contain PCB contamination, closure costs for certain sites including ash ponds, solid waste management units and a landfill, as well as some other nominal asset retirement obligations. We also have an obligation associated with the decommissioning of our two hydro facilities located in Indiana. These hydro facilities have an indeterminate life, and as such, no asset retirement obligation has been recorded.

During the fourth quarter of 2024, we continued to evaluate the applicability of revisions to the EPA rule for disposal of CCRs, which was announced in May 2024. As a result, we recorded an increase of \$149.7 million based on initial assessments of estimated costs to comply with the EPA rule for certain sites. Additional costs will be recorded if they become probable and estimable. These costs are expected to be recoverable through existing and future depreciation rates. See Note 19, "Other Commitments and Contingencies - D. Environmental Matters," for additional information on the legacy CCR rule.

Changes in our liability for asset retirement obligations for the years 2024 and 2023 are presented in the table below:

<i>(in millions)</i>	2024	2023
Beginning Balance	\$ 553.0	\$ 513.5
Accretion recorded as a regulatory asset/liability	25.3	20.0
Additions	189.9	23.5
Settlements	(72.5)	(41.6)
Change in estimated cash flows	87.5	37.6
Ending Balance	\$ 783.2	\$ 553.0

Certain non-legal costs of removal not yet incurred but have been, and continue to be, included in depreciation rates and collected in the customer rates of the rate-regulated subsidiaries are classified as "Regulatory liabilities" on the Consolidated Balance Sheets.

12. Regulatory Matters

Regulatory Assets and Liabilities

We follow the accounting and reporting requirements of ASC Topic 980, which provides that regulated entities account for and report assets and liabilities consistent with the economic effect of regulatory rate-making procedures when the rates established are designed to recover the costs of providing the regulated service and it is probable that such rates will be charged and collected from customers. Certain expenses and credits subject to utility regulation or rate determination normally reflected in income or expense are deferred on the balance sheet and are recognized in the income statement as the related amounts are included in customer rates and recovered from or refunded to customers. We assess the probability of collection for all of our regulatory assets each period.

Regulatory assets were comprised of the following items:

At December 31, <i>(in millions)</i>	2024	2023
Regulatory Assets		
Unrecognized pension and other postretirement benefit costs (see Note 16)	\$ 485.3	\$ 561.6
Deferred pension and other postretirement benefit costs (see Note 16)	45.3	59.7
Environmental costs (see Note 19-D.)	42.8	40.6
Regulatory effects of accounting for income taxes (see Note 1-N. and Note 15)	172.0	163.5
Under-recovered gas and fuel costs (see Note 1-J.)	82.3	12.7
Depreciation	214.9	201.9
Post-in-service carrying charges	280.8	269.9
Safety activity costs	203.7	206.6
DSM programs	17.8	25.0
Retired coal generating stations	617.0	682.0
Losses on commodity price risk programs (See Note 13)	6.5	24.4
Deferred property taxes	75.9	72.3
Renewable energy investments	81.3	60.8
WAM system filing	21.5	—
Customer assistance programs	24.4	—
Other	105.8	79.2
Total Regulatory Assets	\$ 2,477.3	\$ 2,460.2
Less: Current Portion	319.9	214.3
Total Noncurrent Regulatory Assets	\$ 2,157.4	\$ 2,245.9

Regulatory liabilities were comprised of the following items:

At December 31, <i>(in millions)</i>	2024	2023
Regulatory Liabilities		
Over-recovered gas and fuel costs (see Note 1-J.)	\$ 21.4	\$ 144.5
Cost of removal (see Note 11)	482.8	597.2
Regulatory effects of accounting for income taxes (see Note 1-N. and Note 15)	827.0	849.9
Deferred pension and other postretirement benefit costs (see Note 16)	40.4	54.0
Gains on commodity price risk programs (See Note 13)	28.7	23.3
Customer assistance programs	9.4	19.8
Off-system sales sharing	21.4	19.0
Renewable energy investments (See Note 1-S. and Note 4)	77.0	18.1
Rate refunds	16.6	16.1
Other	57.0	47.4
Total Regulatory Liabilities	\$ 1,581.7	\$ 1,789.3
Less: Current Portion	150.5	278.6
Total Noncurrent Regulatory Liabilities	\$ 1,431.2	\$ 1,510.7

Regulatory assets, including under-recovered gas and fuel costs and depreciation, of approximately \$671.3 million and \$716.4 million as of December 31, 2024 and 2023, respectively, are not earning a return on investment. These costs are recovered over a remaining life of between 15 and 75 years.

Assets:

Unrecognized pension and other postretirement benefit costs. Represents the deferred other comprehensive income or loss of the actuarial gains or losses and the prior service costs or credits that arise during the period but that are not immediately recognized as components of net periodic benefit costs by certain subsidiaries that will ultimately be recovered through base rates.

Deferred pension and other postretirement benefit costs. Primarily relates to the difference between defined benefit plan expense recorded by certain subsidiaries due to regulatory orders and the corresponding expense that would otherwise be recorded in accordance with GAAP. This balance is driven by Columbia of Ohio deferrals.

Environmental costs. Includes certain recoverable costs related to gas plant sites, disposal sites or other sites onto which material may have migrated, the recovery of which is to be addressed in future base rates, billing riders or tracking mechanisms of certain of our subsidiaries.

Regulatory effects of accounting for income taxes. Represents the deferral and under collection of deferred taxes in the rate making process.

Under-recovered gas and fuel costs. Represents the difference between the costs of gas and fuel, as well as energy acquired through power purchase agreements, including NIPSCO's own renewable projects, and the recovery of such costs in revenue and is used to adjust future billings for such deferrals on a basis consistent with applicable state-approved tariff provisions. Recovery of these costs is achieved through tracking mechanisms.

Depreciation. Represents differences between depreciation expense incurred on a GAAP basis and that prescribed through regulatory order. The majority of this balance is driven by Columbia of Ohio's IRP and CEP deferrals.

Post-in-service carrying charges. Represents deferred debt-based carrying charges incurred on certain assets placed into service but not yet included in customer rates. The majority of this balance is driven by Columbia of Ohio's IRP and CEP deferrals.

Safety activity costs. Represents the difference between costs incurred by certain of our subsidiaries in eligible safety programs in compliance with PHMSA regulations in excess of those being recovered in rates. The majority of this balance is driven by Columbia of Ohio, which began recovery in March 2023 through base rates.

DSM programs. Represents costs associated with Columbia Operations and NIPSCO Operations energy efficiency and conservation programs. Costs are recovered through tracking mechanisms.

Retired coal generating stations. Represents the net book value of Units 7 and 8 of Bailly Generating Station that was retired during 2018 and the net book value of Units 14 and 15 of R.M. Schahfer Generating Station retired in 2021. These amounts are currently being amortized at a rate consistent with their inclusion in customer rates. The August 2023 NIPSCO electric rate case order extends the recovery of, and on, the net book value of the stations by the end of 2034 and implements a revenue credit for the retired units. The credit is based on the difference between the year-end value of Units 14 and 15 and the most recent value established in the last base rate case proceeding or credit compliance filing.

Losses on commodity price risk programs. Represents the unrealized losses related to certain of our subsidiary's commodity price risk programs. These programs help to protect against the volatility of commodity prices and these amounts are collected from customers through their inclusion in customer rates.

Deferred property taxes. Represents the deferral and under collection of property taxes in the rate making process for Columbia of Ohio and is driven by the IRP and CEP deferrals.

Renewable energy investments. Represents the regulatory deferral of renewable energy formation and developer costs.

WAM system filing. Represents the deferral of certain costs, including depreciation and amortization incurred in connection with improvements to its information technology systems through the design, development, and implementation of a new WAM program for the scheduling, dispatch, and execution of work and the management of underlying assets.

Customer Assistance Programs. Represents the difference between the eligible customer assistance program costs and collections, which will be collected from customers.

Liabilities:

Over-recovered gas and fuel costs. Represents the difference between the cost of gas and fuel, as well as energy acquired through power purchase agreements, including NIPSCO's own renewable projects and, the recovery of such costs in revenues and is the basis to adjust future billings for such refunds on a basis consistent with applicable state-approved tariff provisions. Refunding of these revenues is achieved through tracking mechanisms.

Cost of removal. Represents anticipated costs of removal for utility assets that have been collected through depreciation rates for future costs to be incurred.

Regulatory effects of accounting for income taxes. Represents amounts owed to customers for deferred taxes collected at a higher rate than the current statutory rates and liabilities associated with accelerated tax deductions owed to customers. Balance includes excess deferred taxes recorded upon implementation of the TCJA in December 2017, net of amounts amortized through 2024 and federal tax credits generated by Cavalry solar facility that are passed back to customers. For discussion of the regulatory impact of the NIPSCO Minority Interest Transaction on deferred taxes, see Note 15, "Income Taxes," for additional details.

Deferred pension and other postretirement benefit costs. Primarily represents cash contributions in excess of postretirement benefit expense that is deferred by certain subsidiaries.

Gains on commodity price risk programs. Represents the unrealized gains related to certain of our subsidiary's commodity price risk programs. These programs help to protect against the volatility of commodity prices, and these amounts are passed back to customers through their inclusion in customer rates.

Customer Assistance Programs. Represents the difference between the eligible customer assistance program costs and collections, which will be refunded to customers.

Renewable energy investments. Represents the regulatory deferral of certain amounts representing the timing difference between the profit earned from the JVs and the amount included in regulated rates to recover our approved investments in consolidated JVs. The offset to the regulatory liability associated with our renewable investments is recorded in "Depreciation expense" on the Statements of Consolidated Comprehensive Income. Refer to Note 1, "Nature of Operations and Summary of Significant Accounting Policies - S. Noncontrolling Interest," Note 4, "Noncontrolling Interests," and Note 9, "Property, Plant and Equipment," for additional information.

Rate Refunds. Represents supplier refunds received by the company that are owed to customers and will be remitted and amounts that are being collected in rates subject to refund.

Off System Sales Sharing. Represents amounts to be passed back to the customers as a result of Off System sales that is shared between the company and the customer.

Regulatory Filings

Renewable generation filings

In March 2024, NIPSCO filed a petition with the IURC to issue an order modifying its November 22, 2023 order to approve direct ownership of the Gibson project. Also, in March 2024, NIPSCO filed a petition with the IURC to issue an order modifying its June 29, 2021 order to approve direct ownership of the Fairbanks project. Hearings for both the Gibson project and Fairbanks project were held in June 2024 and July 2024, respectively, with orders approving direct ownership of both projects received in August 2024.

NIPSCO Gas peaker filing

In September 2023, NIPSCO filed a request for issuance of a CPCN for an approximately 400 MW natural gas peaking generation facility with the IURC, which was supplemented in January 2024 based on updates on availability of certain key equipment. A final order was received in October 2024 approving the request.

NIPSCO Electric rate case filing

On February 7, 2025, NIPSCO and certain intervening parties filed a Joint Stipulation and Settlement Agreement with the IURC. New rates proposed to be implemented in 2 steps, with implementation of Step 1 rates effective no later than September 2025 and Step 2 rates to be effective no later than March 2026.

Columbia of Virginia rate case filing

Columbia of Virginia and the intervening parties, with the exception of the Office of the Attorney General, filed a Joint Stipulation and Proposed Recommendation for settlement on December 5, 2024 for an annual revenue increase of \$28.2 million, net of SAVE. Rates became effective on an as filed basis in October 2024 and we have recorded a regulatory liability to reflect the pending settlement.

13. Risk Management Activities

We are exposed to certain risks related to our ongoing business operations; namely commodity price risk and interest rate risk. We recognize that the prudent and selective use of derivatives may help to limit volatility in the price of natural gas, and manage interest rate exposure.

Risk management assets and liabilities on our derivatives are presented on the Consolidated Balance Sheets as shown below:

(in millions)	December 31, 2024		December 31, 2023	
	Assets	Liabilities	Assets	Liabilities
Current ⁽¹⁾				
Derivatives not designated as hedging instruments	\$ 9.1	\$ 2.3	\$ 1.1	\$ 7.5
Total	\$ 9.1	\$ 2.3	\$ 1.1	\$ 7.5
Noncurrent ⁽²⁾				
Derivatives not designated as hedging instruments	\$ 17.9	\$ 1.2	\$ 22.2	\$ 1.9
Total	\$ 17.9	\$ 1.2	\$ 22.2	\$ 1.9

⁽¹⁾ Current assets and liabilities are presented in "Prepayments and other" and "Other accruals", respectively, on the Consolidated Balance Sheets.

⁽²⁾ Noncurrent assets and liabilities are presented in "Deferred charges and other" and "Other noncurrent liabilities and deferred credits", respectively, on the Consolidated Balance Sheets.

Our derivative instruments are subject to enforceable master netting arrangements or similar agreements. No collateral was either received or posted related to our outstanding derivative positions at December 31, 2024 and 2023. If the above gross asset and liability positions were presented net of amounts owed or receivable from counterparties, we would report a net asset position of \$23.5 million and \$13.9 million at December 31, 2024 and 2023, respectively.

Derivatives Not Designated as Hedging Instruments

Commodity price risk management. We, along with our utility customers, are exposed to variability in cash flows associated with natural gas purchases and volatility in natural gas prices. We purchase natural gas for sale and delivery to our retail, commercial and industrial customers, and for most customers the variability in the market price of gas is passed through in their rates. Some of our utility subsidiaries offer programs whereby variability in the market price of gas is assumed by the respective utility. The objective of our commodity price programs is to mitigate the gas cost variability, for us or on behalf of our customers, associated with natural gas purchases or sales by economically hedging the various gas cost components using a combination of futures, options, forwards or other derivative contracts. As of December 31, 2024 and 2023, we had 77.8 MMDth and 76.1 MMDth, respectively, of net energy derivative volumes outstanding related to our natural gas hedges.

NIPSCO has received IURC approval to lock in a fixed price for its natural gas customers using long-term forward purchase instruments and is limited to 20% of NIPSCO's average annual GCA purchase volume. As of December 31, 2024, the remaining terms of these instruments range from one to three years. Likewise, Columbia of Pennsylvania has received approval for a 24-month rolling hedge program. The hedging program was executed in December 2023, with an effective date of April 1, 2024 and will continue in perpetuity. The program is designed to financially hedge approximately 20% of the customer's annual demand. All gains and losses on these derivative contracts are deferred as regulatory liabilities or assets and are remitted to or collected from customers through the relevant cost recovery mechanism.

Derivatives Designated as Hedging Instruments

Interest rate risk management. As of December 31, 2024 and 2023, we had no forward-starting interest rate swaps outstanding.

The overall net loss related to our multiple settled interest rate swaps is recorded to AOCI. We amortize the net loss over the life of the debt associated with these swaps as we recognize interest expense. These amounts are immaterial in 2024, 2023 and 2022 and are recorded in "Interest expense, net" on the Statements of Consolidated Income.

Cash flows for derivative financial instruments are generally classified as operating activities.

14. Fair Value
A. Fair Value Measurements
Recurring Fair Value Measurements

The following tables present financial assets and liabilities measured and recorded at fair value on our Consolidated Balance Sheets on a recurring basis and their level within the fair value hierarchy as of December 31, 2024 and December 31, 2023:

Recurring Fair Value Measurements December 31, 2024 (<i>in millions</i>)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of December 31, 2024
Assets				
U.S. Treasury debt securities ⁽¹⁾	\$ 80.1	\$ —	\$ —	\$ 80.1
Risk management assets	—	27.0	—	27.0
Available-for-sale debt securities	—	86.7	—	86.7
Total	\$ 80.1	\$ 113.7	\$ —	\$ 193.8
Liabilities				
Risk management liabilities	\$ —	\$ 3.5	\$ —	\$ 3.5
Total	\$ —	\$ 3.5	\$ —	\$ 3.5

⁽¹⁾ Treasury bills are presented in "Cash and cash equivalents" and "Restricted cash" on the Consolidated Balance Sheets.

Recurring Fair Value Measurements December 31, 2023 (<i>in millions</i>)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of December 31, 2023
Assets				
Risk management assets	\$ —	\$ 23.3	\$ —	\$ 23.3
Available-for-sale debt securities	—	159.1	—	159.1
Total	\$ —	\$ 182.4	\$ —	\$ 182.4
Liabilities				
Risk management liabilities	\$ —	\$ 9.4	\$ —	\$ 9.4
Total	\$ —	\$ 9.4	\$ —	\$ 9.4

Risk Management Assets and Liabilities. Risk management assets and liabilities include interest rate swaps, exchange-traded NYMEX futures and NYMEX options and non-exchange-based forward purchase contracts.

Level 1- When utilized, exchange-traded derivative contracts are based on unadjusted quoted prices in active markets and are classified within Level 1. These financial assets and liabilities are secured with cash on deposit with the exchange; therefore, nonperformance risk has not been incorporated into these valuations. These financial assets and liabilities are deemed to be cleared and settled daily by NYMEX as the related cash collateral is posted with the exchange. As a result of this exchange rule, NYMEX derivatives are considered to have no fair value at the balance sheet date for financial reporting purposes, and are presented in Level 1 net of posted cash; however, the derivatives remain outstanding and are subject to future commodity price fluctuations until they are settled in accordance with their contractual terms.

Level 2- Certain non-exchange-traded derivatives are valued using broker or over-the-counter, on-line exchanges. In such cases, these non-exchange-traded derivatives are classified within Level 2. Non-exchange-based derivative instruments include swaps, forwards, and options. In certain instances, these instruments may utilize models to measure fair value. We use a similar model to value similar instruments. Valuation models utilize various inputs that include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, other observable inputs for the asset or liability and market-corroborated inputs, (i.e., inputs derived principally from or corroborated by observable market data by correlation or other means). Where observable inputs are available for substantially the full term of the asset or liability, the instrument is categorized within Level 2.

Level 3- Certain derivatives trade in less active markets with a lower availability of pricing information and models may be utilized in the valuation. When such inputs have a significant impact on the measurement of fair value, the instrument is categorized within Level 3.

Credit risk is considered in the fair value calculation of derivative instruments that are not exchange-traded. Credit exposures are adjusted to reflect collateral agreements that reduce exposures. As of December 31, 2024 and 2023, there were no material transfers between fair value hierarchies. Additionally, there were no changes in the method or significant assumptions used to estimate the fair value of our financial instruments.

NIPSCO and Columbia of Pennsylvania have entered into long-term forward natural gas purchase instruments to lock in a fixed price for their natural gas customers. We value these contracts using a pricing model that incorporates market-based information when available, as these instruments trade less frequently and are classified within Level 2 of the fair value hierarchy. For additional information, see Note 13, "Risk Management Activities."

Available-for-Sale Debt Securities. Available-for-sale debt securities are investments pledged as collateral for trust accounts related to our wholly-owned insurance company. We value U.S. Treasury, corporate debt and mortgage-backed securities using a matrix pricing model that incorporates market-based information. These securities trade less frequently and are classified within Level 2.

Our available-for-sale debt securities impairments are recognized periodically using an allowance approach. At each reporting date, we utilize a quantitative and qualitative review process to assess the impairment of available-for-sale debt securities at the individual security level. For securities in a loss position, we evaluate our intent to sell or whether it is more-likely-than-not that we will be required to sell the security prior to the recovery of its amortized cost. If either criteria is met, the loss is recognized in earnings immediately, with the offsetting entry to the carrying value of the security. If both criteria are not met, we perform an analysis to determine whether the unrealized loss is related to credit factors. The analysis focuses on a variety of factors that include, but are not limited to, downgrade on ratings of the security, defaults in the current reporting period or projected defaults in the future, the security's yield spread over treasuries, and other relevant market data. If the unrealized loss is not related to credit factors, it is included in other comprehensive income. If the unrealized loss is related to credit factors, the loss is recognized as credit loss expense in earnings during the period, with an offsetting entry to the allowance for credit losses. The amount of the credit loss recorded to the allowance account is limited by the amount at which the security's fair value is less than its amortized cost basis. If certain amounts recorded in the allowance for credit losses are deemed uncollectible, the allowance on the uncollectible portion will be charged off, with an offsetting entry to the carrying value of the security. Subsequent improvements to the estimated credit losses of available-for-sale debt securities will be recognized immediately in earnings. As of December 31, 2024 and December 31, 2023, we recorded \$0.1 million and \$0.6 million, respectively, as an allowance for credit losses on available-for-sale debt securities as a result of the analysis described above. Continuous credit monitoring and portfolio credit balancing mitigates our risk of credit losses on our available-for-sale debt securities.

The amortized cost, gross unrealized gains and losses, allowance for credit losses, and fair value of available-for-sale securities at December 31, 2024 and 2023 were:

December 31, 2024 <i>(in millions)</i>	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses ⁽¹⁾	Allowance for Credit Losses	Fair Value
Available-for-sale debt securities					
Corporate/Other debt securities	\$ 91.9	\$ 0.5	\$ (5.6)	\$ (0.1)	\$ 86.7
Total	\$ 91.9	\$ 0.5	\$ (5.6)	\$ (0.1)	\$ 86.7

December 31, 2023 <i>(in millions)</i>	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses ⁽²⁾	Allowance for Credit Losses	Fair Value
Available-for-sale debt securities					
U.S. Treasury debt securities	\$ 63.8	\$ —	\$ (3.2)	\$ —	\$ 60.6
Corporate/Other debt securities	105.2	0.8	(6.9)	(0.6)	98.5
Total	\$ 169.0	\$ 0.8	\$ (10.1)	\$ (0.6)	\$ 159.1

⁽¹⁾ Fair value of Corporate/Other debt securities in an unrealized loss position without an allowance for credit losses is \$70.1 million at December 31, 2024.

⁽²⁾ Fair value of U.S. Treasury debt securities and Corporate/Other debt securities in an unrealized loss position without an allowance for credit losses is \$58.7 million and \$74.8 million, respectively, at December 31, 2023.

Realized gains and losses on available-for-sale securities was \$2.3 million for the year ended December 31, 2024 and \$1.0 million for 2023.

The cost of maturities sold is based upon specific identification. At December 31, 2024, approximately \$10.9 million of Corporate/Other debt securities have maturities of less than a year.

There are no material items in the fair value reconciliation of Level 3 assets and liabilities measured at fair value on a recurring basis for the years ended December 31, 2024 and 2023.

Additional plan investments in corporate-owned life insurance are recorded at their cash surrender value, not fair value, and therefore are not included above. These plan investments are classified as "Other investments" on the Consolidated Balance Sheets.

Non-recurring Fair Value Measurements

We measure the fair value of certain assets, including goodwill, on a non-recurring basis, typically when events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable.

B. Other Fair Value Disclosures for Financial Instruments. The carrying amount of cash and cash equivalents, restricted cash, notes receivable, customer deposits and short-term borrowings is a reasonable estimate of fair value due to their liquid or short-term nature. Our long-term borrowings are recorded at historical amounts.

The following method and assumptions were used to estimate the fair value of each class of financial instruments.

Long-term debt. The fair value of outstanding long-term debt is estimated based on the quoted market prices for the same or similar securities. Certain premium costs associated with the early settlement of long-term debt are not taken into consideration in determining fair value. These fair value measurements are classified within Level 2 of the fair value hierarchy. For the years ended December 31, 2024 and 2023, there was no change in the method or significant assumptions used to estimate the fair value of long-term debt.

The carrying amount and estimated fair values of these financial instruments were as follows:

At December 31, <i>(in millions)</i>	Carrying Amount 2024	Estimated Fair Value 2024	Carrying Amount 2023	Estimated Fair Value 2023
Long-term debt (including current portion)	\$ 13,355.7	\$ 12,505.2	\$ 11,079.3	\$ 10,370.9

15. Income Taxes

Judgment and the use of estimates are required in developing the provision for income taxes and reporting of tax-related assets and liabilities. The interpretation of tax laws and associated regulations involves uncertainty as taxing authorities may interpret the laws differently.

NIPSCO's historical business activities through the closing of the NIPSCO Minority Interest Transaction in 2023 were included in the consolidated U.S. federal and certain state income tax returns of NiSource Inc. Historically, NIPSCO has been treated as a taxable division of its corporate parent, NiSource Inc., and then as a division of NIPSCO Holdings I effective April 13, 2023. In connection with the NIPSCO Minority Interest Transaction, NIPSCO Holdings I retained NIPSCO's income tax balances and 80.1% of the excess deferred income tax regulatory balances as described below. NIPSCO Holdings I's income tax balances are based on the difference between the financial statement amount and the tax basis of its investment in NIPSCO Holdings II.

Income Tax Expense. The components of income tax expense (benefit) were as follows:

Year Ended December 31, <i>(in millions)</i>	2024	2023	2022
Income Taxes			
Current			
Federal	\$ (19.3)	\$ —	\$ 0.4
State	9.4	5.3	7.3
Total Current (Benefit) Expense	(9.9)	5.3	7.7
Deferred			
Federal			
Taxes before operating loss carryforwards and investment credits	105.9	49.7	87.9
Tax utilization expense of operating loss carryforwards	60.4	65.1	93.1
Investment tax credits	(0.1)	(2.1)	—
State	2.6	22.5	(23.0)
Total Deferred Expense	168.8	135.2	158.0
Deferred Investment Tax Credits	(0.8)	(1.0)	(1.1)
Income Taxes from Continuing Operations	\$ 158.1	\$ 139.5	\$ 164.6

In connection with the NIPSCO Minority Interest Transaction during 2023, NiSource recognized a \$63.5 million income tax benefit in additional paid in capital related to 19.9% of NIPSCO's excess deferred income taxes attributable to Blackstone's noncontrolling interest. This benefit does not impact NIPSCO's regulatory books or the excess deferred taxes that will benefit customers through lower future rates in accordance with applicable regulatory orders. See Note 4, "Noncontrolling Interests," for further discussion of the NIPSCO Minority Interest Transaction.

Statutory Rate Reconciliation. The following table represents a reconciliation of income tax expense at the statutory federal income tax rate to the actual income tax expense from continuing operations:

Year Ended December 31, <i>(in millions)</i>	2024		2023		2022				
Book income before income taxes	\$	1,002.8	\$	813.9	\$	956.4			
Tax expense at statutory federal income tax rate		210.6	21.0 %	170.8	21.0 %	200.8	21.0 %		
Increases (reductions) in taxes resulting from:									
State income taxes, net of federal income tax benefit		11.7	1.2	13.7	1.7	4.5	0.5		
Amortization of regulatory liabilities		(11.1)	(1.1)	(38.2)	(4.7)	(38.5)	(4.0)		
Employee stock ownership plan dividends and other compensation		(1.3)	(0.1)	(1.3)	(0.2)	(1.2)	(0.1)		
Federal tax credits		(23.3)	(2.3)	(4.9)	(0.6)	(2.3)	(0.2)		
Tax effect of non-controlling Interest		(27.3)	(2.7)	—	—	—	—		
Other adjustments		(1.2)	(0.2)	(0.6)	(0.1)	1.3	—		
Income Taxes	\$	158.1	15.8 %	\$	139.5	17.1 %	\$	164.6	17.2 %

The increase in tax expense of \$18.6 million in 2024 versus 2023 was primarily due to higher pre-tax income, partially offset by the tax effect of non-controlling interest, and higher federal tax credits generated by the Cavalry solar and storage facility that are offset in a regulatory liability to pass back to customers in future periods.

The decrease in the Amortization of Regulatory Liabilities in 2024 versus 2023 was primarily due to the regulatory liability established for the Cavalry tax credits generated in 2024, net of TCJA excess deferred amortization which decreased approximately \$7.9 million from the prior year.

The difference in tax expense of \$25.1 million in 2023 versus 2022 was primarily due to lower pre-tax income.

Net Deferred Income Tax Liability Components. Deferred income taxes result from temporary differences between the financial statement carrying amounts and the tax basis of existing assets and liabilities. The principal components of our net deferred tax liabilities were as follows:

At December 31, (in millions)	2024	2023
Deferred tax liabilities		
Accelerated depreciation and other property differences	\$ 1,419.4	\$ 1,384.8
Partnership basis differences	1,328.6	1,241.9
Other regulatory assets	210.1	212.1
Total Deferred Tax Liabilities	2,958.1	2,838.8
Deferred tax assets		
Other regulatory liabilities and deferred investment tax credits (including TCJA)	170.4	182.2
Pension and other postretirement/postemployment benefits	58.8	58.6
Loss and credit carryforwards	369.4	422.9
Environmental liabilities	12.2	10.1
Other accrued liabilities	43.4	40.3
Other, net	28.7	50.7
Total Deferred Tax Assets	682.9	764.8
Valuation Allowance	(6.4)	(6.4)
Net Deferred Tax Assets	676.5	758.4
Net Deferred Tax Liabilities	\$ 2,281.6	\$ 2,080.4

In connection with the NIPSCO Minority Interest Transaction, NIPSCO's deferred taxes were removed from its GAAP books and were reconstituted as deferred taxes on the outside basis difference of NiSource's investment in NIPSCO Holdings II. These deferred taxes are reflected as partnership basis differences above.

NiSource has the following deductible loss and credit carryforwards:

At December 31, 2024 (in millions)	Deductible Amount	Deferred Tax Asset	Valuation Allowance	Expiration Period
Federal losses	\$ 1,369.1	\$ 287.5	\$ —	2037
Federal investment tax credits	—	2.2	—	2043
Federal production tax credits	—	1.0	—	2040-2043
Federal other credit	—	17.3	—	2029-2043
State losses	2,024.4	81.9	(6.4)	2031-2037
Total		\$ 389.9	\$ (6.4)	

We believe it is not more likely than not that a portion of the benefit from certain state net operating loss carryforwards will be realized. We have recorded a valuation allowance of \$6.4 million on the deferred tax assets related to sale of Massachusetts Business assets reflected in the state net operating loss carryforward presented above.

Unrecognized Tax Benefits. A reconciliation of the beginning and ending amounts of unrecognized tax benefits is as follows:

At December 31, 2024 (in millions)	2024	2023	2022
Opening Balance	\$ 21.7	\$ 21.7	\$ 21.7
Gross decreases - tax positions in prior period	—	—	—
Gross increases - current period tax positions	—	—	—
Ending Balance	\$ 21.7	\$ 21.7	\$ 21.7
Offset for net operating loss carryforwards	(21.7)	(21.7)	(21.7)
Balance, Less Net Operating Loss Carryforwards	\$ —	\$ —	\$ —

We are subject to income taxation in the United States and various state jurisdictions, primarily Indiana, Pennsylvania, Kentucky, Massachusetts, Maryland and Virginia.

We participate in the IRS CAP, which provides the opportunity to resolve tax matters with the IRS before filing each year's consolidated federal income tax return. As of December 31, 2024, tax years through 2021 have been audited and are closed to further assessment. The Company has transitioned to the Bridge Phase of the IRS CAP for the year ended December 31, 2022 and participated in the Bridge Plus pilot program in 2022 and 2023. NiSource received a full acceptance letter from the IRS for its 2022 return, but has not yet received a final acceptance letter from the IRS for its 2023 return. However, no adjustments are expected, and the year is effectively closed to further assessment.

The statute of limitations in each of the state jurisdictions in which we operate remains open between 3-4 years from the date the state income tax returns are filed. As of December 31, 2024, there were no state income tax audits in progress that would have a material impact on the consolidated financial statements.

NiSource is obligated to report adjustments resulting from IRS audits or settlements to state taxing authorities. In addition, if NiSource utilizes net operating losses or tax credits generated in years for which the statute of limitations has expired, such amounts are generally subject to examination.

On April 14, 2023, the IRS issued Revenue Procedure 2023-15 which provides a safe harbor method of accounting that taxpayers may use to determine whether expenses to repair, maintain, replace, or improve linear property and non-linear natural gas transmission and distribution property must be capitalized as improvements or are allowable as deductions. On June 3, 2024, the IRS extended the favorable rules to a Year 2 adoption period. The Company is planning to elect this change in tax accounting method with its 2024 consolidated tax return filing in the upcoming year and continues to analyze and quantify the provisions of the safe harbor method of accounting.

16. Pension and Other Postemployment Benefits

We provide defined contribution plans and noncontributory defined benefit retirement plans that cover certain of our employees. Benefits under the defined benefit retirement plans reflect the employees' compensation, years of service and age at retirement. Additionally, we provide health care and life insurance benefits for certain retired employees. The majority of employees may become eligible for these benefits if they reach retirement age while working for us. The expected cost of such benefits is accrued during the employees' years of service. Current rates of rate-regulated companies include postretirement benefit costs, including amortization of the regulatory assets that arose prior to inclusion of these costs in rates. For most plans, cash contributions are remitted to grantor trusts.

Our Pension and Other Postretirement Benefit Plans' Asset Management. The Board has delegated oversight of the pension and other postretirement benefit plans' assets to the NiSource Benefits Committee (the "Committee"). The Committee has adopted investment policy statements for the pension and other postretirement benefit plans' assets. For the pension plans, we employ a liability-driven investing strategy. A total return approach is utilized for the other postretirement benefit plans' assets. A mix of diversified investments are used to maximize the long-term return of plan assets and hedge the liabilities at a prudent level of risk. The investment portfolio includes U.S. and non-U.S. equities, real estate, long-term and intermediate-term fixed income and alternative investments. Risk tolerance is established through careful consideration of plan liabilities, funded status, and asset class volatility. Investment risk is measured and monitored on an ongoing basis through quarterly investment portfolio reviews, annual liability measurements, and periodic asset/liability studies.

In determining the expected long-term rate of return on plan assets, historical markets are studied, relationships between equities and fixed income are analyzed and current market factors, such as inflation and interest rates are evaluated with consideration of diversification and rebalancing. Our expected long-term rate of return on assets is based on assumptions regarding target asset allocations and corresponding long-term capital market assumptions for each asset class. The pension plans' investment policy calls for a gradual reduction in the allocation of return-seeking assets (equities, real estate and private equity) and a corresponding increase in the allocation of liability-hedging assets (fixed income) as the funded status of the plans' increase.

As of December 31, 2024 and December 31, 2023, the acceptable minimum and maximum ranges established by the policy for the pension and other postretirement benefit plans are as follows:

December 31, 2024 Asset Category	Defined Benefit Pension Plan		Postretirement Benefit Plan	
	Minimum	Maximum	Minimum	Maximum
Domestic Equities	10%	30%	0%	55%
International Equities	5%	15%	0%	25%
Fixed Income	65%	75%	20%	100%
Real Estate	0%	0%	0%	0%
Private Equity	0%	3%	0%	0%
Short-Term Investments	0%	10%	0%	10%

December 31, 2023 Asset Category	Defined Benefit Pension Plan		Postretirement Benefit Plan	
	Minimum	Maximum	Minimum	Maximum
Domestic Equities	10%	30%	0%	55%
International Equities	5%	15%	0%	25%
Fixed Income	65%	75%	20%	100%
Real Estate	0%	0%	0%	0%
Private Equity	0%	3%	0%	0%
Short-Term Investments	0%	10%	0%	10%

The actual Pension Plan and Postretirement Plan Asset Mix at December 31, 2024 and December 31, 2023 are as follows:

Asset Class (in millions)	Defined Benefit Pension Assets ⁽¹⁾	December 31, 2024	Postretirement Benefit Plan Assets	December 31, 2024
	Asset Value	% of Total Assets	Asset Value	% of Total Assets
Domestic Equities	\$ 258.9	19.4 %	\$ 99.6	40.9 %
International Equities	122.5	9.2 %	40.7	16.7 %
Fixed Income	891.2	66.7 %	96.5	39.6 %
Real Estate	4.0	0.3 %	—	—
Cash/Other	59.8	4.4 %	6.7	2.8 %
Total	\$ 1,336.4	100.0 %	\$ 243.5	100.0 %

⁽¹⁾Total includes accrued dividends and pending trades with brokers.

Asset Class (in millions)	Defined Benefit Pension Assets ⁽¹⁾	December 31, 2023	Postretirement Benefit Plan Assets ⁽¹⁾	December 31, 2023
	Asset Value	% of Total Assets	Asset Value	% of Total Assets
Domestic Equities	\$ 261.7	18.3 %	\$ 93.7	39.6 %
International Equities	141.9	9.9 %	40.7	17.2 %
Fixed Income	939.9	65.9 %	97.0	41.0 %
Real Estate	4.0	0.3 %	—	—
Cash/Other	79.3	5.6 %	5.1	2.2 %
Total	\$ 1,426.8	100.0 %	\$ 236.5	100.0 %

⁽¹⁾Total includes accrued dividends and pending trades with brokers.

The categorization of investments into the asset classes in the tables above are based on definitions established by the Committee.

Fair Value Measurements. The following table sets forth, by level within the fair value hierarchy, the pension and other postretirement benefits investment assets at fair value as of December 31, 2024 and 2023. Assets are classified in their entirety based on the observability of inputs used in determining the fair value measurement. There were no material investment assets in the pension and other postretirement benefits trusts classified within Level 3 for the years ended December 31, 2024 and 2023.

We use the following valuation techniques to determine fair value. For the year ended December 31, 2024, there were no significant changes to valuation techniques to determine the fair value of our pension and other postretirement benefits' assets.

Level 1 Measurements

Most common and preferred stocks are traded in active markets on national and international securities exchanges and are valued at closing prices on the last business day of each period presented. Cash is stated at cost, which approximates fair value, with the exception of cash held in foreign currencies which fluctuates with changes in the exchange rates. Short-term bills and notes are priced based on quoted market values.

Level 2 Measurements

Most U.S. Government Agency obligations, mortgage/asset-backed securities, and corporate fixed income securities are generally valued by benchmarking model-derived prices to quoted market prices and trade data for identical or comparable securities. To the extent that quoted prices are not available, fair value is determined based on a valuation model that includes inputs such as interest rate yield curves and credit spreads. Securities traded in markets that are not considered active are valued based on quoted market prices, broker or dealer quotations, or alternative pricing sources with reasonable levels of price transparency. Other fixed income includes futures and options which are priced on bid valuation or settlement pricing.

Level 3 Measurements

Investments with unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities are classified as level 3 investments.

Not Classified

Commingled funds, private equity limited partnerships and real estate partnerships are not classified within the fair value hierarchy. Instead, these assets are measured at estimated fair value using the net asset value per share of the investments. Commingled funds' underlying assets are principally marketable equity and fixed income securities. Units held in commingled funds are valued at the unit value as reported by the investment managers. Private equity funds invest capital in non-public companies and real estate funds invest in commercial and distressed real estate directly or through related debt instruments. The fair value of these investments is determined by reference to the funds' underlying assets.

Fair Value Measurements at December 31, 2024:

<i>(in millions)</i>	December 31, 2024	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Pension plan assets:				
Cash	\$ 1.2	\$ 1.1	\$ 0.1	\$ —
Fixed income securities				
Government	186.8	—	186.8	—
Corporate	486.6	—	486.6	—
Mortgages/ Asset Backed Securities	3.6	—	3.6	—
Mutual Funds				
U.S. multi-strategy	56.1	56.1	—	—
International equities	57.2	57.2	—	—
Private equity limited partnerships⁽¹⁾				
U.S. multi-strategy ⁽²⁾	3.1	—	—	—
International multi-strategy ⁽³⁾	0.8	—	—	—
Distressed opportunities	0.1	—	—	—
Real estate ⁽¹⁾	4.0	—	—	—
Commingled funds⁽¹⁾				
Short-term money markets	45.9	—	—	—
U.S. equities	202.8	—	—	—
International equities	65.3	—	—	—
Fixed income	214.1	—	—	—
Pension plan assets subtotal	\$ 1,327.6	\$ 114.4	\$ 677.1	\$ —
Other postretirement benefit plan assets:				
Mutual funds				
U.S. multi-strategy	87.4	87.4	—	—
International equities	16.5	16.5	—	—
Fixed income	96.5	96.5	—	—
Commingled funds⁽¹⁾				
Short-term money markets	6.7	—	—	—
U.S. equities	12.2	—	—	—
International equities	24.2	—	—	—
Other postretirement benefit plan assets subtotal	\$ 243.5	\$ 200.4	\$ —	\$ —
Due to brokers, net ⁽⁴⁾	(0.1)	—	(0.1)	—
Accrued income/dividends	8.9	8.9	—	—
Total pension and other postretirement benefit plan assets	\$ 1,579.9	\$ 323.7	\$ 677.0	\$ —

⁽¹⁾This class of investments is measured at fair value using the net asset value per share and has not been classified in the fair value hierarchy.

⁽²⁾This class includes limited partnerships that invest in a diverse portfolio of private equity strategies, including buy-outs, growth capital, special situations and secondary markets, primarily inside the United States.

⁽³⁾This class includes limited partnerships that invest in a diverse portfolio of private equity strategies, including buy-outs, growth capital, special situations and secondary markets, primarily outside the United States.

⁽⁴⁾This class represents pending trades with brokers.

The table below sets forth a summary of unfunded commitments, redemption frequency and redemption notice periods for certain investments that are measured at fair value using the net asset value per share for the year ended December 31, 2024:

<i>(in millions)</i>	Fair Value	Redemption Frequency	Redemption Notice Period
Commingled Funds			
Short-term money markets	\$ 52.6	Daily	1 day
U.S. equities	215.0	Daily	1 day - 5 days
International equities	89.5	Monthly	10 days-30 days
Fixed income	214.1	Daily	3 days
Private Equity and Real Estate Limited Partnerships ⁽¹⁾	8.0	N/A	N/A
Total	\$ 579.2		

⁽¹⁾Private equity and real estate limited partnerships typically call capital over a 3-5 year period and pay out distributions as the underlying investments are liquidated. The typical expected life of these limited partnerships is 0-15 years, and these investments typically cannot be redeemed prior to liquidation.

NI SOURCE INC.
Notes to Consolidated Financial Statements
ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA (continued)

Fair Value Measurements at December 31, 2023:

<i>(in millions)</i>	December 31, 2023	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Pension plan assets:				
Cash	\$ 2.2	\$ 2.0	\$ 0.2	\$ —
Equity securities				
International equities	1.1	1.1	—	—
Fixed income securities				
Government	213.1	—	213.1	—
Corporate	482.2	—	482.2	—
Mortgages/Asset backed securities	2.4	—	2.4	—
Mutual Funds				
U.S. multi-strategy	113.1	113.1	—	—
International equities	38.5	38.5	—	—
Private equity limited partnerships⁽¹⁾				
U.S. multi-strategy ⁽²⁾	4.8	—	—	—
International multi-strategy ⁽³⁾	1.2	—	—	—
Distressed opportunities	0.1	—	—	—
Real estate ⁽¹⁾	4.0	—	—	—
Commingled funds⁽¹⁾				
Short-term money markets	65.3	—	—	—
U.S. equities	148.5	—	—	—
International equities	102.3	—	—	—
Fixed income	242.2	—	—	—
Pension plan assets subtotal	\$ 1,421.0	\$ 154.7	\$ 697.9	\$ —
Other postretirement benefit plan assets:				
Mutual funds				
U.S. multi-strategy	82.4	82.4	—	—
International equities	18.0	18.0	—	—
Fixed income	97.0	97.0	—	—
Commingled funds⁽¹⁾				
Short-term money markets	5.2	—	—	—
U.S. equities	11.4	—	—	—
International equities	22.8	—	—	—
Other postretirement benefit plan assets subtotal	\$ 236.8	\$ 197.4	\$ —	\$ —
Due to brokers, net ⁽⁴⁾	(2.7)	—	(2.7)	—
Accrued income/dividends	8.5	8.5	—	—
Total pension and other postretirement benefit plan assets	\$ 1,663.6	\$ 360.6	\$ 695.2	\$ —

⁽¹⁾This class of investments is measured at fair value using the net asset value per share and has not been classified in the fair value hierarchy.

⁽²⁾This class includes limited partnerships/fund of funds that invest in a diverse portfolio of private equity strategies, including buy-outs, growth capital, special situations and secondary markets, primarily inside the United States.

⁽³⁾This class includes limited partnerships/fund of funds that invest in diverse portfolio of private equity strategies, including buy-outs, growth capital, special situations and secondary markets, primarily outside the United States.

⁽⁴⁾This class represents pending trades with brokers.

The table below sets forth a summary of unfunded commitments, redemption frequency and redemption notice periods for certain investments that are measured at fair value using the net asset value per share for the year ended December 31, 2023:

<i>(in millions)</i>	Fair Value	Redemption Frequency	Redemption Notice Period
Commingled Funds			
Short-term money markets	\$ 70.5	Daily	1 day
U.S. equities	159.9	Daily	1 day -5 days
International equities	125.1	Monthly	10 days - 30 days
Fixed income	242.2	Daily	3 days
Private Equity and Real Estate Limited Partnerships ⁽¹⁾	10.1	N/A	N/A
Total	\$ 607.8		

⁽¹⁾Private equity and real estate limited partnerships typically call capital over a 3-5 year period and pay out distributions as the underlying investments are liquidated. The typical expected life of these limited partnerships is 0-15 years, and these investments typically cannot be redeemed prior to liquidation.

Our Pension and Other Postretirement Benefit Plans' Funded Status and Related Disclosure. The following table provides a reconciliation of the plans' funded status and amounts reflected in our Consolidated Balance Sheets at December 31 based on a December 31 measurement date:

(in millions)	Pension Benefits		Other Postretirement Benefits	
	2024	2023	2024	2023
Change in projected benefit obligation⁽¹⁾				
Benefit obligation at beginning of year	\$ 1,401.8	\$ 1,427.4	\$ 468.8	\$ 449.0
Service cost	21.9	20.5	5.0	5.1
Interest cost	64.9	68.4	22.0	21.8
Plan participants' contributions	—	—	3.6	4.2
Plan amendments	—	—	—	3.4
Actuarial loss (gain) ⁽²⁾	(64.8)	27.4	(22.5)	29.1
Benefits paid	(136.4)	(141.9)	(40.7)	(44.3)
Estimated benefits paid by incurred subsidy	—	—	0.1	0.5
Projected benefit obligation at end of year	\$ 1,287.4	\$ 1,401.8	\$ 436.3	\$ 468.8
Change in plan assets				
Fair value of plan assets at beginning of year	\$ 1,426.8	\$ 1,422.8	\$ 236.5	\$ 224.9
Actual return on plan assets	43.7	142.8	20.0	28.2
Employer contributions	2.4	3.1	23.6	23.4
Plan participants' contributions	—	—	3.8	4.3
Benefits paid	(136.4)	(141.9)	(40.7)	(44.3)
Fair value of plan assets at end of year	\$ 1,336.5	\$ 1,426.8	\$ 243.2	\$ 236.5
Funded Status at end of year	\$ 49.1	\$ 25.0	\$ (193.1)	\$ (232.3)
Amounts recognized in the statement of financial position consist of:				
Noncurrent assets	66.5	44.1	—	—
Current liabilities	(2.3)	(2.2)	(1.0)	(1.0)
Noncurrent liabilities	(15.1)	(16.9)	(192.1)	(231.3)
Net amount recognized at end of year⁽³⁾	\$ 49.1	\$ 25.0	\$ (193.1)	\$ (232.3)
Amounts recognized in accumulated other comprehensive income or regulatory asset/liability⁽⁴⁾				
Unrecognized prior service credit	\$ 0.3	\$ 0.3	\$ 3.8	\$ 2.1
Unrecognized actuarial loss	451.4	500.4	47.0	76.6
Net amount recognized at end of year	\$ 451.7	\$ 500.7	\$ 50.8	\$ 78.7

⁽¹⁾The change in benefit obligation for Pension Benefits represents the change in Projected Benefit Obligation while the change in benefit obligation for Other Postretirement Benefits represents the change in accumulated postretirement benefit obligation.

⁽²⁾The pension actuarial gain was primarily driven by the increase in discount rates interest rate movements. The postretirement benefit actuarial loss (gain) was also primarily driven by a increase in discount rates and claims experience changes in trend rates.

⁽³⁾We recognize our Consolidated Balance Sheets underfunded and overfunded status of our various defined benefit postretirement plans, measured as the difference between the fair value of the plan assets and the benefit obligation.

⁽⁴⁾We determined that for certain rate-regulated subsidiaries the future recovery of pension and other postretirement benefits costs is probable. These rate-regulated subsidiaries recorded regulatory assets and liabilities of \$485.3 million and zero, respectively, as of December 31, 2024, and \$561.6 million and zero, respectively, as of December 31, 2023 that would otherwise have been recorded to accumulated other comprehensive loss.

Our accumulated benefit obligation for our pension plans was \$1,278.4 million and \$1,390.9 million as of December 31, 2024 and 2023, respectively. The accumulated benefit obligation at each date is the actuarial present value of benefits attributed by the pension benefit formula to employee service rendered prior to that date and based on current and past compensation levels. The accumulated benefit obligation differs from the projected benefit obligation disclosed in the table above in that it includes no assumptions about future compensation levels.

We are required to reflect the funded status of our pension and postretirement benefit plans on the Consolidated Balance Sheet. The funded status of the plans is measured as the difference between the plan assets' fair value and the projected benefit obligation. We present the noncurrent aggregate of all underfunded plans within "Accrued liability for postretirement and postemployment benefits." The portion of the amount by which the actuarial present value of benefits included in the projected

benefit obligation exceeds the fair value of plan assets, payable in the next 12 months, is reflected in "Accrued compensation and other benefits." We present the aggregate of all overfunded plans within "Deferred charges and other."

For our pension plans as of December 31, 2024 and 2023, only our nonqualified plans were underfunded. These plans have no assets as they are not funded until benefits are paid. The following table sets forth the year end accumulated benefit obligation and projected benefit obligation for pension plans with a projected benefit obligation in excess of plan assets:

	December 31,	
	2024	2023
Accumulated Benefit Obligation	\$ 17.4	\$ 19.1
Funded Status		
Projected Benefit Obligation	\$ 17.4	\$ 19.1
Funded Status of Underfunded Pension Plans at End of Year	\$ (17.4)	\$ (19.1)

The following table sets forth the year end accumulated benefit obligation, projected benefit obligation and fair value of plan assets for pension plans with plan assets in excess of the projected benefit obligation:

	December 31,	
	2024	2023
Accumulated Benefit Obligation	\$ 1,261.0	\$ 1,371.8
Funded Status		
Fair Value of Plan Assets	\$ 1,336.4	\$ 1,426.8
Projected Benefit Obligation	1,269.9	1,382.7
Funded Status of Overfunded Pension Plans at End of Year	\$ 66.5	\$ 44.1

Our pension plans were overfunded, in aggregate, by \$49.1 million at December 31, 2024 compared to being overfunded by \$25.0 million at December 31, 2023. The improvement in the funded status was primarily due to an increase in discount rates partially offset by actual return on assets being less than expected return on assets. We contributed \$2.4 million and \$3.1 million to our pension plans in 2024 and 2023, respectively.

Our other postretirement benefit plans were underfunded, in aggregate by \$193.1 million and \$232.3 million at December 31, 2024 and 2023, respectively. The change in funded status was primarily due to increased discount rates and actual return on plan assets exceeding expected return. We contributed \$23.6 million and \$23.4 million to our other postretirement benefit plans in 2024 and 2023, respectively.

In 2024 and 2023, our NiSource Pension Restoration and Columbia Energy Group pension plans paid lump sum payouts in excess of the respective plan's service cost plus interest cost, thereby meeting the requirement for settlement accounting. We recorded settlement charges of \$7.2 million and \$9.2 million in 2024 and 2023, respectively. In 2024 and 2023, no remeasurement occurred related to lump sum payouts.

The following table provides the key assumptions that were used to calculate the pension and other postretirement benefits obligations for our various plans as of December 31:

	Pension Benefits		Other Postretirement Benefits	
	2024	2023	2024	2023
Weighted-average assumptions to Determine Benefit Obligation				
Discount Rate	5.58 %	4.95 %	5.66 %	4.98 %
Rate of Compensation Increases	4.00 %	4.00 %	N/A	N/A
Interest Crediting Rates	4.00 %	4.00 %	N/A	N/A
Health Care Trend Rates				
Trend for Next Year	N/A	N/A	9.77 %	8.84 %
Ultimate Trend	N/A	N/A	4.75 %	4.75 %
Year Ultimate Trend Reached	N/A	N/A	2033	2032

We expect to make contributions of approximately \$2.3 million to our pension plans and approximately \$21.3 million to our postretirement medical and life plans in 2025.

The following table provides benefits expected to be paid in each of the next five fiscal years, and in the aggregate for the five fiscal years thereafter. The expected benefits are estimated based on the same assumptions used to measure our benefit obligation at the end of the year and include benefits attributable to the estimated future service of employees:

<i>(in millions)</i>	Pension Benefits		Other Postretirement Benefits	
Year(s)				
2025	\$	142.6	\$	36.6
2026		136.6		36.1
2027		130.9		36.1
2028		125.8		35.8
2029		119.4		35.6
2030-2034		528.6		171.7

The following table provides the components of the plans' actuarially determined net periodic benefits cost for each of the three years ended December 31, 2024, 2023 and 2022:

<i>(in millions)</i>	Pension Benefits			Other Postretirement Benefits		
	2024	2023	2022	2024	2023	2022
Components of Net Periodic Benefit (Income) Cost⁽¹⁾						
Service cost	\$ 21.9	\$ 20.5	\$ 27.8	\$ 5.0	\$ 5.1	\$ 6.5
Interest cost	64.9	68.4	40.5	22.0	21.8	12.0
Expected return on assets	(95.3)	(94.5)	(90.8)	(16.1)	(15.1)	(16.2)
Amortization of prior service cost (credit)	0.1	0.1	0.1	(1.8)	(2.1)	(2.2)
Recognized actuarial loss	28.6	33.7	20.3	3.2	3.3	2.6
Settlement loss	7.2	9.2	12.4	—	—	—
Total Net Periodic Benefits Cost	\$ 27.4	\$ 37.4	\$ 10.3	\$ 12.3	\$ 13.0	\$ 2.7

⁽¹⁾Service cost is presented in "Operation and maintenance" on the Statements of Consolidated Income. Non-service cost components are presented within "Other, net."

The following table provides the key assumptions that were used to calculate the net periodic benefits cost for our various plans:

	Pension Benefits			Other Postretirement Benefits		
	2024	2023	2022	2024	2023	2022
Weighted-average Assumptions to Determine Net Periodic Benefit Cost						
Discount rate - service cost	5.06 %	5.25 %	3.08 %	5.14 %	5.30 %	3.21 %
Discount rate - interest cost	4.88 %	5.06 %	2.11 %	4.89 %	5.07 %	2.24 %
Expected Long-Term Rate of Return on Plan Assets	7.02 %	7.00 %	4.80 %	7.06 %	6.96 %	5.72 %
Rate of Compensation Increases	4.00 %	4.00 %	4.00 %	N/A	N/A	N/A
Interest Crediting Rates	4.00 %	4.00 %	4.00 %	N/A	N/A	N/A

We assumed a 7.02% and 7.06% rate of return on pension and other postretirement plan assets, respectively, for our calculation of 2024 pension benefits and other postretirement benefits costs. These rates were primarily based on asset mix and historical rates of return and were adjusted in 2024 due to changes in asset allocation and projected market returns.

The following table provides other changes in plan assets and projected benefit obligations recognized in other comprehensive income or regulatory asset or liability:

	Pension Benefits		Other Postretirement Benefits	
	2024	2023	2024	2023
<i>(in millions)</i>				
Other Changes in Plan Assets and Projected Benefit Obligations Recognized in Other Comprehensive Income or Regulatory Asset or Liability				
Net prior service cost	\$ —	\$ —	\$ —	\$ 3.3
Net actuarial (gain) loss	(13.1)	(20.9)	(26.4)	16.0
Settlements/curtailments	(7.2)	(9.2)	—	—
Less: amortization of prior service cost	(0.1)	(0.1)	1.8	2.1
Less: amortization of net actuarial loss	(28.6)	(33.7)	(3.2)	(3.3)
Total Recognized in Other Comprehensive Income or Regulatory Asset or Liability	\$ (49.0)	\$ (63.9)	\$ (27.8)	\$ 18.1
Amount Recognized in Net Periodic Benefits Cost and Other Comprehensive Income or Regulatory Asset or Liability	\$ (21.6)	\$ (26.5)	\$ (15.5)	\$ 31.1

17. Share-Based Compensation

Prior to May 19, 2020, we issued share-based compensation to employees and non-employee directors under the NiSource Inc. 2010 Omnibus Plan ("2010 Omnibus Plan"), which was most recently approved by stockholders at the Annual Meeting of Stockholders held on May 12, 2015. The 2010 Omnibus Plan provided for awards to employees and non-employee directors of incentive and nonqualified stock options, stock appreciation rights, restricted stock, restricted stock units, performance shares, performance units, cash-based awards and other stock-based awards and superseded the Director Stock Incentive Plan ("Director Plan") with respect to grants made after the effective date of the 2010 Omnibus Plan.

The stockholders approved and adopted the NiSource Inc. 2020 Omnibus Incentive Plan ("2020 Omnibus Plan") at the Annual Meeting of Stockholders held on May 19, 2020. The 2020 Omnibus Plan provides for awards to employees and non-employee directors of incentive and nonqualified stock options, stock appreciation rights, restricted stock, restricted stock units, performance shares, performance units, cash-based awards and other stock-based awards and supersedes the 2010 Omnibus Plan with respect to grants made after the effective date of the 2020 Omnibus Plan.

The 2020 Omnibus Plan provides that the number of shares of common stock of NiSource available for awards is 10,000,000 plus the number of shares subject to outstanding awards that expire or terminate for any reason that were granted under the

2020 Omnibus Plan, the 2010 Omnibus Plan or any other equity plan under which awards were outstanding as of May 19, 2020. At December 31, 2024, there were 7,216,823 shares available for future awards under the 2020 Omnibus Plan.

We recognized stock-based employee compensation expense of \$32.1 million, \$23.9 million and \$19.0 million, during 2024, 2023 and 2022, respectively, as well as related tax benefits of \$7.0 million, \$7.7 million and \$3.6 million, respectively. We recognized related excess tax benefits from the distribution of vested share-based employee compensation of \$2.0 million, \$2.9 million, and \$0.4 million in 2024, 2023 and 2022, respectively.

As of December 31, 2024, the total remaining unrecognized compensation cost related to non-vested awards amounted to \$46.7 million, which will be amortized over the weighted-average remaining requisite service period of 1.8 years.

Restricted Stock Units and Restricted Stock. We granted 655,713, 500,968, and 477,292 restricted stock units and shares of restricted stock to employees, subject to service conditions in 2024, 2023, and 2022, respectively. The total grant date fair value of the restricted stock units and shares of restricted stock during 2024, 2023, and 2022, respectively, was \$17.1 million, \$13.7 million, and \$12.5 million. The grant date fair value for the 2024 and 2023 awards is based on the average market price of our common stock at the date of each grant. For the year ended 2022, the grant date fair value is based on the average market price of our common stock at the date of each grant less the present value of any dividends not received during the vesting period. The awards are expensed over the vesting period which is generally three years. As of December 31, 2024, 592,490, 393,509, and 270,325 non-vested restricted stock units and shares of restricted stock granted in 2024, 2023, and 2022, respectively, were outstanding. Our non-vested restricted stock units have a non-forfeitable right to dividend equivalents, with immaterial amounts paid in the periods ending December 31, 2024 and 2023. See Note 5, "Earnings Per Share," for further discussion.

In general, if an employee terminates employment before the service conditions lapse under the 2022, 2023 or 2024 awards due to (1) retirement or disability (as defined in the 2020 Omnibus Plan), or (2) death, the service conditions will lapse on the date of such termination with respect to a pro rata portion of the restricted stock units and shares of restricted stock based upon the percentage of the service period satisfied between the grant date and the date of the termination of employment. In the event of a change in control (as defined in the 2020 Omnibus Plan), all unvested shares of restricted stock and restricted stock units awarded will immediately vest upon termination of employment occurring in connection with a change in control. Termination due to any other reason, in general, will result in all unvested shares of restricted stock and restricted stock units awarded being forfeited effective on the employee's date of termination.

A summary of our restricted stock unit award transactions for the year ended December 31, 2024 is as follows:

<i>(shares)</i>	Restricted Stock Units	Weighted Average Award Date Fair Value Per Unit (\$)
Non-vested at December 31, 2023	1,066,916	25.71
Granted	655,713	26.10
Forfeited	(167,057)	26.19
Vested	(227,452)	22.90
Non-vested at December 31, 2024	1,328,120	26.49

Employee Performance Shares. We granted 896,363 performance shares subject to service, performance and/or market-based vesting conditions in 2024. The performance conditions for these shares are based on the achievement of one non-GAAP financial measure, achievement of relative total shareholder return, and other operational metrics, which make up 55%, 25%, and 20% of the issued awards respectively.

The non-GAAP financial measure is cumulative adjusted earnings per share, which we define as diluted earnings per share adjusted for certain items. Relative total shareholder return, a market-based vesting condition, which we define as the annualized growth in dividends and share price of a share of our common stock (calculated using a 20 trading day average of our closing price over the performance period, approximately) compared to the total shareholder return of a predetermined peer group of companies. A Monte Carlo analysis was used to value the portion of these awards dependent on the market-based vesting condition. The grant date fair value of the non-GAAP financial measure shares is based on the closing stock price of our common stock at the date of each grant, which will be expensed over the requisite service period of three years. The conditions

for the remaining performance-based awards are based on operational goals of Annual Operational Index Scorecard (10%), Employee Engagement Index Score (5%), and Environmental Greenhouse Gas Reduction (5%).

In 2023, we granted 649,088 performance shares subject to service, performance and/or market-based vesting conditions. The performance conditions for these shares are based on the achievement of one non-GAAP financial measure, achievement of relative total shareholder return, and other operational metrics, which make up 50%, 25%, and 25% of the issued awards respectively. The operational metrics consist of goals of economic inclusion (5%), OPEX ("Operating Expenses") Index (10%), Employee Engagement Index Score (5%), and Environmental GHG Reduction (5%). The OPEX Index is further defined by goals related to risk mitigation and modernization of our infrastructure.

In 2022, we granted 566,086 performance shares subject to service, performance and/or market-based vesting conditions. The performance conditions for these shares are based on the achievement of one non-GAAP financial measure, and/or achievement of relative total shareholder return, outlined above. The number of shares that are eligible to vest based on these performance conditions are adjusted based on performance of the magnifier framework for 2022 awards. The operational magnifier framework for 2022 performance shares consists of three areas of focus, including safety, environment, and workforce, representing 20%, 10% and 10%, respectively.

The following table presents details of the performance awards described above.

Award Year	Service Conditions Lapse date	Performance Period	Award Conditions	Shares outstanding at 12/31/2024 (shares)	Grant Date Fair Value (in millions)
2024	2/26/2027	01/01/2024-12/31/2026	Non-GAAP Financial and Operational Measures	619,673	\$ 17.4
			Relative Total Shareholder Return	206,524	\$ 6.9
2023	2/28/2026	01/01/2023-12/31/2025	Non-GAAP Financial and Operational Measures	430,670	\$ 13.3
			Relative Total Shareholder Return	143,540	\$ 5.4
2022	2/28/2025	01/01/2022-12/31/2024	Non-GAAP Financial Measure	195,460	\$ 7.4
			Relative Total Shareholder Return	195,460	\$ 10.6

A summary of our performance award transactions for the year ended December 31, 2024 is as follows:

(shares)	Performance Awards	Weighted Average Grant Date Fair Value Per Unit (\$)
Non-vested at December 31, 2023	1,558,509	28.01
Granted	896,363	27.05
Forfeited	(189,080)	31.75
Vested	(546,569)	21.95
Non-vested at December 31, 2024	1,719,223	24.96

Non-employee Director Awards. As of May 19, 2020, awards to non-employee directors may be made only under the 2020 Omnibus Plan. Currently, restricted stock units are granted annually to non-employee directors, subject to a non-employee director's election to defer receipt of such restricted stock unit award. The non-employee director's annual award of restricted stock units vest on the first anniversary of the grant date subject to special pro-rata vesting rules in the event of retirement or

disability (as defined in the award agreement), or death. The vested restricted stock units are payable as soon as practicable following vesting except as otherwise provided pursuant to the non-employee director's deferral election. Certain restricted stock units remain outstanding from the 2010 Omnibus Plan and the Director Plan. All such awards are fully vested and shall be distributed to the directors upon their separation from the Board.

As of December 31, 2024, 292,566 restricted stock units are outstanding to non-employee directors under either the 2020 Omnibus Plan, the 2010 Omnibus Plan or the Director Plan. Of this amount, 68,436 restricted stock units are unvested and expected to vest.

401(k) Match, Profit Sharing and Company Contribution. Eligible salaried employees hired after January 1, 2010 and hourly and union employees hired after January 1, 2013 receive a non-elective company contribution of 4.5% of eligible pay payable in cash or shares of NiSource common stock. We also have a voluntary 401(k) savings plan covering eligible union and nonunion employees that allows for periodic discretionary matches as a percentage of each participant's contributions payable in cash or shares. Further, we have a retirement savings plan that provides for discretionary profit sharing contributions to eligible employees. For the years ended December 31, 2024, 2023 and 2022, we recognized 401(k) match, profit sharing and non-elective contribution expense of \$56.9 million, \$50.7 million and \$39.1 million, respectively.

18. Leases

Lease Descriptions. We are the lessee for substantially all of our leasing activity, which includes operating and finance leases for corporate and field offices, railcars, land, and fleet vehicles. Our corporate and field office leases and certain land leases have remaining terms between 1 and 39 years with options to renew the leases for up to 35 years. We lease railcars to transport coal to and from our electric generation facilities in Indiana. Our railcars are specifically identified in the lease agreements which have remaining lease terms between 1 and 3 years with options to renew for 1 year. Our fleet vehicles include trucks, trailers and equipment that have been customized specifically for use in the utility industry. We lease fleet vehicles for 1 year terms, after which we have the option to extend on a month-to-month basis or terminate with written notice. We elected the short-term lease practical expedient, allowing us to not recognize ROU assets or lease liabilities for all leases with a term of 12 months or less. ROU assets and liabilities on our Consolidated Balance Sheets do not include obligations for possible fleet vehicle lease renewals beyond the initial lease term. While we have the ability to renew these leases beyond the initial term, we are not reasonably certain to do so.

We have not provided material residual value guarantees for our leases, nor do our leases contain material restrictions or covenants. Lease contracts containing renewal and termination options are mostly exercisable at our sole discretion. Certain of our real estate and railcar leases include renewal periods in the measurement of the lease obligation if we have deemed the renewals reasonably certain to be exercised.

With respect to service contracts involving the use of assets, if we have the right to direct the use of the asset and obtain substantially all economic benefits from the use of an asset, we account for the service contract as a lease. Unless specifically provided to us by the lessor, we utilize NiSource's collateralized incremental borrowing rate commensurate to the lease term as the discount rate for all of our leases. ASC 842 permits a lessee, by class of underlying asset, not to separate nonlease components from lease components. Our policy is to apply this expedient for our leases of fleet vehicles, IT assets and railcars when calculating their respective lease liabilities.

Lease costs for the years ended December 31, 2024 and December 31, 2023 are presented in the table below. These costs include both amounts recognized in expense and amounts capitalized as part of the cost of another asset. Income statement presentation for these costs (when ultimately recognized on the income statement) is also included:

Year Ended December 31, (in millions)	Income Statement Classification	2024	2023
Finance lease cost			
Amortization of right-of-use assets	Depreciation and amortization	\$ 27.1	\$ 32.0
Interest on lease liabilities	Interest expense, net	13.5	8.6
Total finance lease cost		40.6	40.6
Operating lease cost	Operation and maintenance	14.7	11.3
Total lease cost		\$ 55.3	\$ 51.9

Our right-of-use assets and liabilities are presented in the following lines on the Consolidated Balance Sheets:

At December 31, <i>(in millions)</i>	Balance Sheet Classification	2024	2023
Assets			
Finance leases	Net Property, Plant and Equipment	\$ 222.9	\$ 184.3
Operating leases	Deferred charges and other	26.4	32.9
Total leased assets		\$ 249.3	217.2
Liabilities			
Current			
Finance leases	Current portion of long-term debt	\$ 22.9	23.8
Operating leases	Other accruals	9.1	8.3
Noncurrent			
Finance leases	Long-term debt, excluding amounts due within one year	223.3	181.6
Operating leases	Other noncurrent liabilities and deferred credits	18.2	25.8
Total lease liabilities		\$ 273.5	\$ 239.5

Other pertinent information related to leases was as follows:

Year Ended December 31, <i>(in millions)</i>	2024	2023
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows used for finance leases	\$ 11.2	\$ 9.3
Operating cash flows used for operating leases	14.5	11.1
Financing cash flows used for finance leases	26.9	33.1
Right-of-use assets obtained in exchange for lease obligations		
Finance leases	65.9	64.5
Operating leases	\$ 12.2	\$ 5.6

	December 31, 2024	December 31, 2023
Weighted-average remaining lease term (years)		
Finance leases	20.5	16.4
Operating leases	5.6	6.7
Weighted-average discount rate		
Finance leases	5.6 %	5.5 %
Operating leases	4.5 %	4.3 %

Maturities of our lease liabilities as of December 31, 2024 were as follows:

As of December 31, 2024, <i>(in millions)</i>	Total	Finance Leases	Operating Leases
2025	\$ 44.6	\$ 34.6	\$ 10.0
2026	34.7	29.4	5.3
2027	28.5	24.2	4.3
2028	26.1	23.0	3.1
2029	21.5	19.0	2.5
Thereafter	304.9	299.2	5.7
Total lease payments	460.3	429.4	30.9
Less: Imputed interest	(186.8)	(183.2)	(3.6)
Total	\$ 273.5	\$ 246.2	\$ 27.3
Reported as of December 31, 2024			
Short-term lease liabilities	32.0	22.9	9.1
Long-term lease liabilities	241.5	223.3	18.2
Total lease liabilities	\$ 273.5	\$ 246.2	\$ 27.3

19. Other Commitments and Contingencies

A. Contractual Obligations. We have certain contractual obligations requiring payments at specified periods. The obligations include long-term debt, lease obligations, energy commodity contracts and obligations for various services including pipeline capacity and outsourcing of IT services. The total contractual obligations in existence at December 31, 2024 and their maturities were:

(in millions)	Total	2025	2026	2027	2028	2029	After
Long-term debt ⁽¹⁾	\$ 13,205.0	\$ 1,260.0	\$ —	\$ 1,090.0	\$ 1,055.0	\$ 1,350.0	\$ 8,450.0
Interest payments on long-term debt	8,090.3	566.2	551.1	531.7	481.6	453.9	5,505.8
Finance leases ⁽²⁾	429.4	34.6	29.4	24.2	23.0	19.0	299.2
Operating leases ⁽³⁾	30.9	10.0	5.3	4.3	3.1	2.5	5.7
Energy commodity contracts	119.7	118.5	0.3	0.3	0.4	0.2	—
Service obligations:							
Pipeline service obligations	2,694.6	685.5	631.2	609.2	373.2	245.2	150.3
IT service obligations	120.7	73.9	30.3	11.4	5.1	—	—
Plant equipment purchase obligations	173.5	140.5	24.9	4.3	3.8	—	—
Other liabilities ⁽⁴⁾	336.0	287.0	7.9	7.7	7.6	7.7	18.1
Total contractual obligations	\$ 25,200.1	\$ 3,176.2	\$ 1,280.4	\$ 2,283.1	\$ 1,952.8	\$ 2,078.5	\$ 14,429.1

⁽¹⁾ Long-term debt balance excludes unamortized issuance costs and discounts of \$95.5 million.

⁽²⁾ Finance lease payments shown above are inclusive of interest totaling \$183.2 million.

⁽³⁾ Operating lease payments shown above are inclusive of interest totaling \$3.6 million. Operating lease balances do not include obligations for possible fleet vehicle lease renewals beyond the initial lease term. While we have the ability to renew these leases beyond the initial term, we are not reasonably certain to do so as they are renewed month-to-month after the first year.

⁽⁴⁾ Other liabilities shown above are primarily related to the Dunns Bridge II and Indiana Crossroads Solar Developer payments due in 2025 and ongoing maintenance service agreements for our renewable joint ventures.

Purchase and Service Obligations. We have entered into various purchase and service agreements whereby we are contractually obligated to make certain minimum payments in future periods. Our energy commodity contracts are for the purchase of physical quantities of natural gas, electricity and coal. Our service obligations, consisting of pipeline service obligations and IT service obligations, encompass a broad range of business support and maintenance functions which are generally described below. Our plant equipment purchase obligations are for plant equipment, typically for generation assets, with long lead times that require payments made over time

Our subsidiaries have entered into various energy commodity contracts to purchase physical quantities of natural gas, electricity and coal. These amounts represent the minimum quantity of these commodities we are obligated to purchase at both fixed and variable prices. To the extent contractual purchase prices are variable, obligations disclosed in the table above are valued at market prices as of December 31, 2024.

NIPSCO has PPAs representing a total of 600 MW of wind power, with contracts expiring between 2038 and 2040. No minimum quantities are specified within these agreements due to the variability of electricity generation from wind, so no amounts related to these contracts are included in the table above. Upon early termination of one of these agreements by NIPSCO for any reason (other than material breach by the counterparties), NIPSCO may be required to pay a termination charge that could be material depending on the events giving rise to termination and the timing of the termination.

We have pipeline service agreements that provide for pipeline capacity, transportation and storage services. These agreements, which have expiration dates ranging from 2028 to 2038, require us to pay fixed monthly charges.

NIPSCO has contracts with three major rail operators providing coal transportation services for which there are certain minimum payments. These service contracts extend for various periods through 2025.

We have executed agreements with multiple IT service providers. The agreements extend for various periods through 2029.

B. Guarantees and Indemnities. We and certain of our subsidiaries enter into various agreements providing financial or performance assurance to third parties on behalf of certain subsidiaries as part of normal business. Such agreements include guarantees and stand-by letters of credit. These agreements are entered into primarily to support or enhance the creditworthiness otherwise attributed to a subsidiary on a stand-alone basis, thereby facilitating the extension of sufficient credit to accomplish the subsidiaries' intended commercial purposes. At December 31, 2024 and 2023, we issued stand-by letters of credit of \$9.4 million and \$9.9 million, respectively, for the benefit of third parties.

We provide guarantees related to our future performance under BTAs for our renewable generation projects. At December 31, 2024 and 2023, our guarantees for multiple BTAs totaled \$1,127.5 million and \$646.1 million, respectively. The amount of each guaranty will decrease upon completion of certain milestones for the construction of the facilities, including mechanical and substantial completion. See "- E. Other Matters - Generation Transition," below for more information.

We provide guarantees related to some of our rail and pipeline service agreements. If we do not meet our contractual obligations under the terms of these agreements we would be required to pay up to a maximum of \$61.7 million.

C. Legal Proceedings. From time to time, various legal and regulatory claims and proceedings are pending or threatened against the Company and its subsidiaries. While the amounts claimed may be substantial, the Company is unable to predict with certainty the ultimate outcome of such claims and proceedings. The Company establishes reserves whenever it believes it to be appropriate for pending litigation matters. However, the actual results of resolving the pending litigation matters may be substantially higher than the amounts reserved. If one or more other matters were decided against us, the effects could be material to our results of operations in the period in which we would be required to record or adjust the related liability and could also be material to our cash flows in the periods that we would be required to pay such liability. Due to the inherent uncertainty of litigation, there can be no assurance that the resolution of any particular claim, proceeding or investigation would not have a material adverse effect on our results of operations, financial position or liquidity.

Other Claims and Proceedings. We are also party to certain other claims, regulatory and legal proceedings arising in the ordinary course of business in each state in which we have operations, and based upon an investigation of these matters and discussion with legal counsel, we believe the ultimate outcome of such other legal proceedings to be individually, or in aggregate, not material at this time.

D. Environmental Matters. Our operations are subject to environmental statutes and regulations related to air quality, water quality, hazardous waste and solid waste. We believe that we are in substantial compliance with the environmental regulations currently applicable to our operations.

It is management's continued intent to address environmental issues in cooperation with regulatory authorities in such a manner as to achieve mutually acceptable compliance plans. However, there can be no assurance that fines and penalties will not be incurred. Management expects the majority of environmental assessment and remediation costs and asset retirement costs, further described below, to be recoverable through rates. See Note 11, "Asset Retirement Obligations" and Note 12, "Regulatory Matters," for additional detail.

As of December 31, 2024 and 2023, we had recorded a liability of \$91.8 million and \$80 million, respectively, to cover environmental remediation at various sites. This liability is included in "Other accruals" and "Other noncurrent liabilities and deferred credits" in the Consolidated Balance Sheets. We recognize costs associated with environmental remediation obligations when the incurrence of such costs is probable and the amounts can be reasonably estimated. The original estimates for remediation activities may differ materially from the amount ultimately expended. The actual future expenditures depend on many factors, including laws and regulations, the nature and extent of impact and the method of remediation. These expenditures are not currently estimable at some sites. We periodically adjust our liability as information is collected and estimates become more refined.

CERCLA. Our subsidiaries are potentially responsible parties at waste disposal sites under the CERCLA and similar state laws. Under CERCLA, each potentially responsible party can be held jointly, severally and strictly liable for the remediation costs as the EPA, or state, can allow the parties to pay for remedial action or perform remedial action themselves and request reimbursement from the potentially responsible parties. Our affiliates have retained CERCLA environmental liabilities, including remediation liabilities, associated with certain current and former operations. At this time, we cannot estimate the full cost of remediating properties that have not yet been investigated, but it is possible that the future costs could be material to the Consolidated Financial Statements.

MGP. We maintain a program to identify and investigate former MGP sites where gas distribution subsidiaries or predecessors may have liability. The program has identified 51 such sites where liability is probable. Remedial actions at many of these sites are being overseen by state or federal environmental agencies through consent agreements or voluntary remediation agreements.

We utilize a probabilistic model to estimate our future remediation costs related to MGP sites. The model was prepared with the assistance of a third party and incorporates our experience and general industry experience with remediating MGP sites. We complete an annual refresh of the model in the second quarter of each fiscal year. We recorded an \$11.2 million increase to the estimated future remediation costs as a result of the refresh completed in the second quarter of 2024. No material changes to the estimated future remediation costs were noted as a result of an internal quarterly review of environmental reserves completed as of December 31, 2024. Our total estimated liability related to the facilities subject to remediation was \$86.4 million and \$73.7 million at December 31, 2024 and 2023, respectively. The liability represents our best estimate of the probable cost to remediate the MGP sites. Our model indicates that it is reasonably possible that remediation costs could vary by as much as \$16.3 million in addition to the costs noted above. Remediation costs are estimated based on the best available information, applicable remediation standards at the balance sheet date, and experience with similar facilities.

CCRs. NIPSCO continues to meet the compliance requirements established by the EPA for the regulation of CCRs. The CCR rule requirements currently in effect required revisions to previously recorded legal obligations associated with the retirement of certain NIPSCO facilities. The actual asset retirement costs related to the CCR rule may vary substantially from the estimates used to record the increased asset retirement obligation due to the uncertainty about the requirements that will be established by environmental authorities, compliance strategies that will be used and the preliminary nature of available data used to estimate costs. As allowed by the rule, NIPSCO will continue to collect data over time to determine the specific compliance solutions and associated costs and, as a result, the actual costs may vary.

On May 8, 2024, the EPA finalized changes to the current CCR regulations ("Legacy CCR Rule") which address inactive surface impoundments at inactive facilities, referred to as legacy impoundments, and CCR management units ("CCRMUs") at inactive and active facilities. The rule largely requires these newly regulated units to conform to existing requirements, such as groundwater monitoring, closure requirements, and post-closure care. During 2024, we recorded additional asset retirement obligations of \$149.7 million to cover probable and estimable compliance activities associated with the Legacy CCR Rule with an offsetting regulatory asset. Facility evaluations for CCRMUs are required by February 2026 and 2027. NIPSCO continues to assess whether existing legal obligations associated with the retirement of certain facilities must be revised and to estimate probable additional required asset retirement costs. NIPSCO expects to receive recovery of any such costs through existing and future depreciation rates.

E. Other Matters

Generation Transition. NIPSCO has executed several BTAs with developers to construct renewable generation facilities. NIPSCO has received IURC approval for all of its BTAs and PPAs. In October 2024, NIPSCO contracted with a developer to convert the previously approved Templeton Wind PPA to a BTA and has provided a notice of intent to file a CPCN with the IURC. In addition to IURC approval, NIPSCO's purchase obligation under certain BTAs is dependent on timely completion of construction. Certain agreements require NIPSCO to make partial payments upon the developer's completion of significant construction milestones. With respect to BTAs for which tax equity partnerships are utilized, once the tax equity partner has earned its negotiated rate of return and we have reached the agreed upon contractual date, NIPSCO has the option to purchase at fair market value the remaining interest in the JV from the tax equity partner. In January 2024, the IURC approved the full ownership of Cavalry and Dunns Bridge II which will allow those BTAs to be executed through direct ownership. In March 2024, Cavalry achieved mechanical completion, resulting in NIPSCO making a \$110.6 million payment to the developer. In May 2024, Cavalry achieved substantial completion and commenced commercial operations, resulting in NIPSCO making a \$114.9 million payment to the developer. In August 2024, the IURC approved full ownership of the Gibson and Fairbanks projects as well as an increase to the cost of the Fairbanks project. In January 2025, Fairbanks achieved mechanical completion resulting in NIPSCO making a \$336.6 million payment to the developer. In September 2024, Dunns Bridge II achieved mechanical completion, resulting in NIPSCO making a \$153.3 million payment to the developer. In January 2025, substantial completion was achieved requiring a final payment of \$217.6 million to be paid in February 2025. NIPSCO has filed a request to modify the ownership structure for the Templeton wind project to become a wholly owned project.

NIPSCO Minority Interest Transaction. On December 31, 2023, pursuant to the terms of the BIP Purchase Agreement and simultaneously with the closing of the NIPSCO Minority Interest Transaction, Blackstone, NIPSCO Holdings I, NIPSCO

Holdings II and NiSource entered into an Amended and Restated Limited Liability Company Agreement (the "LLC Agreement") of NIPSCO Holdings II. Specifically, under the terms of the LLC Agreement, Blackstone will provide up to \$250 million in additional capital contributions over a three-year period after the closing, which the obligation is backed by an Equity Commitment Letter from an affiliate of Blackstone. Under the LLC Agreement, Blackstone is entitled to appoint two directors to the board of directors of NIPSCO Holdings II (the "Board") so long as Blackstone (together with any approved affiliate) holds at least a 17.5% percentage interest (as defined in the LLC Agreement). In connection with the closing, Blackstone appointed two directors to the Board, such that the Board is now comprised of seven directors, two appointed by Blackstone and five appointed by NiSource. The LLC Agreement also contains certain investor protections, including, among other things, requiring Blackstone approval for Holdings II to take certain major actions. In addition, the LLC Agreement contains certain terms regarding transfer rights and other obligations applicable to both Blackstone and NiSource. The LLC Agreement establishes, among other things, governance rights, exit rights, requirements for additional capital contributions, mechanics for distributions, and other arrangements for Holdings II following the closing. On January 31, 2024, BIP transferred a 4.5% equity interest in NIPSCO Holdings II to BIP Blue Buyer VCOC L.L.C., a Delaware limited liability company and also an affiliate of Blackstone. Effective upon the closing of this transfer, the members of NIPSCO Holdings II entered into a Second Amended and Restated Limited Liability Company Operating Agreement of NIPSCO Holdings II (the "Amended LLC Agreement"). The two affiliates of Blackstone must vote their equity holdings under the Amended LLC Agreement as one investor.

Refer to Note 4, "Noncontrolling Interests," for detailed discussion of accounting for the NIPSCO Minority Interest Transaction.

20. Accumulated Other Comprehensive Loss

The following table displays the activity of Accumulated Other Comprehensive Loss, net of tax:

<i>(in millions)</i>	Gains and Losses on Securities ⁽¹⁾	Gains and Losses on Cash Flow Hedges ⁽¹⁾	Pension and OPEB Items ⁽¹⁾	Accumulated Other Comprehensive Loss ⁽¹⁾
Balance as of January 1, 2022	\$ 2.1	\$ (122.5)	\$ (6.4)	\$ (126.8)
Other comprehensive (loss) income before reclassifications	(13.7)	109.7	(8.9)	87.1
Amounts reclassified from accumulated other comprehensive loss	0.4	0.2	2.0	2.6
Net current-period other comprehensive (loss) income	(13.3)	109.9	(6.9)	89.7
Balance as of December 31, 2022	\$ (11.2)	\$ (12.6)	\$ (13.3)	\$ (37.1)
Other comprehensive (loss) income before reclassifications	3.1	(0.5)	(1.4)	1.2
Amounts reclassified from accumulated other comprehensive loss	0.8	0.3	1.2	2.3
Net current-period other comprehensive (loss) income	3.9	(0.2)	(0.2)	3.5
Balance as of December 31, 2023	\$ (7.3)	\$ (12.8)	\$ (13.5)	\$ (33.6)
Other comprehensive income (loss) before reclassifications	1.5	—	(1.2)	0.3
Amounts reclassified from accumulated other comprehensive loss	1.8	(0.4)	1.5	2.9
Net current-period other comprehensive income (loss)	3.3	(0.4)	0.3	3.2
Balance as of December 31, 2024	\$ (4.0)	\$ (13.2)	\$ (13.2)	\$ (30.4)

⁽¹⁾All amounts are net of tax. Amounts in parentheses indicate debits.

21. Business Segment Information

Our reportable segments reflect the manner in which our business is managed and our resources are allocated. Following the consummation of the NIPSCO Minority Interest Transaction, we revised how we evaluate results and allocate resources across our business with an increased focus on operating performance at the state level. Refer to Note 4, "Noncontrolling Interests," for additional information on the NIPSCO Minority Interest Transaction. At December 31, 2024, our operations are divided into two primary reportable segments, the Columbia Operations and the NIPSCO Operations segments. Columbia Operations aggregates the results of the fully regulated and wholly owned subsidiaries of NiSource Gas Distribution Group, Inc. (a holding company that owns Columbia of Kentucky, Columbia of Maryland, Columbia of Ohio, Columbia of Pennsylvania, and Columbia of Virginia). Each Columbia distribution company is an operating segment which we aggregate to form the Columbia Operations reportable segment. NIPSCO Operations includes the results of NIPSCO Holdings I and its majority-owned subsidiaries, including NIPSCO, which has fully regulated gas and electric operations in northern Indiana. Our historical segment disclosures have been recast to be consistent with the current presentation.

The remainder of our operations, which are not significant enough on a stand-alone basis to warrant treatment as an operating segment, are presented as "Corporate and Other" in the subsequent reconciliation table and primarily are comprised of interest expense on holding company debt and unallocated corporate costs and activities. Refer to Note 3, "Revenue Recognition," for additional information on our segments and their sources of revenues. The following table provides information about our reportable segments. We use operating income as our primary measurement for each of the reported segments and make decisions on financing, dividends and taxes at the corporate level on a consolidated basis. We provide this measure to our Chief Operating Decision Maker, the CEO, who utilizes this measure to make operating segment level strategy decisions based on budget-to-actual variances and against prior periods to allocate resources accordingly. Segment revenues include intersegment sales to affiliated subsidiaries, which are eliminated in consolidation. Affiliated sales are recognized on the basis of prevailing market, regulated prices or at levels provided for under contractual agreements. Operating income is derived from revenues and expenses directly associated with each segment.

Year Ended December 31, 2024 (in millions)

	Columbia Operations	NIPSCO Operations	Total of Reportable Segments
Operating Revenues			
External Revenue	\$ 2,703.2	\$ 2,751.0	\$ 5,454.2
Intersegment Revenue	12.8	1.0	13.8
Total Operating Revenue	\$ 2,716.0	\$ 2,752.0	\$ 5,468.0
Cost of energy	514.7	617.5	1,132.2
O&M	837.5	761.4	1,598.9
Depreciation	409.1	590.3	999.4
Total other taxes	218.6	64.3	282.9
Other segment items ⁽¹⁾	7.4	(1.3)	6.1
Operating Income	\$ 728.7	\$ 719.8	\$ 1,448.5
Capital Expenditures⁽²⁾	\$ 1,209.0	\$ 2,252.4	\$ 3,461.4
Assets	\$ 14,769.5	\$ 15,823.5	\$ 30,593.0

⁽¹⁾Other segment items consists of Loss (gain) on Sale or Impairment of Assets and other segment income or expenses deemed insignificant which are used to reach our measurement of segment profit or loss, Operating Income.

⁽²⁾Amounts differ from those presented on the Statements of Consolidated Cash Flows primarily due to the inclusion of capital expenditures in current liabilities, the capitalized portion of the Corporate Incentive Plan payout, and AFUDC Equity.

Year Ended December 31, 2023 (in millions)

	Columbia Operations	NIPSCO Operations	Total of Reportable Segments
Operating Revenues			
External Revenue	\$ 2,733.9	\$ 2,770.7	\$ 5,504.6
Intersegment Revenue	12.2	0.9	13.1
Total Operating Revenue	\$ 2,746.1	\$ 2,771.6	\$ 5,517.7
Cost of energy	645.0	888.3	1,533.3
O&M	792.3	787.7	1,580.0
Depreciation	371.7	493.8	865.5
Total other taxes	198.8	57.9	256.7
Other segment items ⁽¹⁾	—	2.2	2.2
Operating Income	\$ 738.3	\$ 541.7	\$ 1,280.0
Capital Expenditures⁽²⁾	\$ 1,159.6	\$ 1,294.8	\$ 2,454.4
Assets	\$ 13,664.5	\$ 13,962.6	\$ 27,627.1

⁽¹⁾Other segment items consists of Loss(gain) on Sale or Impairment of Assets and other segment income or expenses deemed insignificant which are used to reach our measurement of segment profit or loss, Operating Income.

⁽²⁾Amounts differ from those presented on the Statements of Consolidated Cash Flows primarily due to the inclusion of capital expenditures in current liabilities, the capitalized portion of the Corporate Incentive Plan payout, and AFUDC Equity.

Year Ended December 31, 2022 (in millions)

	Columbia Operations	NIPSCO Operations	Total of Reportable Segments
Operating Revenues			
External Revenue	\$ 2,951.9	\$ 2,886.2	\$ 5,838.1
Intersegment Revenue	12.5	0.9	13.4
Total Operating Revenue	\$ 2,964.4	\$ 2,887.1	\$ 5,851.5
Cost of energy	978.4	1,132.1	2,110.5
O&M	791.3	740.4	1,531.7
Depreciation	329.4	449.4	778.8
Total other taxes	184.2	72.1	256.3
Other segment items ⁽¹⁾	(103.9)	—	(103.9)
Operating Income	\$ 785.0	\$ 493.1	\$ 1,278.1
Capital Expenditures⁽²⁾	\$ 1,237.9	\$ 1,018.9	\$ 2,256.8
Assets	\$ 13,059.4	\$ 11,759.9	\$ 24,819.3

⁽¹⁾Other segment items consists of proceeds from a property insurance settlement related to the Greater Lawrence Incident and other segment income or expenses deemed insignificant which are used to reach our measurement of segment profit or loss, Operating Income.

⁽²⁾Amounts differ from those presented on the Statements of Consolidated Cash Flows primarily due to the inclusion of capital expenditures in current liabilities, the capitalized portion of the Corporate Incentive Plan payout, and AFUDC Equity.

To reconcile the segment tables above to consolidated NiSource:

Year Ended December 31, 2024 (in millions)				
	Total Reportable Segments	Corporate and Other	Eliminations	Consolidated NiSource
Total Operating Revenue	\$ 5,468.0	\$ 581.9	\$ (594.8)	\$ 5,455.1
Operating Income	1,448.5	7.0	—	1,455.5
Capital Expenditures	3,461.4	231.1	—	3,692.5
Assets	30,593.0	1,195.1	—	31,788.1

Year Ended December 31, 2023 (in millions)				
	Total Reportable Segments	Corporate and Other	Eliminations	Consolidated NiSource
Total Operating Revenue	\$ 5,517.7	\$ 504.6	\$ (516.9)	\$ 5,505.4
Operating Income	1,280.0	15.5	—	1,295.5
Capital Expenditures	2,454.4	236.3	—	2,690.7
Assets	27,627.1	3,450.1	—	31,077.2

Year Ended December 31, 2022 (in millions)				
	Total Reportable Segments	Corporate and Other	Eliminations	Consolidated NiSource
Total Operating Revenue	\$ 5,851.5	\$ 477.5	\$ (478.4)	\$ 5,850.6
Operating Income (Loss)	1,278.1	(12.3)	—	1,265.8
Capital Expenditures	2,256.8	41.2	—	2,298.0
Assets	24,819.3	1,917.3	—	26,736.6

22. Other, Net

The following table displays the components of Other, Net included on the Statements of Consolidated Income:

Year Ended December 31, (in millions)	2024	2023	2022
Interest income	\$ 10.4	\$ 9.0	\$ 4.3
AFUDC equity	75.1	25.2	15.1
Charitable contributions	(5.4)	(1.8)	(4.4)
Pension and other postretirement non-service cost ⁽¹⁾	(13.5)	(24.0)	27.6
Interest rate swap settlement gain	—	—	10.0
Miscellaneous	(2.1)	(0.4)	(0.4)
Total Other, net	\$ 64.5	\$ 8.0	\$ 52.2

⁽¹⁾ See Note 16, "Pension and Other Postemployment Benefits," for additional information.

23. Interest Expense, Net

The following table displays the components of Interest Expense, Net included on the Statements of Consolidated Income:

Year Ended December 31, (in millions)	2024	2023	2022
Interest on long-term debt	\$ 506.2	\$ 404.1	\$ 344.5
Interest on short-term borrowings	43.2	108.9	22.7
Debt discount/cost amortization	13.8	13.5	11.7
Accounts receivable securitization fees	1.5	2.7	2.5
Allowance for borrowed funds used and interest capitalized during construction	(40.1)	(25.3)	(6.7)
Debt-based post-in-service carrying charges	(26.4)	(30.7)	(21.1)
Other	19.0	16.4	8.0
Total Interest Expense, net	\$ 517.2	\$ 489.6	\$ 361.6

24. Supplemental Cash Flow Information

The following table provides additional information regarding our Consolidated Statements of Cash Flows for the years ended December 31, 2024, 2023 and 2022:

Year Ended December 31, (in millions)	2024	2023	2022
Supplemental Disclosures of Cash Flow Information			
Non-cash transactions:			
Capital expenditures included in current liabilities	\$ 367.0	\$ 315.0	\$ 275.1
Assets acquired under a finance lease	65.9	64.5	19.3
Assets acquired under an operating lease	12.2	5.6	8.8
Assets recorded for asset retirement obligations ⁽¹⁾	277.4	61.1	6.3
Purchase contract liability, net of fees and payments ⁽²⁾	—	—	65.0
Schedule of interest and income taxes paid:			
Cash paid for interest on debt, net of interest capitalized amounts	\$ 468.2	\$ 433.9	\$ 343.8
Cash paid for interest on finance leases	11.2	8.6	8.5
Cash paid for income taxes, net of refunds	4.3	9.4	7.2

⁽¹⁾See Note 11, "Asset Retirement Obligations," for additional information.

⁽²⁾Refer to Note 6, "Equity," for additional information.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA (continued)
NISOURCE INC.
SCHEDULE II – VALUATION AND QUALIFYING ACCOUNTS
Twelve months ended December 31, 2024

(\$ in millions)	Balance Jan. 1, 2024	Additions		Deductions for Purposes for which Reserves were Created	Balance Dec. 31, 2024
		Charged to Costs and Expenses	Charged to Other Account ⁽¹⁾		
Reserves Deducted in Consolidated Balance Sheet from Assets to Which They Apply:					
Reserve for accounts receivable	\$ 22.9	\$ 23.2	\$ 32.3	\$ 54.7	\$ 23.7
Reserve for deferred charges and other	1.3	—	(0.2)	—	1.1

Twelve months ended December 31, 2023

(\$ in millions)	Balance Jan. 1, 2023	Additions		Deductions for Purposes for which Reserves were Created	Balance Dec. 31, 2023
		Charged to Costs and Expenses	Charged to Other Account ⁽¹⁾		
Reserves Deducted in Consolidated Balance Sheet from Assets to Which They Apply:					
Reserve for accounts receivable	\$ 23.9	\$ 23.4	\$ 36.6	\$ 61.0	\$ 22.9
Reserve for deferred charges and other	1.0	—	0.3	—	1.3

Twelve months ended December 31, 2022

		Additions			
	Balance Jan. 1, 2022	Charged to Costs and Expenses	Charged to Other Account ⁽¹⁾	Deductions for Purposes for which Reserves were Created	Balance Dec. 31, 2022
(\$ in millions)					
Reserves Deducted in Consolidated Balance Sheet from Assets to Which They Apply:					
Reserve for accounts receivable	\$ 23.5	\$ 20.6	\$ 36.4	\$ 56.6	\$ 23.9
Reserve for deferred charges and other	2.3	—	(1.3)	—	1.0

⁽¹⁾ Charged to Other Accounts reflects the deferral of bad debt expense to a regulatory asset or the movement of the reserve between short term and long term.

NiSOURCE INC.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our CEO and CFO are responsible for evaluating the effectiveness of disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)). Our disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed by the Company in reports that are filed or submitted under the Exchange Act are accumulated and communicated to management, including our CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure and is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. Based upon that evaluation, our CEO and CFO concluded that, as of the end of the period covered by this report, disclosure controls and procedures were effective to provide reasonable assurance that financial information was processed, recorded and reported accurately.

Management's Annual Report on Internal Control over Financial Reporting

Our management, including our CEO and CFO, are responsible for establishing and maintaining internal control over financial reporting, as such term is defined under Rule 13a-15(f) or Rule 15d-15(f) promulgated under the Exchange Act. However, management would note that a control system can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Our management has adopted the 2013 framework set forth in the Committee of Sponsoring Organizations of the Treadway Commission report, Internal Control - Integrated Framework, the most commonly used and understood framework for evaluating internal control over financial reporting, as its framework for evaluating the reliability and effectiveness of internal control over financial reporting. During 2024, we conducted an evaluation of our internal control over financial reporting. Based on this evaluation, management concluded that our internal control over financial reporting was effective as of the end of the period covered by this Annual Report on Form 10-K.

Deloitte & Touche LLP, our independent registered public accounting firm, issued an attestation report on our internal controls over financial reporting which is included herein.

Changes in Internal Controls

There have been no changes in our internal control over financial reporting during the most recently completed quarter covered by this report that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9A. CONTROLS AND PROCEDURES

NiSOURCE INC.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of NiSource Inc.

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of NiSource Inc. and subsidiaries (the “Company”) as of December 31, 2024, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2024, of the Company and our report dated February 12, 2025, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management’s Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ DELOITTE & TOUCHE LLP
Columbus, Ohio
February 12, 2025

ITEM 9B. OTHER INFORMATION**NiSOURCE INC.****Director and Officer Trading Arrangements**

The following table describes any contracts, instructions or written plans for the sale or purchase of NiSource securities and intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) of the Exchange Act that were adopted by our directors and executive officers during the year ended December 31, 2024:

Name and Title	Date of Adoption of Rule 10b-5-1 Trading Plan	Scheduled Expiration Date of Rule 10b5-1 Trading Plan⁽¹⁾	Aggregate Number of Securities to Be Purchased or Sold
Shawn Anderson Executive Vice President, Chief Financial Officer	11/1/2024	5/30/2025	Sale of up to 12,900 shares of common stock in multiple transactions
Michael Jesanis Director	11/11/2024	5/16/2025	Sale of up to 10,092 shares of common stock in multiple transactions

⁽¹⁾A trading plan may also expire on such earlier date that all transactions under the trading plan are completed.

During the year ended December 31, 2024, none of our directors or executive officers terminated a Rule 10b5-1 trading plan or adopted or terminated a non-Rule 10b5-1 trading arrangement (as defined in Item 408(c) of Regulation S-K).

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

NiSOURCE INC.

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Except for the information required by this item with respect to our executive officers included at the end of Part I of this report on Form 10-K and the information with respect to our insider trading policy set forth below, the information required by this Item 10 is incorporated herein by reference to the discussion in "Proposal 1 Election of Directors," "Corporate Governance - Board Committee Composition," "Corporate Governance - Code of Business Conduct," and "Delinquent Section 16(a) Reports" of the Proxy Statement for the Annual Meeting of Stockholders to be held on May 12, 2025.

Insider Trading Policy

The Company has adopted an Insider Trading Policy, our "Securities Transaction Compliance Policy", governing the purchase, sale, and/or other dispositions of the Company's securities by our directors and all employees, including officers as defined under Rule 16a-1(f) of the Securities Exchange Act of 1934 and certain designated employees as well as their immediate family and members of their households, that we believe is reasonably designed to promote compliance with insider trading laws, rules and regulations and the exchange listing standards applicable to us. A copy of our policy is filed as Exhibit 19.1 to this Annual Report on Form 10-K.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this Item 11 is incorporated herein by reference to the discussion in "Compensation and Human Capital Committee Interlocks and Insider Participation," "2024 Director Compensation," "2024 Executive Compensation," "Compensation Discussion and Analysis (CD&A)," "Assessment of Risk," "2024 Pay Versus Performance," and "Compensation and Human Capital Committee Report" of the Proxy Statement for the Annual Meeting of Stockholders to be held on May 12, 2025.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by this Item 12 is incorporated herein by reference to the discussion in "Security Ownership of Certain Beneficial Owners and Management," and "Equity Compensation Plan Information" of the Proxy Statement for the Annual Meeting of Stockholders to be held on May 12, 2025.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required by this Item 13 is incorporated herein by reference to the discussion in "Corporate Governance - Policies and Procedures with Respect to Transactions with Related Persons" and "Corporate Governance - Director Independence" of the Proxy Statement for the Annual Meeting of Stockholders to be held on May 12, 2025.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The information required by this Item 14 is incorporated herein by reference to the discussion in "Independent Registered Public Accounting Firm Fees" of the Proxy Statement for the Annual Meeting of Stockholders to be held on May 12, 2025.

PART IV**NiSOURCE INC.****ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES****Financial Statements and Financial Statement Schedules**

The following financial statements and financial statement schedules filed as a part of the Annual Report on Form 10-K are included in Item 8, "Financial Statements and Supplementary Data."

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Exhibits

The exhibits filed herewith as a part of this report on Form 10-K are listed on the Exhibit Index below. Each management contract or compensatory plan or arrangement of ours, listed on the Exhibit Index, is separately identified by an asterisk.

Pursuant to Item 601(b), paragraph (4)(iii)(A) of Regulation S-K, certain instruments representing long-term debt of our subsidiaries have not been included as Exhibits because such debt does not exceed 10% of the total assets of ours and our subsidiaries on a consolidated basis. We agree to furnish a copy of any such instrument to the SEC upon request.

EXHIBIT NUMBER	DESCRIPTION OF ITEM
(1.1)	Form of Equity Distribution Agreement (incorporated by reference to Exhibit 1.1 of the NiSource Inc. Form 8-K filed on February 22, 2024).
(1.2)	Form of Master Forward Sale Confirmation (incorporated by reference to Exhibit 1.2 of the NiSource Inc. Form 8-K filed on February 22, 2024).
(2.1)	Separation and Distribution Agreement, dated as of June 30, 2015, by and between NiSource Inc. and Columbia Pipeline Group, Inc. (incorporated by reference to Exhibit 2.1 to the NiSource Inc. Form 8-K filed on July 2, 2015).
(3.1)	Articles of Incorporation of NiSource Inc., as amended and restated through October 21, 2024 (incorporated by reference to Exhibit 3.3 to the NiSource Inc. Form 8-K filed on October 22, 2024).
(3.2)	Bylaws of NiSource Inc., as amended and restated through October 21, 2024 (incorporated by reference to Exhibit 3.4 to the NiSource Inc. Form 8-K filed on October 22, 2024).
(3.3)	Certificate of Designations of 6.50% Series B Fixed-Rate Reset Cumulative Redeemable Perpetual Preferred Stock (incorporated by reference to Exhibit 3.1 of the NiSource Inc. Form 8-K filed on December 6, 2018).
(3.4)	Certificate of Designations of Series B-1 Preferred Stock (incorporated by reference to Exhibit 3.1 to the NiSource Inc. Form 8-K filed on December 27, 2018).
(3.5)	Certificate of Elimination of the Company with respect to the Series B Preferred Stock and Series B-1 Preferred Stock (incorporated by reference to Exhibit 3.1 of the NiSource Inc. Form 8-K filed on March 18, 2024).
(3.6)	Certificate of Elimination of the Company with respect to the Series C Preferred Stock, dated October 21, 2024, issued by NiSource Inc. (incorporated by reference to Exhibit 3.1 of the NiSource Inc. Form 8-K filed on October 22, 2024).
(3.7)	Certificate of Elimination of the Company with respect to the Series A Junior Participating Preferred Stock, dated October 21, 2024, issued by NiSource Inc. (incorporated by reference to Exhibit 3.2 of the NiSource Inc. Form 8-K filed on October 22, 2024).
(4.1)	Indenture, dated as of March 1, 1988, by and between Northern Indiana Public Service Company ("NIPSCO") and Manufacturers Hanover Trust Company, as Trustee (incorporated by reference to Exhibit 4 to the NIPSCO Registration Statement (Registration No. 33-44193)).

- (4.2) First Supplemental Indenture, dated as of December 1, 1991, by and between Northern Indiana Public Service Company and Manufacturers Hanover Trust Company, as Trustee (incorporated by reference to Exhibit 4.1 to the NIPSCO Registration Statement (Registration No. 33-63870)).
- (4.3) Indenture Agreement, dated as of February 14, 1997, by and between NIPSCO Industries, Inc., NIPSCO Capital Markets, Inc. and Chase Manhattan Bank as trustee (incorporated by reference to Exhibit 4.1 to the NIPSCO Industries, Inc. Registration Statement (Registration No. 333-22347)).
- (4.4) Second Supplemental Indenture, dated as of November 1, 2000, by and among NiSource Capital Markets, Inc., NiSource Inc., New NiSource Inc., and The Chase Manhattan Bank, as trustee (incorporated by reference to Exhibit 4.45 to the NiSource Inc. Form 10-K for the period ended December 31, 2000).
- (4.5) Indenture, dated November 14, 2000, among NiSource Finance Corp., NiSource Inc., as guarantor, and The Chase Manhattan Bank, as Trustee (incorporated by reference to Exhibit 4.1 to the NiSource Inc. Form S-3, dated November 17, 2000 (Registration No. 333-49330)).
- (4.6) Form of 3.490% Notes due 2027 (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on May 17, 2017).
- (4.7) Form of 4.375% Notes due 2047 (incorporated by reference to [Exhibit 4.2 to the NiSource Inc. Form 8-K](#) filed on May 17, 2017).
- (4.8) Form of 3.950% Notes due 2048 (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on September 8, 2017).
- (4.9) Second Supplemental Indenture, dated as of November 30, 2017, between NiSource Inc. and The Bank of New York Mellon, as trustee (incorporated by reference to [Exhibit 4.4 to Post-Effective Amendment No. 1 to Form S-3](#) filed November 30, 2017 (Registration No. 333-214360)).
- (4.10) Third Supplemental Indenture, dated as of November 30, 2017, between NiSource Inc. and The Bank of New York Mellon, as trustee (incorporated by reference to [Exhibit 4.2 to the NiSource Inc. Form 8-K](#) filed on December 1, 2017).
- (4.11) Second Supplemental Indenture, dated as of February 12, 2018, between Northern Indiana Public Service Company and The Bank of New York Mellon, solely as successor trustee under the Indenture dated as of March 1, 1988 between the Company and Manufacturers Hanover Trust Company, as original trustee. (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 10-Q](#) filed on May 2, 2018).
- (4.12) Fourth Supplemental Indenture, dated as of December 18, 2023, between NiSource, Inc. and The Bank of New York Mellon, as trustee, relating to the 7.99% Medium-Term Notes due 2027 and the 6.78% Senior Notes due 2027 (incorporated by reference to [Exhibit 10.1 to the NiSource Inc. Form 8-K](#) filed on December 18, 2023).
- (4.13) Subordinated Indenture, dated as of May 16, 2024, between NiSource Inc. and The Bank of New York Mellon, as trustee (incorporated by reference to [Exhibit 4.2 to the NiSource Form 8-K](#) filed on May 16, 2024).
- (4.14) First Supplemental Indenture, dated as of May 16, 2024, between NiSource Inc. and The Bank of New York Mellon, as trustee (incorporated by reference to [Exhibit 4.3 to the NiSource Form 8-K](#) filed on May 16, 2024).
- (4.15) Second Supplemental Indenture, dated as of September 09, 2024, between NiSource Inc. and The Bank of New York Mellon, as trustee (incorporated by reference to [Exhibit 4.2 to the NiSource Form 8-K](#) filed on September 09, 2024).
- (4.16) Deposit Agreement, dated as of December 5, 2018, among NiSource, Inc., Computershare Inc. and Computershare Trust Company, N.A., acting jointly as depository, and the holders from time to time of the depository receipts described therein (incorporated by reference to [Exhibit 4.1 of the NiSource Inc. Form 8-K](#) filed on December 6, 2018).
- (4.17) Form of Depositary Receipt (incorporated by reference to [Exhibit 4.1 of the NiSource Inc. Form 8-K](#) filed on December 6, 2018).
- (4.18) Amended and Restated Deposit Agreement, dated as of December 27, 2018, among NiSource, Inc., Computershare Inc. and Computershare Trust Company, N.A., acting jointly as depository, and the holders from time to time of the depository receipts described therein (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on December 27, 2018).
- (4.19) Form of Depositary Receipt (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on December 27, 2018).

- (4.20) Form of 2.950% Notes due 2029 (incorporated by reference to [Exhibit 4.1 to NiSource Inc. Form 8-K](#) filed on August 12, 2019).
- (4.21) Amended and Restated NiSource Inc. Employee Stock Purchase Plan (incorporated by [reference to Exhibit C to the Registrant's Definitive Proxy Statement on Schedule 14A](#), filed with the Commission on April 1, 2019).
- (4.22) Form of 3.600% Notes due 2030 (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on April 8, 2020).
- (4.23) Form of 0.950% Notes due 2025 (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on August 18, 2020).
- (4.24) Form of 1.700% Notes due 2031 (incorporated by reference to [Exhibit 4.2 to the NiSource Inc. Form 8-K](#) filed on August 18, 2020).
- (4.25) Form of 5.000% Notes due 2052 (incorporated by reference to [Exhibit 4.1 of the NiSource Inc. Form 8-K](#) filed on June 10, 2022).
- (4.26) Form of 5.250% Notes due 2028 (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on March 24, 2023).
- (4.27) Form of 5.400% Notes due 2033 (incorporated by reference to [Exhibit 4.2 to the NiSource Inc. Form 8-K](#) filed on June 9, 2023).
- (4.28) Form of 5.350% Notes due 2034 (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on March 14, 2024).
- (4.29) Form of 6.950% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2054 (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on May 16, 2024).
- (4.30) Form of 5.200% Notes due 2029 (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on June 24, 2024).
- (4.31) Form of 6.375% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2055 (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on September 09, 2024).
- (4.32) [Description of NiSource Inc.'s Securities Registered Under Section 12 of the Exchange Act](#).**
- (4.33) Form of 6.25% Notes due 2040 (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on December 6, 2010).
- (4.34) Form of 5.95% Notes due 2041 (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on June 10, 2011).
- (4.35) Form of 5.80% Notes due 2042 (incorporated by reference to [Exhibit 4.2 to the NiSource Inc. Form 8-K](#) filed on November 17, 2011).
- (4.36) Form of 5.25% Notes due 2043 (incorporated by reference to [Exhibit 4.2 to the NiSource Inc. Form 8-K](#) filed on June 14, 2012).
- (4.37) Form of 4.80% Notes due 2044 (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on April 12, 2013).
- (4.38) Form of 5.65% Notes due 2045 (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on October 7, 2013).
- (10.1) 2010 Omnibus Incentive Plan (incorporated by reference to [Exhibit B to the NiSource Inc. Definitive Proxy Statement to Stockholders](#) for the Annual Meeting held on May 11, 2010, filed on April 2, 2010).*
- (10.2) First Amendment to the 2010 Omnibus Incentive Plan (incorporated by reference to [Exhibit 10.2 to the NiSource Inc. Form 10-K](#) filed on February 18, 2014).*
- (10.3) 2010 Omnibus Incentive Plan (incorporated by reference to [Exhibit C to the NiSource Inc. Definitive Proxy Statement to Stockholders](#) for the Annual Meeting held on May 12, 2015, filed on April 7, 2015).*
- (10.4) Second Amendment to the NiSource Inc. 2010 Omnibus Incentive Plan (incorporated by reference to [Exhibit 10.1 to the NiSource Inc. Form 8-K](#) filed October 23, 2015).*

- (10.5) Form of Amendment to Restricted Stock Unit Award Agreement related to Vested but Unpaid NiSource Restricted Stock Unit Awards for Nonemployee Directors of NiSource entered into as of July 13, 2015 (incorporated by reference to [Exhibit 10.3 to the NiSource Inc. Form 10-Q](#) filed on November 3, 2015).*
- (10.6) Supplemental Life Insurance Plan effective January 1, 1991, as amended, (incorporated by reference to Exhibit 2 to the NIPSCO Industries, Inc. Form 8-K filed on March 25, 1992).*
- (10.7) Form of Restricted Stock Unit Award Agreement for Nonemployee Directors under the 2010 Omnibus Incentive Plan (incorporated by reference to [Exhibit 10.1 to NiSource Inc. Form 10-Q](#) filed on August 2, 2011).*
- (10.8) Form of Restricted Stock Unit Award Agreement for Nonemployee Directors under the 2010 Omnibus Incentive Plan (incorporated by reference to [Exhibit 10.18 to the NiSource Inc. Form 10-K](#) filed on February 22, 2017). *
- (10.9) Amended and Restated NiSource Inc. Executive Deferred Compensation Plan effective November 1, 2012 (incorporated by reference to [Exhibit 10.21 to the NiSource Inc. Form 10-K](#) filed on February 19, 2013).*
- (10.10) Amended and Restated Executive Deferred Compensation Plan, dated August 12, 2024 (incorporated by reference to [Exhibit 10.1 of the NiSource Inc. Form 10-Q](#) filed on October 30, 2024).*
- (10.11) Note Purchase Agreement, dated as of August 23, 2005, by and among NiSource Finance Corp., as issuer, NiSource Inc., as guarantor, and the purchasers named therein (incorporated by reference to [Exhibit 10.1 to the NiSource Inc. Current Report on Form 8-K](#) filed on August 26, 2005).
- (10.12) Amendment No. 1, dated as of November 10, 2008, to the Note Purchase Agreement by and among NiSource Finance Corp., as issuer, NiSource Inc., as guarantor, and the purchasers whose names appear on the signature page thereto (incorporated by reference to [Exhibit 10.30 to the NiSource Inc. Form 10-K](#) filed on February 27, 2009).
- (10.13) Form of Change in Control and Termination Agreement (incorporated by reference to [Exhibit 10.1 to the NiSource Inc. Form 10-Q](#) filed on August 2, 2017).*
- (10.14) Registration Rights Agreement, dated as of May 2, 2018, by and among NiSource Inc. and the purchasers named therein (incorporated by reference to [Exhibit 10.2 of the NiSource Inc. Form 8-K](#) filed on May 2, 2018).
- (10.15) Amended and Restated NiSource Inc. Employee Stock Purchase Plan adopted as of February 1, 2019 (incorporated by reference to [Exhibit C to the NiSource Inc. Definitive Proxy Statement](#) to Stockholders for the Annual Meeting to be held on May 7, 2019, filed on April 1, 2019).
- (10.16) Amended and Restated NiSource Inc. Employee Stock Purchase Plan adopted as of January 25, 2024 (incorporated by reference to [Appendix B to the NiSource Inc. Definitive Proxy Statement](#) to Stockholders for the Annual Meeting to be held on May 13, 2024, filed on April 1, 2024).
- (10.17) Form of Cash-Based Award Agreement (incorporated by reference to [Exhibit 10.41 of the NiSource Form 10-K](#) filed on February 28, 2020).*
- (10.18) 2020 Omnibus Incentive Plan (incorporated by reference to [Exhibit A to the NiSource Inc. Definitive Proxy Statement to Stockholders for the Annual Meeting held on May 19, 2020](#), filed on April 13, 2020).*
- (10.19) Form of Restricted Stock Unit Award Agreement for Nonemployee Directors under the 2020 Omnibus Incentive Plan (incorporated by reference to [Exhibit 10.2 of the NiSource Inc. Form 10-Q](#) filed on August 5, 2020).*
- (10.2) NiSource Inc. Supplemental Executive Retirement Plan, as amended and restated effective November 1, 2020 (incorporated by reference to [Exhibit 10.4 to the NiSource Inc. Form 10-Q](#) filed on November 2, 2020).*
- (10.21) Pension Restoration Plan for NiSource Inc. and Affiliates, as amended and restated effective November 1, 2020 (incorporated by reference to [Exhibit 10.5 to the NiSource Inc. Form 10-Q](#) filed on November 2, 2020).
- (10.22) Savings Restoration Plan for NiSource Inc. and Affiliates, as amended and restated effective November 1, 2020 (incorporated by reference to [Exhibit 10.6 to the NiSource Inc. Form 10-Q](#) filed on November 2, 2020).*
- (10.23) First Amendment to the Savings Restoration Plan for NiSource Inc. and Affiliates dated October 12, 2023 and effective November 1, 2020 (incorporated by reference to Exhibit 10.24 to the NiSource Inc. Form 10-K filed on February 21, 2024).*
- (10.24) NiSource Inc. Executive Severance Policy, as amended and restated effective October 19, 2020 (incorporated by reference to [Exhibit 10.7 to the NiSource Inc. Form 10-Q](#) filed on November 2, 2020).*

- (10.25) NiSource Next Voluntary Separation Program, effective as of August 5, 2020 (incorporated by reference to [Exhibit 10.8 to the NiSource Inc. Form 10-Q](#) filed on November 2, 2020).*
- (10.26) Form of Restricted Stock Unit Award Agreement. (incorporated by reference to [Exhibit 10.53 to the NiSource Inc. Form 10-K](#) filed on February 17, 2021).*
- (10.27) Form of Performance Share Unit Award Agreement. (incorporated by reference to [Exhibit 10.54 to the NiSource Inc. Form 10-K](#) filed on February 17, 2021).*
- (10.28) Form of Special Performance Share Unit Award Agreement. (incorporated by reference to [Exhibit 10.55 to the NiSource Inc. Form 10-K](#) filed on February 17, 2021).*
- (10.29) Sixth Amended and Restated Revolving Credit Agreement, dated as of February 18, 2022, among NiSource Inc., as Borrower, the Lenders party thereto, Barclays Bank PLC, as Administrative Agent, JPMorgan Chase Bank, N.A. and MUFG Bank, Ltd., as Co-Syndication Agents, Credit Suisse AG, New York Branch, Wells Fargo Bank, National Association, and Bank of America, National Association, as Co-Documentation Agents, Barclays Bank PLC and MUFG Bank, Ltd., as Co-Sustainability Structuring Agents, and Barclays Bank PLC, JPMorgan Chase Bank, N.A. MUFG Bank, Ltd., Credit Suisse Loan Funding LLC, Wells Fargo Securities, LLC, and BofA Securities, Inc., as Joint Lead Arrangers and Joint Bookrunners (incorporated by reference to [Exhibit 10.1 of the NiSource Inc. Form 8-K](#) filed on February 18, 2022).
- (10.3) Amendment No. 1 to the Sixth Amended and Restated Revolving Credit Agreement dated February 18, 2022, made as of August 23, 2023 by and among NiSource Inc., the financial institutions listed on the signature pages and Barclays Bank PLC, as administrative agent (incorporated by reference to [Exhibit 10.1 to the NiSource Inc. Form 8-K](#) filed on August 23, 2023).
- (10.31) First Amendment to the NiSource Inc. 2020 Omnibus Incentive Plan (incorporated by reference to [Exhibit 10.1 of the NiSource Inc. Form 10-Q](#) filed on May 4, 2022).
- (10.32) Credit Agreement, dated as of December 20, 2022, among NiSource Inc., as Borrower, the lenders party thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent, PNC Capital Markets LLC, as Syndication Agent, Bank of America, N.A. and Wells Fargo Bank, N.A., as Co-Documentation Agents and JPMorgan Chase Bank, N.A., PNC Capital Markets LLC, Bank of America, N.A. and Wells Fargo Securities, LLC, as Joint Lead Arrangers and Joint Bookrunners (incorporated by reference to [Exhibit 10.1 of the NiSource Inc. Form 8-K](#) filed on December 20, 2022).
- (10.33) Amendment No. 1 to the Credit Agreement dated December 20, 2022, made as of October 5, 2023 by and among NiSource Inc., the financial institutions listed on the signature pages and JPMorgan Chase Bank, N.A., as administrative agent (incorporated by reference to [Exhibit 10.1 to the NiSource Inc. Form 8-K](#) filed on October 5, 2023).
- (10.34) Credit Agreement, dated as of November 9, 2023, among NiSource Inc., as Borrower, the lenders party there to, and U.S. Bank National Association, as Administrative Agent, as Sole Lead Arranger and Bookrunner (incorporated by reference to [Exhibit 10.1 to the NiSource Inc. Form 8-K](#) filed on November 9, 2023).
- (10.35) Augmenting Lender Supplement, dated December 6, 2023, by and among NiSource Inc., Mizuho Bank, LTD, Bank of Montreal. and U.S. Bank National Association (incorporated by reference to [Exhibit 10.1 to the NiSource Inc. Form 8-K](#) filed on December 6, 2023).
- (10.36) Form of Restricted Stock Unit Award Agreement.(incorporated by reference to [Exhibit 10.57 to the NiSource Inc. Form 10-K](#) filed on February 22, 2023).*
- (10.37) Form of Performance Share Unit Award Agreement (incorporated by reference to [Exhibit 10.58 to the NiSource Inc. Form 10-K](#) filed on February 22, 2023).*
- (10.38) Form of Restricted Stock Unit Award Agreement. (incorporated by reference to [Exhibit 10.59 to the NiSource Inc. Form 10-K](#) filed on February 22, 2023).*
- (10.39) Form of Performance Share Unit Award Agreement. (incorporated by reference to [Exhibit 10.60 to the NiSource Inc. Form 10-K](#) filed on February 22, 2023).*
- (10.40) Purchase and Sale Agreement, dated as of June 17, 2023, among NiSource Inc., as the Parent, NIPSCO Holdings II LLC, as the Company, and BIP BLUE BUYER L.L.C., as the Investor (incorporated by reference to [Exhibit 10.1 to the NiSource Inc. Form 8-K](#) filed on June 20, 2023).
- (10.41) Amendment No. 1 to the Purchase and Sale Agreement, dated as of July 6, 2023, among NiSource Inc., as the Parent, NIPSCO Holdings II LLC, as the Company, and BIP BLUE BUYER L.L.C., as the Investor (incorporated by reference to [Exhibit 10.2 of the NiSource Inc. Form 10-Q](#) filed on August 2, 2023).****

- (10.42) Amended and Restated Limited Liability Company Agreement of NIPSCO Holdings II LLC, dated December 31, 2023 (incorporated by reference to [Exhibit 10.1 of the NiSource Inc. Form 8-K](#) filed on January 2, 2024).****
- (10.43) Second Amended and Restated Limited Liability Company Agreement of NIPSCO Holdings II LLC, dated January 30, 2024 (incorporated by reference to [Exhibit 10.44 to the NiSource Inc. Form 10-K](#) filed on February 21, 2024).*
- (10.44) Form of 2024 CEO RSU Award Agreement (incorporated by reference to [Exhibit 10.1 of the NiSource Inc. Form 8-K](#) filed on January 26, 2024).*
- (10.45) Form of 2024 CEO PSU Award Agreement (incorporated by reference to [Exhibit 10.2 of the NiSource Inc. Form 8-K](#) filed on January 26, 2024).*
- (10.46) Form of RSU Award Agreement (for awards on or after 2024) (incorporated by reference to [Exhibit 10.3 of the NiSource Inc. Form 8-K](#) filed on January 26, 2024).*
- (10.47) Form of PSU Award Agreement (for awards on or after 2024) (incorporated by reference to [Exhibit 10.48 to the NiSource Inc. Form 10-K](#) filed on February 22, 2023).****
- (10.48) Separation Agreement dated March 15, 2024, between NiSource Inc. and Donald Brown (incorporated by reference to [Exhibit 10.1 to the NiSource Inc. Form 8-K](#) filed on March 15, 2024).
- (19.1) [Securities Transaction Compliance Policy](#).**
- (21) [List of Subsidiaries](#).**
- (23) [Consent of Deloitte & Touche LLP](#).**
- (31.1) [Certification of Chief Executive Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002](#).**
- (31.2) [Certification of Chief Financial Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002](#).**
- (32.1) [Certification of Chief Executive Officer, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 \(furnished herewith\)](#).**
- (32.2) [Certification of Chief Financial Officer, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 \(furnished herewith\)](#).**
- (97.1) [NiSource Inc. Compensation Recoupment Policy](#).**
- (101.INS) Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document. **
- (101.SCH) Inline XBRL Schema Document.**
- (101.CAL) Inline XBRL Calculation Linkbase Document.**
- (101.LAB) Inline XBRL Labels Linkbase Document.**
- (101.PRE) Inline XBRL Presentation Linkbase Document.**
- (101.DEF) Inline XBRL Definition Linkbase Document.**
- (104) Cover page Interactive Data File (formatted as inline XBRL, and contained in Exhibit 101.)

* Management contract or compensatory plan or arrangement of NiSource Inc.

** Exhibit filed herewith.

*** Schedules and exhibits have been omitted pursuant to Item 601(b)(2) of Regulation S-K. NiSource agrees to furnish supplementally a copy of any omitted schedules or exhibits to the SEC upon request.

**** Schedules and similar attachments to this Exhibit have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company agrees to furnish supplementally a copy of any omitted schedule or exhibit to the U.S. Securities and Exchange Commission (the “SEC”) upon request.

References made to NIPSCO filings can be found at Commission File Number 001-04125. References made to NiSource Inc. filings made prior to November 1, 2000 can be found at Commission File Number 001-09779.

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

	<u>NiSource Inc.</u> (Registrant)
Date: <u>February 12, 2025</u>	By: <u>/s/ LLOYD M. YATES</u> Lloyd M. Yates President, Chief Executive Officer and Director (Principal Executive Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<u>/s/ LLOYD M. YATES</u> Lloyd M. Yates	President, Chief Executive Officer, and Director (Principal Executive Officer)	<u>Date: February 12, 2025</u>
<u>/s/ SHAWN ANDERSON</u> Shawn Anderson	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	<u>Date: February 12, 2025</u>
<u>/s/ GUNNAR J. GODE</u> Gunnar J. Gode	Vice President and Chief Accounting Officer (Principal Accounting Officer)	<u>Date: February 12, 2025</u>
<u>/s/ KEVIN T. KABAT</u> Kevin T. Kabat	Chairman of the Board	<u>Date: February 12, 2025</u>
<u>/s/ PETER A. ALTABEF</u> Peter A. Altabef	Director	<u>Date: February 12, 2025</u>
<u>/s/ SONDRA L. BARBOUR</u> Sondra L. Barbour	Director	<u>Date: February 12, 2025</u>
<u>/s/ THEODORE H. BUNTING, JR.</u> Theodore H. Bunting, Jr.	Director	<u>Date: February 12, 2025</u>
<u>/s/ ERIC L. BUTLER</u> Eric L. Butler	Director	<u>Date: February 12, 2025</u>
<u>/s/ DEBORAH A. HENRETTA</u> Deborah A. Henretta	Director	<u>Date: February 12, 2025</u>
<u>/s/ DEBORAH A.P. HERSMAN</u> Deborah A. P. Hersman	Director	<u>Date: February 12, 2025</u>
<u>/s/ WILLIAM D. JOHNSON</u> William D. Johnson	Director	<u>Date: February 12, 2025</u>
<u>/s/ MICHAEL E. JESANIS</u> Michael E. Jesanis	Director	<u>Date: February 12, 2025</u>
<u>/s/ CASSANDRA S. LEE</u> Cassandra S. Lee	Director	<u>Date: February 12, 2025</u>
<u>/s/ JOHN MCAVOY</u> John McAvoy	Director	<u>Date: February 12, 2025</u>

**DESCRIPTION OF THE REGISTRANT'S SECURITIES REGISTERED PURSUANT TO
SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934**

NiSource Inc. ("NiSource") has one class of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"):

common stock, par value \$0.01 per share (the "common stock").

The following is a summary description of the material terms of our common stock. It may not contain all the information that is important to you. For additional information, you should refer to the provisions of our Amended and Restated Certificate of Incorporation, as amended (the "certificate of incorporation") and our bylaws, as amended and restated (the "bylaws"), each of which is an exhibit to the Annual Report on Form 10-K to which this description is an exhibit and are incorporated herein by reference.

GENERAL

Authorized Capital Stock

The authorized capital stock of NiSource consists of 770,000,000 shares, of which 750,000,000 are common stock, par value \$0.01, and 20,000,000 are preferred stock, par value \$0.01.

Anti-Takeover Provisions

NiSource's certificate of incorporation includes provisions that may have the effect of deterring hostile takeovers or delaying or preventing changes in control of management of NiSource. More specifically, the certificate of incorporation provides that stockholders may not cumulate their votes and stockholder action may be taken only at a duly called meeting and not by written consent. In addition, NiSource's bylaws contain requirements for advance notice of stockholder proposals and director nominations. These and other provisions of the certificate of incorporation and bylaws and Delaware law could discourage potential acquisition proposals and could delay or prevent a change in control of management of NiSource.

Under Delaware law, the approval of the holders of a majority of the outstanding shares of a class of NiSource's capital stock would be necessary to authorize any amendment to the certificate of incorporation that would increase or decrease the aggregate number of authorized shares of such class of capital stock or that would adversely alter or change the powers, preferences or special right of such class of capital stock. The effect of this provision may permit the holders of NiSource's outstanding shares of capital stock to block a proposed amendment to the certificate of incorporation in connection with a potential acquisition of NiSource if such amendment would adversely affect the powers, preferences or special rights of our capital stock.

NiSource is subject to the provisions of Section 203 of the Delaware General Corporation Law regulating corporate takeovers. Section 203 prevents certain Delaware corporations, including those whose securities are listed on a national securities exchange, such as the New York Stock Exchange, from engaging, under certain circumstances, in a "business combination" (as defined therein), which includes, among other things, a merger or sale of more than 10% of the corporation's assets, with any interested stockholder for three years following the date that the stockholder became an interested stockholder. An interested stockholder is a stockholder who acquired 15% or more of the corporation's outstanding voting stock or an affiliate or associate of such person.

DESCRIPTION OF COMMON STOCK

Liquidation Rights

In the event of any liquidation, dissolution or winding up of NiSource, whether voluntary or involuntary, after payment or provision for payment of the debts and other liabilities of NiSource and the distribution in full of all preferential amounts (including any accumulated and unpaid dividends) to which the holders of any series of preferred stock of NiSource hereafter created are entitled, the holders of common stock will share ratably in the remaining assets in proportion to the number of shares of common stock held by them respectively. A consolidation or merger of NiSource with or into any other corporation, or any purchase or redemption of shares of any class of NiSource's capital stock, will not be deemed to be a liquidation, dissolution or winding up of NiSource's affairs.

Voting Rights

Except as otherwise required by Delaware law or as otherwise provided in the certificate of designations for any series of preferred stock of NiSource hereafter created, holders of NiSource's common stock exclusively possess voting power for the election of NiSource's directors and all other matters requiring stockholder action. Each holder of common stock, if entitled to vote on a matter, is entitled to one vote per share. Holders of common stock are not entitled to cumulative voting rights. Holders of common stock will be notified of any stockholders' meeting according to applicable law.

Dividend Rights

Holders of common stock will be entitled to receive dividends, when, as and if declared by NiSource's board of directors out of legally available funds for such purpose in accordance with Delaware law, subject to the powers, preferences and rights afforded to the holders of any series of preferred stock of NiSource hereafter created. Dividends may be paid in cash, capital stock or other property of NiSource.

NiSource is an energy holding company that derives substantially all of its revenues and earnings from the operating results of the rate-regulated businesses of its subsidiaries. Accordingly, NiSource's ability to pay dividends on its capital stock is dependent primarily upon the earnings and cash flows of its subsidiaries and the distribution or other payment of such earnings to NiSource. NiSource's subsidiaries are separate and distinct legal entities and have no obligation, contingent or otherwise, to pay any amounts on the capital stock of NiSource or to make any funds available therefor, whether by dividends, loans or other payments.

No Preemptive Rights

Holders of NiSource's common stock are not entitled to, as holders of common stock, any preemptive rights with respect to any shares of NiSource's capital stock or any of its securities convertible into or exercisable for its capital stock.



POLICY SUBJECT: Securities Transaction Compliance Policy

EFFECTIVE DATE: November 2001

REVISED: December 11, 2023

NiSource Inc. (the “Company”) has instituted the following compliance policy in order to protect the Company and assist the Company’s board of directors and all employees in complying with the prohibition against insider trading under Rule 10b-5 under the Securities Exchange Act of 1934.

This policy covers the board of directors and all employees (including i) officers as defined under Rule 16a-1(f) of the Securities Exchange Act of 1934 (the “Exchange Act”) (a “Section 16 Officer”) and ii) Designated Employees, as defined below) of, or consultants or contractors to, the Company or its subsidiaries, as well as their immediate family (defined below) and members of their households. In addition, this policy applies to any entities that an employee influences or controls, including any corporations, partnerships or trusts, and transactions by these entities should be treated for the purposes of this policy and applicable securities laws as if they were for an employee’s own account.

The securities covered by this policy include all Company “securities” as defined by federal securities laws. This could include common stock, preferred stock or debt securities of the Company or any subsidiary of the Company, options or rights to purchase or sell such securities (including warrants, puts, calls, and straddles) and derivative securities. Derivative securities include options, warrants, convertible securities, stock appreciation rights and other similar rights with an exercise or conversion privilege at a price related to an equity security or a value derived from the value of an equity security. If you are unsure whether an arrangement involves a security, please consult the General Counsel’s (“GC”) office.

The policy covers all securities that you hold beneficially, even if you are not the owner of record. This includes securities of the Company that are held in the Company’s Savings Plan (“401(k) Plan”), the Employee Stock Purchase Plan and the Automatic Dividend Reinvestment and Share Purchase Plan. A beneficial owner includes a director or employee who has or shares a direct or indirect pecuniary interest in the security. A pecuniary interest is defined generally as the opportunity, directly or indirectly, to profit or share in any profit from a transaction in the securities. An indirect pecuniary interest in any class of securities includes securities held by members of a director’s or an employee’s immediate family sharing the same household. “Immediate family” is defined as any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law, and includes adoptive relationships.

For purposes of this policy, certain employees who work in the areas identified on Exhibit A and their immediate family members are referred to as “Designated Employees.” This list of

Designated Employees is maintained by the Corporate Secretary department. Managers of these individuals must provide a copy of this policy to employees covered and notify the Corporate Secretary department if there are any changes within their organization such that Designated Employees would need to be updated.

For the avoidance of doubt, the reference to “Designated Employees” is different than “all employees” referenced throughout and applies to a smaller sub-set of employees. If you are unsure whether a portion of this policy applies to you, please contact the GC’s office.

1. **Material Nonpublic Information.** Directors and all employees should not engage in any transaction in the Company’s securities while in possession of material nonpublic information regarding the Company or during any period for which the GC office recommends that trading be suspended. Such periods usually relate to the time between the internal identification of material information and the public disclosure of that information. If you are unclear whether the information that you possess is material and would prevent you from trading during a non-black-out period, you should contact the GC’s office.

Insider trading occurs when a person uses material nonpublic information obtained through their employment or other involvement with a company to make decisions to purchase, sell or otherwise trade that company’s securities or to provide that information to others outside the company. The prohibitions against insider trading apply to trading, tipping and making recommendations to trade by virtually any person, including all persons associated with the Company, if the information involved is material and nonpublic. Information is material if there is a substantial likelihood that a reasonable investor would consider it important in deciding whether to buy, hold or sell a security. Any information that could reasonably be expected to affect the price of the security is material. While it is not possible to define all categories of material information, some examples of information that ordinarily would be regarded as material are:

- Projections of future earnings or losses, or other earnings guidance;
- A pending or proposed merger, acquisition or tender offer;
- A pending or proposed acquisition or disposition of a significant asset or subsidiary;
- Changes in dividend policies, the declaration of a stock split or the offering of additional securities;
- A change in management;
- Impending bankruptcy or financial liquidity problems;
- New major contracts, orders, suppliers, customers or finance sources, or the loss thereof;
- Pending or threatened significant litigation, or the resolution of such litigation; or
- A significant cybersecurity event at the Company, or any other significant disruption in the Company’s operations.

2. **Designation of Filing Coordinator.** The GC or their designee is the Company’s “Filing Coordinator”. The GC or designee will assist directors, Section 16 Officers and Designated Employees in compliance. The GC or designee will assist in considering legal questions relating to beneficial ownership of the Company’s securities and reporting

obligations and possible liability, if any, associated with trading in such securities. The GC or designee will also keep directors and Section 16 Officers apprised of relevant legal developments in this area. The Filing Coordinator will be responsible for preparation and filing of directors' and Section 16 Officers' Form 3, 4 and 5 reports based on information furnished by directors and Section 16 Officers (see further instructions in paragraphs 7 and 11 below). In addition, the Filing Coordinator will review, or at the request of a Section 16 Officer or director, prepare Form 144 notices. Directors and Section 16 Officers will be responsible for the timely transmission of Form 144 notices unless otherwise prearranged with the Filing Coordinator.

3. **Pre-clearance of Transactions.** Directors and Section 16 Officers must contact the GC or their designee before engaging in any transaction involving securities of the Company including **discretionary transactions** in securities that occur in connection with any of the Company's employee benefit plans. A discretionary transaction is any transaction under an employee benefit plan that results in either (a) a volitional intra-plan transfer (a "fund switch" or "fund reallocation") involving any fund consisting of equity securities of the Company (including mixed equity funds where more than 20 percent of the fund's assets are invested in Company equity securities), or (b) a cash distribution funded by a volitional disposition of a Company equity security. As described above, securities of the Company include not only securities (such as common stock, preferred stock, notes or debentures) but also derivative securities (such as options, phantom stock, SARs or convertible securities). Transactions include not only purchases and sales of securities or derivative securities, but gifts, donations or other transfers for charitable, tax, estate planning or other purposes. Pre-clearance will enable the GC or designee to consider the following questions in order to confirm that the transaction complies with all applicable requirements of the federal securities laws:
 - a. Section 16(b) - Have there been or will there be any purchases and sales by the person engaging in the transaction or by any member of his immediate family (or by a family trust, a controlled corporation, or a partnership of which the person is general partner) within the last or next six months?
 - b. Rule 10b-5 - Does the person engaging in the transaction have any material nonpublic information about the Company, or are there other circumstances that might suggest that this is an inappropriate time to trade?
 - c. Rule 144 - Has the person engaging in a sale transaction complied with Rule 144?
 - d. Are there any other reasons a transaction should not occur now?

Directors and Section 16 Officers who avail themselves of a Rule 10b5-1 plan described in paragraph 8 below will no longer need to pre-clear transactions for approval for purposes of Rule 10b-5. However, since Rule 10b5-1 does not create an exemption for purposes of Section 16, the Filing Coordinator must be notified promptly after such transaction, and the broker or other person executing the transaction must timely transmit a Form 144 notice.

4. **Trading Blackout Period.** Directors, Section 16 Officers and Designated Employees are prohibited from transacting in Company securities during the period beginning two weeks before the end of a calendar quarter (or, in the case of the fourth quarter, four weeks before the end of the calendar quarter) and ending on the second day after the public release of results for that quarter. This black-out period does not apply to purchases made through regular payroll deduction in the Employee Stock Purchase Plan or the 401(k) Plan or reinvestment of dividends through the Automatic Dividend Reinvestment and Share Purchase Plan, as long as elections made with respect to participation in these plans are not made during a black-out period. The black-out periods also do not apply to in-kind distributions of Company Common Stock from the Employee Stock Purchase Plan and the Automatic Dividend Reinvestment and Share Purchase Plan, except as a result of a discretionary transaction described in paragraph 3 above. Transactions include not only purchases and sales of securities or derivative securities, but gifts, donations or other transfers for charitable, tax, estate planning or other purposes.

From time to time, an event may occur that is material to the Company and is known by only a few directors, Section 16 Officers and/or employees. So long as the event remains material and nonpublic, the persons designated by the GC or designee may not trade Company securities. In addition, the Company's financial results may be sufficiently material in a particular fiscal quarter that, in the judgment of the GC or designee, designated persons should refrain from trading in Company securities even sooner than the typical blackout period described above. In that situation, the GC or designee may notify these persons that they should not trade in the Company's securities, without disclosing the reason for the restriction. The existence of an event-specific trading restriction period or extension of a blackout period will not be announced to the Company as a whole, and should not be communicated to any other person. Even if the GC or designee has not designated an employee as a person who should not trade due to an event-specific restriction, an employee should not trade while aware of material nonpublic information. Exceptions will generally not be granted during an event-specific trading restriction period.

5. **Recommended Transaction Period.** To the extent possible, directors, Section 16 Officers and Designated Employees should, outside of transactions under certain of the Company's benefit plans, engage in transactions in the Company's securities only when there is relative stability in the market for the Company's securities and during the 30-day period following the public release of annual or quarterly results. However, even within those periods, no transaction should be entered into in violation of the prohibition under Rule 10b-5 against the use of material nonpublic information, and all transactions should be carried out in compliance with federal securities laws.
6. **Prohibited Transactions.** No director or employee may engage in a "short sale" of the Company's securities or buy or sell puts or calls or other options on the Company's securities. A "short sale" is one involving securities which the seller does not own at the time of sale, or, if owned, are not delivered within 20 days after the sale or deposited in the mail or other usual channels of transportation within five days after the sale.

In addition, no director, Section 16 Officer or employee may engage in purchases of the Company's securities on margin, or holding the securities in a margin account, borrowing

against any account in which the securities are held or otherwise pledging securities as collateral for a loan.

Also, Section 16(b) imposes liability on directors and Section 16 Officers who trade securities of the Company within a period shorter than 6 months (referred to as short swing profit liability). Any “profits” realized by the purchase and sale or the sale and a purchase of any security of the Company beneficially owned by a director or Section 16 Officer within a period of less than six months are recoverable by the Company. If the Company does not bring an action to recover these profits, any stockholder acting on the Company’s behalf may do so.

7. **Reporting Forms.** Every director and Section 16 Officer must file the following reports:
 - a. An initial report on Form 3 disclosing holdings of the Company’s securities as of the date a person becomes a director or Section 16 Officer must be filed with the SEC within ten days of attaining director or Section 16 Officer status.
 - b. Subsequent reports on Form 4 disclosing any change in beneficial ownership of the Company’s securities (except for transactions covered by specific exemptions) must be filed with the SEC before the end of the second business day following the day on which the subject transaction has been executed; and
 - c. Annual Reports on Form 5 disclosing any holding or transaction not previously disclosed because of *either* an exemption or a failure to file must be filed with the SEC by February 14 of each year.
8. **Trading Plans for Trading Securities under Rule 10b5-1.** Rule 10b5-1 provides an affirmative defense to liability for insider trading. When a director, Section 16 Officer or Designated Employee, at a time when he or she does not possess material nonpublic information, enters into a binding contract, instruction, or written plan under specified terms and conditions for the purchase or sale of securities (“Plan”), the director, Section 16 Officer or Designated Employee is afforded an affirmative defense against a later claim, if the purchase or sale occurs pursuant to the Plan. The Plan must either (i) expressly specify the amount, price and date of trades, (ii) include a written formula or algorithm, or computer program, for determining amounts, prices and dates, or (iii) not permit the person to exercise any subsequent influence over how, when, or whether to effect purchases or sales; provided, in addition, that any other person who does exercise such influence is not aware of any material nonpublic information when doing so. A plan must include a representation certifying that, at the time the Plan is adopted, (i) the director, Section 16 Officer or Designated Employee is not in possession of any material non-public information about the Company or its securities and ii) the Plan is being adopted in good faith and not as a part of a plan or scheme to evade the prohibitions of Rule 10b-5. A director, Section 16 Officer or Designated Employee is also required to act in good faith throughout the duration of the Plan.

Purchases and sales made pursuant to such a Plan are not subject to the blackout period described above, provided that:

- For Designated Employees, no purchases or sales may occur until 30 days after the adoption of the Plan. Any modification to the price, amount of

securities or timing of the sale or purchase of the securities under a Plan will be deemed the termination of the original Plan and adoption of a new Plan, triggering a new 30-day cooling-off period.

- For directors or Section 16 Officers, the first proposed sale under a Plan must meet the below requirements. Any modification to the price, amount of securities or timing of the sale or purchase of the securities under a Plan will be deemed the termination of the original Plan and adoption of a new Plan, triggering a new cooling-off period, as described below.
 - o With respect to Plans implemented during the first, second or third quarter of a calendar year, the first sale under a Plan may not occur until the expiration of a cooling-off period consisting of the later of (i) 90 days after the adoption of the Plan and (ii) two business days following the public release of the Company's quarterly financial information on Form 10-Q with respect to the quarter in which the Plan was adopted or modified.

With respect to Plans implemented during the fourth quarter of a calendar year, the first sale under a Plan may not occur until the expiration of a cooling-off period consisting of the later of (i) 90 days after the adoption of the Plan and (ii) two business days following the public release of the Company's fourth quarter and year-end financial information on Form 10-K.

A director, Section 16 Officer or Designated Employee may only have one Plan outstanding at a time, unless the overlapping Plan is (i) a successor Plan under which trades do not begin until the completion or expiration of the preceding Plan or (ii) an arrangement that authorizes the sale of only enough securities to cover tax withholding associated with vesting of equity awards and the director, Section 16 Officer or Designated Employee has no discretion over the timing of such sales. A director, Section 16 Officer or Designated Employee may not enter into more than one single-trade Plan in a consecutive 12-month period.

A purchase or sale under Rule 10b5-1 is not protected from liability if the insider alters or deviates from the contract, instruction or plan, or enters into or alters a corresponding or hedging transaction or position with respect to those securities.

All directors, Section 16 Officers or Designated Employees must obtain pre-clearance of any Plan from the GC or designee and file a copy of such Plan with the Corporate Secretary. A Plan must still comply with all other applicable disclosure, reporting and other requirements under federal and state securities laws, including Section and Rule 144.

9. **Confidentiality.** Directors and employees must maintain nonpublic information about the Company in strict confidence, must not communicate such information to any person, and should refer any questions to the GC's office.
10. **Post-Termination Transactions.** This policy continues to apply to transactions in Company securities even after termination of service to the Company. If an individual is in possession of material nonpublic information when his or her service terminates, that

individual may not trade in Company securities until that information has become public or is no longer material.

The pre-clearance procedures specified below, however, will cease to apply to transactions in Company securities upon the expiration of any black-out period or other Company-imposed trading restrictions applicable at the time of the termination of service.

11. **Completion and Filing of Forms 3, 4 and 5.** All Forms 3, 4 and 5 for the Company's directors and Section 16 Officers will be prepared and filed by the Filing Coordinator. The Filing Coordinator must be advised of changes in security ownership prior to the execution of a transaction. The Filing Coordinator will send you completed Forms 3, 4 or 5, for review and execution, if time permits, or will sign the completed form on your behalf, in accordance with the authority granted by you in a power of attorney. **You must return the executed form to the Filing Coordinator immediately so that the Filing Coordinator can meet the filing deadline with the SEC.** The Filing Coordinator will automatically prepare a Form 5 each year to report any transactions not previously reported, including exempt transactions under the Company's benefit plans. If you are not required to file a Form 5 in a given year, the directors' and officers' questionnaire you execute in connection with the Company's Form 10-K and proxy statement will contain a representation that you have no obligation to file a Form 5. The Filing Coordinator's office will retain a signed copy of each Form 3, 4 and 5 (or directors' and officers' questionnaire in lieu thereof) in its files.
12. **Cooperation with the Company.** Please recognize that enforcement of these securities laws can result in individual penalties. The Company has adopted this compliance policy to assist its directors and all employees in complying with these laws, but ultimately each director and Section 16 Officer is responsible for making sure that all Forms 3, 4 and 5 and Form 144 notice filings are made in a correct and timely fashion and that all transactions comply with applicable short-swing and insider trading rules. Please report all anticipated transactions involving the Company's securities to the GC or designee as early as possible in order to facilitate your compliance.
13. **Exemptions from this policy.** The Company's GC has the authority to grant exemptions or exceptions from this policy. Exemptions or exceptions will generally not be granted.
14. **Consequences of Violation.** The consequences of violating Rule 10b-5 can be very serious to a director, an individual employee and the Company and include possible civil and criminal penalties.

The consequences of violating the requirements for directors and Section 16 Officers could include public disclosure of all reporting violations in the Company's proxy statement and Annual Report on Form 10-K.

Employees who violate this policy shall also be subject to disciplinary action by the Company, which may include ineligibility for future participation in the Company's equity incentive plans or termination of employment.

Exhibit A – Designated Employees

(as may be amended from time to time by the Company's General Counsel or Corporate Secretary department)

Administrative Staff of Section 16 Officers and Executive Council

Assistant Controller's Office

Controller's Office

Corporate Communications Department (Certain Employees)

Corporate Planning Department

Corporate Secretary (Certain Employees)

Executive Council Members

Human Resources (Certain Employees)

Investor Relations

Legal Department (Certain Employees)

Segment Controllers and Financial Planning

Tax Administration (Certain Employees)

Treasury Department (Certain Employees)

SUBSIDIARIES OF NISOURCE

as of December 31, 2024

Segment/Subsidiary

GAS DISTRIBUTION OPERATIONS

Bay State Gas Company
Columbia Gas of Kentucky, Inc.
Columbia Gas of Maryland, Inc.
Columbia Gas of Ohio, Inc.
Columbia Gas of Pennsylvania, Inc.
Columbia Gas of Virginia, Inc.
NiSource Gas Distribution Group, Inc.

State of Incorporation

Massachusetts
Kentucky
Delaware
Ohio
Pennsylvania
Virginia
Delaware

ELECTRIC OPERATIONS

Dunn's Bridge I Solar Generation LLC
Dunns Bridge Solar Center, LLC
Fairbanks Solar Generation LLC
Gibson Solar Generation LLC
Indiana Crossroads Solar Generation LLC
Indiana Crossroads Wind Farm LLC
Indiana Crossroads Wind Generation LLC
Meadow Lake Solar Park LLC
Northern Indiana Public Service Company LLC*
RoseWater Wind Farm LLC
RoseWater Wind Generation LLC

Delaware
Delaware
Delaware
Delaware
Delaware
Delaware
Delaware
Delaware
Indiana
Delaware
Delaware

CORPORATE AND OTHER OPERATIONS

Columbia Gas of Ohio Receivables Corporation
Columbia Gas of Pennsylvania Receivables Corporation
Lake Erie Land Company
NIPSCO Accounts Receivable Corporation
NIPSCO Generation LLC
NIPSCO Holdings I LLC
NIPSCO Holdings II LLC
NiSource Corporate Group, LLC
NiSource Corporate Services Company
NiSource Development Company, Inc.
NiSource Energy Technologies, Inc.
NiSource Insurance Corporation, Inc.

Delaware
Delaware
Indiana
Indiana
Indiana
Indiana
Delaware
Delaware
Delaware
Indiana
Indiana
Utah

* Both Gas Distribution Operations and Electric Operations

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No. 333-268084 on Form S-3, Registration Statement Nos. 333-107743, 333-166888, 333-228102, 333-233382, 333-238501, 333-248405, 333-260906, 333-281526 on Form S-8, and Registration Statement Nos. 333-228790 and 333-228791 on Form S-4 of our reports dated February 12, 2025, relating to the consolidated financial statements of NiSource Inc. and subsidiaries (the “Company”) and the effectiveness of the Company's internal control over financial reporting appearing in this Annual Report on Form 10-K for the year ended December 31, 2024.

/s/ DELOITTE & TOUCHE LLP
Columbus, Ohio
February 12, 2025

**Certification Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002**

I, Lloyd M. Yates, certify that:

1. I have reviewed this Annual Report on Form 10-K of NiSource Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 12, 2025

By:

/s/ Lloyd M. Yates

Lloyd M. Yates

President and Chief Executive Officer

**Certification Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002**

I, Shawn Anderson, certify that:

1. I have reviewed this Annual Report on Form 10-K of NiSource Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 12, 2025

By: /s/ Shawn Anderson

Shawn Anderson
Executive Vice President and Chief Financial Officer

**Certification Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Annual Report of NiSource Inc. (the “Company”) on Form 10-K for the year ending December 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Lloyd M. Yates, Chief Executive Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Lloyd M. Yates

Lloyd M. Yates
President and Chief Executive Officer

Date: February 12, 2025

**Certification Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Annual Report of NiSource Inc. (the “Company”) on Form 10-K for the year ending December 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Shawn Anderson, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Shawn Anderson

Shawn Anderson

Executive Vice President and Chief Financial Officer

Date: February 12, 2025

NISOURCE INC.**COMPENSATION RECOUPMENT POLICY**

In the event of any required accounting restatement of the financial statements of NiSource Inc. (the “Company”) due to the material noncompliance of the Company with any financial reporting requirement under the applicable U.S. federal securities laws, including any required accounting restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period (a “Restatement”), the Company shall recover reasonably promptly from any person, who is or was an “Executive Officer,” as such term is defined in Rule 10D-1 adopted under the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and Section 303A.14 of the NYSE’s listing standards, of the Company (each, a “Covered Person”) the amount of any “Erroneously Awarded Incentive-Based Compensation” (as defined below). This Policy shall be effective as of October 2, 2023, the effective date of Section 303A.14 of the NYSE’s listing standards (the “Effective Date”).

The amount of Incentive-Based Compensation (as defined below) that must be recovered from a Covered Person pursuant to the immediately preceding paragraph is the amount of “Recoverable Incentive-Based Compensation” (as defined below) received by a Covered Person that exceeds the amount of Recoverable Incentive-Based Compensation that otherwise would have been received had it been determined based on the restated amounts, computed without regard to any taxes paid (referred to as the “Erroneously Awarded Incentive-Based Compensation”). For Recoverable Incentive-Based Compensation based on stock price or total shareholder return, where the amount of Erroneously Awarded Incentive-Based Compensation is not subject to mathematical recalculation directly from the information in a Restatement, the amount must be based on a reasonable estimate of the effect of the Restatement on the stock price or total shareholder return, as applicable, upon which the Recoverable Incentive-Based Compensation was received, and the Company must maintain documentation of that reasonable estimate and provide such documentation to the New York Stock Exchange (the “NYSE”). For the purposes of this Policy, Recoverable Incentive-Based Compensation will be deemed to be received in the fiscal period during which the financial reporting measure specified in the applicable Incentive-Based Compensation award is attained, even if the payment or grant occurs after the end of that period. The Compensation and Human Capital Committee (the “Committee”) (if composed entirely of independent directors, or in the absence of such a committee, a majority of independent directors serving on the Board), shall determine the amount of Erroneously Awarded Incentive Based-Compensation.

For purposes of this Policy, “Incentive-Based Compensation” means any compensation that is granted, earned or vested based wholly or in part upon the attainment of a “financial reporting measure,” which means a measure that is determined and presented in accordance with Generally Accepted Accounting Principles which are used in preparing the Company’s financial statements, and any measure that is derived wholly or in part from such measures. Stock price and total shareholder return are also financial reporting measures for this purpose. For avoidance of doubt, a financial reporting measure need not be presented within the Company’s financial statements or included in a filing with the Securities and Exchange Commission.

For purposes of this Policy, “Recoverable Incentive-Based Compensation” means all Incentive-Based Compensation received on or after the Effective Date of this Policy set forth above by a Covered Person: (i) after beginning service as an executive officer; (ii) who served as an Executive Officer at any time during the performance period for the Incentive-Based Compensation; (iii) while the Company has a class of securities listed on a national securities exchange or a national securities association; and (iv) during the three completed fiscal years immediately preceding the date that the Company is required to prepare a Restatement, including

any applicable transition period that results from a change in the Company's fiscal year within or immediately following those three completed fiscal years. For this purpose, the Company is deemed to be required to prepare a Restatement on the earlier of: (i) the date the Board of Directors of the Company (the "Board"), or the Company's officers authorized to take such action if Board action is not required, concludes, or reasonably should have concluded, that the Company is required to prepare a Restatement; and (ii) the date a court, regulator or other legally authorized body directs the Company to prepare a Restatement. The Company's obligation to recover Erroneously Awarded Incentive-Based Compensation is not dependent on if or when the restated financial statements are filed with the Securities and Exchange Commission.

The Company shall recover the Erroneously Awarded Incentive-Based Compensation from Covered Persons unless the Compensation and Human Capital Committee of the Board of Directors (if composed entirely of independent directors, or in the absence of such a committee, a majority of independent directors serving on the Board) determines that recovery is impracticable because: (i) the direct expense to a third party to assist in enforcing this Policy would exceed the amount of Erroneously Awarded Incentive-Based Compensation; provided that, the Company must make a reasonable attempt to recover the Erroneously Awarded Incentive-Based Compensation before concluding that recovery is impracticable, document such reasonable attempt to recover the Erroneously Awarded Incentive-Based Compensation and provide such documentation to the NYSE; or (ii) recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the applicable requirements of 26 U.S.C. 401(a)(13) or 26 U.S.C. 411(a) and regulations thereunder.

In no event will the Company indemnify any Covered Person for any amounts that are recovered under this Policy, including any payment or reimbursement for the cost of third-party insurance purchased by any Covered Person to fund potential clawback obligations under this Policy. This Policy is in addition to (and not in lieu of) any right of repayment, forfeiture or right of offset against any employees that is required pursuant to any statutory repayment requirement (regardless of whether implemented at any time prior to or following the adoption or amendment of this Policy), including Section 304 of the Sarbanes-Oxley Act of 2002. Any amounts paid to the Company pursuant to Section 304 of the Sarbanes-Oxley Act of 2002 shall be considered in determining any amounts recovered under this Policy.

The application and enforcement of this Policy does not preclude the Company from taking any other action to enforce a Covered Person's obligations to the Company, including termination of employment or institution of legal proceedings. Nothing in this Policy restricts the Company from seeking recoupment under any other compensation recoupment Policy or any applicable provisions in plans, agreements, awards or other arrangements that contemplate the recoupment of compensation from a Covered Person. If a Covered Person fails to repay Erroneously Awarded Incentive-Based Compensation that is owed to the Company under this Policy, the Company shall take all appropriate action to recover such Erroneously Awarded Incentive-Based Compensation from the Covered Person, and the Covered Person shall be required to reimburse the Company for all expenses (including legal expenses) incurred by the Company in recovering such Erroneously Awarded Incentive-Based Compensation.

The terms of this Policy shall be binding and enforceable against all Covered Persons subject to this Policy and their beneficiaries, heirs, executors, administrators or other legal representatives. If any provision of this Policy or the application of such provision to any Covered Person shall be adjudicated to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Policy, and the invalid, illegal or unenforceable provisions shall be deemed amended to the minimum extent necessary to render any such provision (or the application of such provision) valid, legal or enforceable.

Each Covered Person shall sign and return to the Company, within 30 calendar days following the later of (i) the Effective Date of this Policy first set forth above or (ii) the date the individual becomes a Covered Person, the Acknowledgement Form attached hereto as Exhibit A, pursuant

to which the Covered Person agrees to be bound by, and to comply with, the terms and conditions of this Policy. Notwithstanding, Covered Persons who are no longer employed with the Company at the time this Policy is implemented will be provided a copy of this Policy for their information and will not be required to sign and return an Acknowledgment Form.

This Policy shall be interpreted in a manner that is consistent with Rule 10D-1 under the Exchange Act, Section 303A.14 of the NYSE Listed Company Manual and any related rules or regulations adopted by the Securities and Exchange Commission or the NYSE (the “Applicable Rules”) as well as any other applicable law. To the extent the Applicable Rules require recovery of incentive-based compensation in additional circumstances beyond those specified above, nothing in this Policy shall be deemed to limit or restrict the right or obligation of the Company to recover incentive-based compensation to the fullest extent required by the Applicable Rules.

This Policy shall be administered by the Committee, and any determinations made by the Committee shall be final, conclusive and binding on all persons, including the Company. The Committee is authorized to interpret and construe this Policy and to make all determinations necessary, appropriate or advisable for the administration of this Policy and for the Company’s compliance with NYSE Rules, Section 10D, Rule 10D-1 and any other applicable law, regulation, rule or interpretation of the SEC or NYSE promulgated or issued in connection therewith. The Committee may amend this Policy from time to time as it deems necessary.

The Committee shall determine, in its sole discretion, the timing and method for reasonably promptly recouping Erroneously Awarded Incentive-Based Compensation, which may include without limitation a) seeking reimbursement of all or part of any cash or equity-based award, b) cancelling prior cash or equity-based awards, whether vested or unvested or paid or unpaid, c) cancelling or offsetting against any planned future cash or equity-based awards, d) forfeiture of deferred compensation, subject to compliance with Section 409A of the Internal Revenue Code and the regulations promulgated thereunder, e) any other method authorized by applicable law or contract. Subject to compliance with any applicable law, the Committee may affect recovery under this Policy from any amount otherwise payable to the Covered Person, including amounts payable to such individual under any otherwise applicable Company plan or program, including base salary, bonuses or commissions and compensation previously deferred.

Any members of the Committee, or members of the Board who assist in the administration of this Policy, shall not be personally liable for any action, determination or interpretation made with respect to this Policy and shall be fully indemnified by the Company to the fullest extent under applicable law and Company policy with respect to any such action, determination or interpretation.

EXHIBIT A

NiSource Inc.

COMPENSATION RECOUPMENT POLICY

ACKNOWLEDGEMENT FORM

By signing below, the undersigned acknowledges and confirms that the undersigned has received and reviewed a copy of the NiSource Inc. (the “Company”) Compensation Recoupment Policy (the “Policy”).

By signing this Acknowledgement Form, the undersigned acknowledges and agrees that the undersigned is and will continue to be subject to the Policy and that the Policy will apply both during and after the undersigned’s employment with the Company. Further, by signing below, the undersigned agrees to abide by the terms of the Policy, including, without limitation, by returning any Erroneously Awarded Incentive-Based Compensation (as defined in the Policy) to the Company to the extent required by, and in a manner consistent with, the Policy.

COVERED PERSON

Signature

Print Name

Date

TAB 64.3

807 KAR 5:001 Section 16(7)(p)

2024 10-Qs

Columbia Gas of Kentucky, Inc.
CASE NO. 2026-00099
Forecasted Test Period Filing Requirements
807 KAR 5:001 Section 16(7)(p)

Description of Filing Requirement:

A copy of the utility's annual report on Form 10-K as filed with the Securities and Exchange Commission for the most recent two (2) years, and any Form 8-K issued during the past two (2) years, and any Form 10-Q issued during the past six (6) quarters;

Response:

Please see attached for NiSource Inc.'s application for Form 10-Q's and Form 8-K's. Form 10-K is part of the Annual Report to Stockholders and is included with Filing Requirement 16(7)(l) located at Tab 60.

Responsible Witness:

Elizabeth N. Davis

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2024

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 001-16189

NiSource Inc.

(Exact name of registrant as specified in its charter)

DE

(State or other jurisdiction of
incorporation or organization)

801 East 86th Avenue
Merrillville, IN

(Address of principal executive offices)

35-2108964

(I.R.S. Employer
Identification No.)

46410

(Zip Code)

(877) 647-5990

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

	Title of Each Class	Trading	Name of Each Exchange on Which
		Symbol(s)	Registered
Common Stock, par value \$0.01 per share		NI	NYSE

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files.)

Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Emerging growth company ☐ Non-accelerated filer ☐ Smaller reporting company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: Common Stock, \$0.01 Par Value: 448,305,338 shares outstanding at April 30, 2024.

NISOURCE INC.
FORM 10-Q QUARTERLY REPORT
FOR THE QUARTER ENDED MARCH 31, 2024

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DEFINED TERMS

The following is a list of frequently used abbreviations or acronyms that are found in this report:

NiSource Subsidiaries and Affiliates (not exhaustive)

Columbia of Kentucky	Columbia Gas of Kentucky, Inc.
Columbia of Maryland	Columbia Gas of Maryland, Inc.
Columbia of Ohio	Columbia Gas of Ohio, Inc.
Columbia of Pennsylvania	Columbia Gas of Pennsylvania, Inc.
Columbia of Virginia	Columbia Gas of Virginia, Inc.
NIPSCO	Northern Indiana Public Service Company LLC
NIPSCO Holdings I	NIPSCO Holdings I LLC
NIPSCO Holdings II	NIPSCO Holdings II LLC
NiSource ("we," "us" or "our")	NiSource Inc.
Rosewater	Rosewater Wind Generation LLC and its wholly owned subsidiary, Rosewater Wind Farm LLC
Indiana Crossroads Wind	Indiana Crossroads Wind Generation LLC and its wholly owned subsidiary, Indiana Crossroads Wind Farm LLC
Indiana Crossroads Solar	Indiana Crossroads Solar Generation LLC and its wholly owned subsidiary, Meadow Lake Solar Park LLC
Dunns Bridge I	Dunn's Bridge I Solar Generation LLC and its wholly owned subsidiary, Dunns Bridge Solar Center, LLC
Dunns Bridge II	Dunn's Bridge II Solar Generation LLC
Gibson	Gibson Solar Generation LLC
Fairbanks	Fairbanks Solar Generation LLC
Cavalry	Cavalry Solar Generation LLC

Abbreviations and Other

AFUDC	Allowance for funds used during construction
AOI	Accumulated Other Comprehensive Income (Loss)
ASC	Accounting Standards Codification
ASU	Accounting Standards Update
ATM	At-the-market
BIP	BIP Blue Buyer L.L.C
Blackstone	Blackstone Infrastructure Partners L.P
BTA	Build-transfer agreement
CCRs	Coal Combustion Residuals
CEP	Capital Expenditure Program
CERCLA	Comprehensive Environmental Response Compensation and Liability Act (also known as Superfund)
Columbia Operations	Reportable segment comprised of the results of Columbia Gas distribution companies and all related subsidiaries
Corporate Units	Series A Corporate Units
DSM	Demand Side Management
EGUs	Electric Utility Generating Units
EPA	United States Environmental Protection Agency
EPS	Earnings per share
Equity Units	Series A Equity Units
FAC	Fuel adjustment clause

	<u>DEFINED TERMS</u>
FASB	Financial Accounting Standards Board
FMCA	Federally Mandated Cost Adjustment
GAAP	Generally Accepted Accounting Principles
GCA	Gas cost adjustment
GHG	Greenhouse gases
GWh	Gigawatt hours
IRA	Inflation Reduction Act of 2022
IRP	Infrastructure Replacement Program
IURC	Indiana Utility Regulatory Commission
JV	Joint Venture
LIFO	Last In, First Out
LIHEAP	Low Income Heating Energy Assistance Program
MGP	Manufactured Gas Plant
MISO	Midcontinent Independent System Operator
MMDth	Million dekatherms
MW	Megawatts
MWh	Megawatt hours
NIPSCO Electric	The electric generation and transmission activities of the NIPSCO Operations reportable segment
NIPSCO Gas	The gas distribution activities of the NIPSCO Operations reportable segment
NIPSCO Minority Interest Transaction	A transaction between NiSource, NIPSCO Holdings II (sole owner of NIPSCO) and an affiliate of Blackstone pursuant to a purchase and sale agreement entered into on June 17, 2023, that offered equity interests in NIPSCO Holdings II in exchange for capital contributions by the parties.
NIPSCO Operations	Reportable segment comprised of the results of NIPSCO Holdings I, NIPSCO Holdings II, and NIPSCO and all related subsidiaries
NYMEX	New York Mercantile Exchange
OPEB	Other Postemployment Benefits
PHMSA	Pipeline and Hazardous Materials Safety Administration
PPA	Power Purchase Agreement
RNG	Renewable Natural Gas
SAVE	Steps to Advance Virginia's Energy Plan
Scope 1 GHG Emissions	Direct emissions from sources owned or controlled by us (e.g., emissions from our combustion of fuel, vehicles, and process emissions and fugitive emissions)
Scope 2 GHG Emissions	Indirect emissions from sources owned or controlled by us
SEC	Securities and Exchange Commission
SMRP	Safety Modification and Replacement Program
SMS	Safety Management System
TCJA	An Act to provide for reconciliation pursuant to titles II and V of the concurrent resolution on the budget for fiscal year 2018 (commonly known as the Tax Cuts and Jobs Act of 2017)
TDSIC	Transmission, Distribution and Storage System Improvement Charge
VIE	Variable Interest Entity
WAM	Work and Asset Management

Note regarding forward-looking statements

This Quarterly Report on Form 10-Q 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"). Forward-looking statements in this Quarterly Report on Form 10-Q 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 Quarterly Report on Form 10-Q 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 work successfully with our third-party investors;
- our ability to adapt to, and manage costs related to, advances in technology, including alternative energy sources and changes in laws and regulations;
- our increased dependency on 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 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 demand;
- our ability to attract, retain or re-skill a qualified, diverse workforce and maintain good labor relations;
- our ability to manage new initiatives and organizational changes;
- the actions of activist stockholders;
- the performance and quality of third-party suppliers and service providers;
- potential cybersecurity attacks or security breaches;
- increased requirements and costs related to cybersecurity;
- any damage to our reputation;
- the impacts of natural disasters, potential terrorist attacks or other catastrophic events;
- the physical impacts of climate change and the transition to a lower carbon future;
- our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals, including our Net Zero Goal (as defined below);
- our debt obligations;
- any changes to our credit rating or the credit rating of certain of our subsidiaries;
- adverse economic and capital market conditions, including increases in inflation or interest rates, recession, or changes in investor sentiment;
- economic regulation and the impact of regulatory rate reviews;
- our ability to obtain expected financial or regulatory outcomes;
- 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;
- the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation;

- compliance with changes in, or new interpretations of applicable laws, regulations and tariffs;
- the cost of compliance with environmental laws and regulations and the costs of associated liabilities;
- changes in tax laws or the interpretation thereof;
- and other matters set forth in Item 1, "Business," Item 1A, "Risk Factors" section of our Annual Report on Form 10-K for the fiscal year ended December 31, 2023, and Part I, Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations," of this report, some 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.

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PART I

ITEM 1. FINANCIAL STATEMENTS

NiSource Inc.

Condensed Statements of Consolidated Income (unaudited)

	Three Months Ended March 31,	
<i>(in millions, except per share amounts)</i>	2024	2023
Operating Revenues		
Customer revenues	\$ 1,643.0	\$ 1,896.1
Other revenues	63.3	69.9
Total Operating Revenues	1,706.3	1,966.0
Operating Expenses		
Cost of energy	425.0	765.1
Operation and maintenance	378.4	391.2
Depreciation and amortization	242.1	206.9
Other taxes	77.4	71.8
Total Operating Expenses	1,122.9	1,435.0
Operating Income	583.4	531.0
Other Income (Deductions)		
Interest expense, net	(116.3)	(108.9)
Other, net	9.2	1.5
Total Other Deductions, Net	(107.1)	(107.4)
Income before Income Taxes	476.3	423.6
Income Taxes	76.0	85.8
Net Income	400.3	337.8
Net income (loss) attributable to noncontrolling interest	35.3	4.8
Net Income Attributable to NiSource	365.0	333.0
Preferred dividends	(6.7)	(13.8)
Preferred redemption premium	(14.0)	—
Net Income Available to Common Shareholders	344.3	319.2
Earnings Per Share		
Basic Earnings Per Share	\$ 0.77	\$ 0.77
Diluted Earnings Per Share	\$ 0.77	\$ 0.71
Basic Average Common Shares Outstanding	447.9	412.8
Diluted Average Common Shares	449.4	447.1

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Condensed Statements of Consolidated Comprehensive Income (unaudited)

<i>(in millions, net of taxes)</i>	Three Months Ended March 31,	
	2024	2023
Net Income	\$ 400.3	\$ 337.8
Other comprehensive income:		
Net unrealized loss on available-for-sale debt securities ⁽¹⁾	(0.3)	2.0
Reclassification adjustment for cash flow hedges ⁽²⁾	(0.1)	0.1
Unrecognized pension and OPEB benefit (costs) ⁽³⁾	0.2	0.3
Total other comprehensive income (loss)	(0.2)	2.4
Comprehensive Income	\$ 400.1	\$ 340.2

⁽¹⁾Net unrealized loss on available-for-sale debt securities, net of \$0.1 million tax benefit and \$0.5 million tax expense in the first quarter of 2024 and 2023, respectively.

⁽²⁾Reclassification adjustment for cash flow hedges, net of \$0.0 million tax benefit and \$0.1 million tax benefit in the first quarter of 2024 and 2023, respectively.

⁽³⁾Unrecognized pension and OPEB benefit (costs), net of \$0.1 million of tax expense and \$0.1 million tax expense in the first quarter of 2024 and 2023, respectively.

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)
**NiSource Inc.
Condensed Consolidated Balance Sheets (unaudited)**

<i>(in millions)</i>	March 31, 2024	December 31, 2023
ASSETS		
Property, Plant and Equipment		
Plant	\$ 31,300.6	\$ 30,482.1
Accumulated depreciation and amortization	(8,354.5)	(8,207.2)
Net Property, Plant and Equipment ⁽¹⁾	22,946.1	22,274.9
Investments and Other Assets		
Unconsolidated affiliates	5.4	5.3
Available-for-sale debt securities (amortized cost of \$160.2 and \$169.0, allowance for credit losses of \$0.4 and \$0.6, respectively)	150.1	159.1
Other investments	86.8	82.7
Total Investments and Other Assets	242.3	247.1
Current Assets		
Cash and cash equivalents	102.2	2,245.4
Restricted cash	38.3	35.7
Accounts receivable	877.2	884.9
Allowance for credit losses	(31.6)	(22.9)
Accounts receivable, net	845.6	862.0
Gas storage	70.1	265.8
Materials and supplies, at average cost	187.2	172.1
Electric production fuel, at average cost	66.3	65.3
Exchange gas receivable	43.2	66.0
Regulatory assets	260.4	214.3
Deposits to renewable generation asset developer	285.8	454.2
Prepayments and other	161.1	118.6
Total Current Assets ⁽¹⁾	2,060.2	4,499.4
Other Assets		
Regulatory assets	2,231.7	2,245.9
Goodwill	1,485.9	1,485.9
Deferred charges and other	371.9	324.0
Total Other Assets	4,089.5	4,055.8
Total Assets	\$ 29,338.1	\$ 31,077.2

⁽¹⁾Includes \$1,358.2 million and \$1,369.8 million at March 31, 2024 and December 31, 2023, respectively, of net property, plant and equipment assets and \$60.8 million and \$63.6 million at March 31, 2024 and December 31, 2023, respectively, of current assets of consolidated VIEs that may be used only to settle obligations of the consolidated VIEs. Note 4, "Noncontrolling Interests," for additional information.

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)
**NiSource Inc.
Condensed Consolidated Balance Sheets (unaudited) (continued)**

<i>(in millions, except share amounts)</i>	March 31, 2024	December 31, 2023
CAPITALIZATION AND LIABILITIES		
Capitalization		
Stockholders' Equity		
Common stock - \$0.01 par value, 750,000,000 shares authorized; 448,197,604 and 447,381,671 shares outstanding, respectively	\$ 4.5	\$ 4.5
Preferred stock - \$0.01 par value, 20,000,000 shares authorized; 0 and 40,000 shares outstanding, respectively	—	486.1
Treasury stock	(99.9)	(99.9)
Additional paid-in capital	8,886.8	8,879.5
Retained deficit	(861.7)	(967.0)
Accumulated other comprehensive loss	(33.8)	(33.6)
Total NiSource Stockholders' Equity	7,895.9	8,269.6
Noncontrolling interest in consolidated subsidiaries	1,899.0	1,866.7
Total Stockholders' Equity	9,794.9	10,136.3
Long-term debt, excluding amounts due within one year	11,724.6	11,055.5
Total Capitalization	21,519.5	21,191.8
Current Liabilities		
Current portion of long-term debt	24.0	23.8
Short-term borrowings	1,222.3	3,048.6
Accounts payable	612.5	749.4
Dividends payable - common stock	119.0	—
Customer deposits and credits	189.5	294.4
Taxes accrued	169.5	166.2
Interest accrued	148.6	136.1
Exchange gas payable	17.1	50.5
Regulatory liabilities	237.6	278.6
Asset retirement obligations	78.0	72.5
Accrued compensation and employee benefits	136.0	227.6
Other accruals	170.9	217.4
Total Current Liabilities ⁽¹⁾	3,125.0	5,265.1
Other Liabilities		
Deferred income taxes	2,159.5	2,080.4
Accrued liability for postretirement and postemployment benefits	244.8	250.1
Regulatory liabilities	1,482.0	1,510.7
Asset retirement obligations	509.6	480.5
Other noncurrent liabilities and deferred credits	297.7	298.6
Total Other Liabilities ⁽¹⁾	4,693.6	4,620.3
Commitments and Contingencies (Refer to Note 15, "Other Commitments and Contingencies")		
Total Capitalization and Liabilities	\$ 29,338.1	\$ 31,077.2

⁽¹⁾Includes \$60.9 million and \$68.3 million at March 31, 2024 and December 31, 2023, respectively, of current liabilities and \$56.3 million and \$55.7 million at March 31, 2024 and December 31, 2023, respectively, of other liabilities of consolidated VIEs that creditors do not have recourse to our general credit. Refer to Note 4, "Noncontrolling Interests," for additional information.

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Condensed Statements of Consolidated Cash Flows (unaudited)

Three Months Ended March 31, (in millions)	2024	2023
Operating Activities		
Net Income	\$ 400.3	\$ 337.8
Adjustments to Reconcile Net Income to Net Cash from Operating Activities:		
Depreciation and amortization	242.1	206.9
Deferred income taxes and investment tax credits	61.6	75.5
Payments for asset retirement obligations	(12.0)	(5.5)
Other adjustments	7.8	1.1
Changes in Assets and Liabilities:		
Components of working capital	(235.2)	71.1
Regulatory assets/liabilities	18.4	11.0
Deferred charges and other noncurrent assets	(18.0)	(12.0)
Other noncurrent liabilities and deferred credits	(8.8)	(2.5)
Net Cash Flows from Operating Activities	456.2	683.4
Investing Activities		
Capital expenditures	(589.5)	(557.1)
Milestone payments to renewable generation asset developer	(110.6)	(137.3)
Other investing activities	(22.9)	(33.4)
Net Cash Flows used for Investing Activities	(723.0)	(727.8)
Financing Activities		
Proceeds from issuance of long-term debt	644.4	744.2
Repayments of finance lease obligations	(7.2)	(8.1)
Repayment of short term credit agreements	(1,650.0)	—
Net change in commercial paper and other short-term borrowings	(176.3)	(480.4)
Issuance of common stock, net of issuance costs	2.7	3.0
Redemption of preferred stock	(486.1)	—
Preferred stock redemption premium	(14.0)	—
Equity costs, premiums and other debt related costs	(57.6)	(11.8)
Contributions from noncontrolling interests	—	3.6
Distributions to noncontrolling interests	(3.0)	(5.3)
Dividends paid - common stock	(118.6)	(103.2)
Dividends paid - preferred stock	(8.1)	(8.1)
Contract liability payment	—	(16.6)
Net Cash Flows from Financing Activities	(1,873.8)	117.3
Change in cash, cash equivalents and restricted cash	(2,140.6)	72.9
Cash, cash equivalents and restricted cash at beginning of period	2,281.1	75.4
Cash, Cash Equivalents and Restricted Cash at End of Period	\$ 140.5	\$ 148.3

Reconciliation to Balance Sheet

Three Months Ended March 31, (in millions)	2024
Cash and cash equivalents	102.2
Restricted Cash	38.3
Total Cash, Cash Equivalents and Restricted Cash	140.5

Supplemental Disclosures of Cash Flow Information

Three Months Ended March 31, (in millions)	2024	2023
Non-cash transactions:		
Capital expenditures included in current liabilities	\$ 239.7	\$ 261.1
Dividends declared but not paid	119.0	122.8

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Condensed Statements of Consolidated Equity (unaudited)

<i>(in millions)</i>	Common Stock	Preferred Stock	Treasury Stock	Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest in Consolidated Subsidiaries	Total
Balance as of January 1, 2024	\$ 4.5	\$ 486.1	\$ (99.9)	\$ 8,879.5	\$ (967.0)	\$ (33.6)	\$ 1,866.7	\$ 10,136.3
Comprehensive Income:								
Net income	—	—	—	—	365.0	—	35.3	400.3
Other comprehensive loss, net of tax	—	—	—	—	—	(0.2)	—	(0.2)
Dividends:								
Common stock (\$0.53 per share)	—	—	—	—	(237.6)	—	—	(237.6)
Preferred stock (See Note 6)	—	—	—	—	(8.1)	—	—	(8.1)
Noncontrolling Interests:								
Distributions to noncontrolling interests	—	—	—	—	—	—	(3.0)	(3.0)
Stock issuances (redemptions):								
Series B and B-1 Preferred Stock Redemption	—	(486.1)	—	—	—	—	—	(486.1)
Series B and B-1 Preferred stock redemption premium	—	—	—	—	(14.0)	—	—	(14.0)
Employee stock purchase plan	—	—	—	1.4	—	—	—	1.4
Long-term incentive plan	—	—	—	3.3	—	—	—	3.3
401(k) and profit sharing	—	—	—	2.6	—	—	—	2.6
Balance as of March 31, 2024	\$ 4.5	\$ —	\$ (99.9)	\$ 8,886.8	\$ (861.7)	\$ (33.8)	\$ 1,899.0	\$ 9,794.9

<i>(in millions)</i>	Common Stock	Preferred Stock	Treasury Stock	Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest in Consolidated Subsidiaries	Total
Balance as of January 1, 2023	\$ 4.2	\$ 1,546.5	\$ (99.9)	\$ 7,375.3	\$ (1,213.6)	\$ (37.1)	\$ 326.4	\$ 7,901.8
Comprehensive Income:								
Net income	—	—	—	—	333.0	—	4.8	337.8
Other comprehensive income, net of tax	—	—	—	—	—	2.4	—	2.4
Dividends:								
Common stock (\$0.50 per share)	—	—	—	—	(206.7)	—	—	(206.7)
Preferred stock (See Note 6)	—	—	—	—	(27.5)	—	—	(27.5)
Noncontrolling Interests:								
Contributions from noncontrolling interest	—	—	—	—	—	—	3.6	3.6
Distributions to noncontrolling interest	—	—	—	—	—	—	(5.3)	(5.3)
Stock issuances:								
Employee stock purchase plan	—	—	—	1.3	—	—	—	1.3
Long-term incentive plan	—	—	—	(6.3)	—	—	—	(6.3)
401(k) and profit sharing	—	—	—	2.6	—	—	—	2.6
Balance as of March 31, 2023	\$ 4.2	\$ 1,546.5	\$ (99.9)	\$ 7,372.9	\$ (1,114.8)	\$ (34.7)	\$ 329.5	\$ 8,003.7

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Condensed Statements of Consolidated Equity (unaudited) (continued)

Shares (in thousands)	Preferred	Common		
	Shares	Shares	Treasury	Outstanding
Balance as of January 1, 2024	40	451,345	(3,963)	447,382
Issued (Redeemed):				
Employee stock purchase plan	—	53	—	53
Long-term incentive plan	—	663	—	663
401(k) and profit sharing	—	100	—	100
Series B and B-1 Preferred Stock	(40)	—	—	—
Balance as of March 31, 2024	—	452,161	(3,963)	448,198

Shares (in thousands)	Preferred	Common		
	Shares	Shares	Treasury	Outstanding
Balance as of January 1, 2023	1,303	416,106	(3,963)	412,143
Issued:				
Employee stock purchase plan	—	48	—	48
Long-term incentive plan	—	695	—	695
401(k) and profit sharing	—	97	—	97
Balance as of March 31, 2023	1,303	416,946	(3,963)	412,983

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)****1. Basis of Accounting Presentation**

Our accompanying Condensed Consolidated Financial Statements (unaudited) reflect all normal recurring adjustments that are necessary, in the opinion of management, to present fairly the results of operations in accordance with GAAP in the United States of America. The accompanying financial statements include the accounts of us, our majority-owned subsidiaries, and VIEs of which we are the primary beneficiary after the elimination of all intercompany accounts and transactions.

The accompanying financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023. Income for interim periods may not be indicative of results for the calendar year due to weather variations and other factors.

The Condensed Consolidated Financial Statements (unaudited) have been prepared pursuant to the rules and regulations of the SEC. Certain information and note disclosures normally included in annual financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to those rules and regulations, although we believe that the disclosures made in this Quarterly Report on Form 10-Q are adequate to make the information herein not misleading.

2. Recent Accounting Pronouncements**Recently Issued Accounting Pronouncements**

In August 2023, the Financial Accounting Standards Board ("FASB") issued ASU 2023-05, Business Combinations- Joint Venture Formations. This pronouncement codifies ASU 805-60 to provide guidance for the recognition and initial measurement of joint venture formations. This guidance requires that the initial assets contributed and liabilities assumed be recognized and measured at fair value, with additional disclosure requirements during the period a joint venture is formed. The pronouncement is effective for joint ventures formed on or after January 1, 2025. We will adopt and apply to any future joint ventures if entered.

In November 2023, the FASB issued ASU 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures. This pronouncement enhances annual and interim disclosure requirements over reportable segments, primarily through enhanced disclosures about significant segment expenses that are regularly provided to or easily computed from information regularly provided to the chief operating decision maker ("CODM") and included within each reported measure of segment profit or loss. The pronouncement also allows for more than one measure of segment profit if the CODM uses more than one measure in assessing segment performance. The pronouncement is effective for annual periods beginning after December 15, 2023 and interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted. We are currently evaluating the impacts this ASU will have on our disclosures.

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures. This pronouncement enhances required income tax disclosures. The pronouncement will require disclosure of specific categories and reconciling items included in the rate reconciliation, disaggregation between federal, state and local income taxes paid, and disclosure of income taxes paid by jurisdictions over a certain threshold. Additionally, the pronouncement eliminates certain required disclosures related to unrecognized tax benefits. This ASU is effective for annual periods beginning after December 15, 2024, with early adoption permitted, and is to be applied on a prospective basis with retrospective application permitted. We are currently evaluating the impacts this amendment will have on our income tax disclosures, but do not expect to early adopt.

3. Revenue Recognition

Revenue Disaggregation and Reconciliation. We disaggregate revenue from contracts with customers based upon reportable segment, as well as by customer class. As of January 1, 2024, we have changed our reportable segments from Gas Distributions Operations and Electric Operations to Columbia Operations and NIPSCO Operations. Our historical segment disclosures have been recast to be consistent with the current presentation. For additional information see Note 17, "Business Segment Information."

The Columbia Operations segment provides regulated natural gas service and transportation for residential, commercial and industrial customers in Ohio, Pennsylvania, Virginia, Kentucky, and Maryland. The NIPSCO Operations segment provides regulated gas and electric service in the northern part of Indiana.

The tables below reconcile revenue disaggregation by customer class to segment revenue, as well as to revenues reflected on the Condensed Statements of Consolidated Income (unaudited):

ITEM 1. FINANCIAL STATEMENTS (continued)
NiSource Inc.
Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Three months ended March 31, 2024
(in millions)

	Columbia Operations	NIPSCO Operations	Corporate and Other	Total
Gas Distribution				
Residential	\$ 628.0	\$ 212.1	\$ —	\$ 840.1
Commercial	220.4	74.7	—	295.1
Industrial	40.1	23.8	—	63.9
Off-system	12.8	—	—	12.8
Wholesale	0.8	—	—	0.8
Miscellaneous ⁽¹⁾	8.2	7.9	—	16.1
Subtotal	\$ 910.3	\$ 318.5	\$ —	\$ 1,228.8
Electric Generation and Power Delivery				
Residential	\$ —	\$ 143.8	\$ —	\$ 143.8
Commercial	—	142.9	—	142.9
Industrial	—	115.9	—	115.9
Wholesale	—	6.3	—	6.3
Public Authority	—	2.1	—	2.1
Miscellaneous ⁽¹⁾	—	3.2	—	3.2
Subtotal	\$ —	\$ 414.2	\$ —	\$ 414.2
Total Customer Revenues⁽²⁾	910.3	732.7	—	1,643.0
Other Revenues⁽³⁾	43.4	19.7	0.2	63.3
Total Operating Revenues	\$ 953.7	\$ 752.4	\$ 0.2	\$ 1,706.3

⁽¹⁾Amounts included in Columbia Operations are primarily related to earnings share mechanisms and late fees. Amounts included in NIPSCO Operations are primarily related to revenue refunds, public repairs and property rentals. ⁽²⁾Customer revenue amounts exclude intersegment revenues. See Note 17, "Business Segment Information," for discussion of intersegment revenues.

⁽³⁾Amounts included in Columbia Operations primarily relate to weather normalization adjustment mechanisms. Amounts included in NIPSCO Operations primarily relate to MISO multi-value projects and revenue from non-jurisdictional transmission assets.

Three months ended March 31, 2023
(in millions)

	Columbia Operations	NIPSCO Operations	Corporate and Other	Total
Gas Distribution				
Residential	\$ 684.6	\$ 302.4	\$ —	\$ 987.0
Commercial	248.0	112.6	—	360.6
Industrial	40.4	31.5	—	71.9
Off-system	17.2	—	—	17.2
Wholesale	1.0	—	—	1.0
Miscellaneous ⁽¹⁾	11.8	5.6	—	17.4
Subtotal	\$ 1,003.0	\$ 452.1	\$ —	\$ 1,455.1
Electric Generation and Power Delivery				
Residential	\$ —	\$ 150.4	\$ —	\$ 150.4
Commercial	—	150.9	—	150.9
Industrial	—	134.2	—	134.2
Wholesale	—	2.6	—	2.6
Public Authority	—	2.1	—	2.1
Miscellaneous ⁽¹⁾	—	0.8	—	0.8
Subtotal	\$ —	\$ 441.0	\$ —	\$ 441.0
Total Customer Revenues⁽²⁾	1,003.0	893.1	—	1,896.1
Other Revenues⁽³⁾	45.9	23.8	0.2	69.9
Total Operating Revenues	\$ 1,048.9	\$ 916.9	\$ 0.2	\$ 1,966.0

⁽¹⁾Amounts included in Columbia Operations are primarily related to earnings share mechanisms and late fees. Amounts included in NIPSCO Operations, are primarily related to revenue refunds, public repairs and property rentals. ⁽²⁾Customer revenue amounts exclude intersegment revenues. See Note 17, "Business Segment Information," for discussion of intersegment revenues.

⁽³⁾Amounts included in Columbia Operations are primarily relate to weather normalization adjustment mechanisms. Amounts included in NIPSCO Operations primarily relate to MISO multi-value projects and revenue from non-jurisdictional transmission assets.

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)**

Customer Accounts Receivable. Accounts receivable on our Condensed Consolidated Balance Sheets (unaudited) includes both billed and unbilled amounts, as well as certain amounts that are not related to customer revenues. Unbilled amounts of accounts receivable relate to a portion of a customer's consumption of gas or electricity from the date of the last cycle billing through the last day of the month (balance sheet date). Factors taken into consideration when estimating unbilled revenue include historical usage, customer rates, and weather. A significant portion of our operations are subject to seasonal fluctuations in sales. During the heating season, primarily from November through March, revenues and receivables from gas sales are more significant than in other months. The opening and closing balances of customer receivables for the three months ended March 31, 2024 are presented in the table below. We had no significant contract assets or liabilities during the period. Additionally, we have not incurred any significant costs to obtain or fulfill contracts.

<i>(in millions)</i>	Customer Accounts Receivable, Billed (less reserve)	Customer Accounts Receivable, Unbilled (less reserve)
Balance as of December 31, 2023	\$ 479.4	\$ 337.6
Balance as of March 31, 2024	552.1	263.6

Utility revenues are billed to customers monthly on a cycle basis. We expect that substantially all customer accounts receivable will be collected following customer billing, as this revenue consists primarily of periodic, tariff-based billings for service and usage. We maintain common utility credit risk mitigation practices, including requiring deposits and actively pursuing collection of past due amounts. Our regulated operations also utilize certain regulatory mechanisms that facilitate recovery of bad debt costs within tariff-based rates, which provides further evidence of collectibility. It is probable that substantially all of the consideration to which we are entitled from customers will be collected upon satisfaction of performance obligations.

Allowance for Credit Losses. To evaluate for expected credit losses, customer account receivables are pooled based on similar risk characteristics, such as customer type, geography, payment terms, and related macro-economic risks. Expected credit losses are established using a model that considers historical collections experience, current information, and reasonable and supportable forecasts. Internal and external inputs are used in our credit model including, but not limited to, energy consumption trends, revenue projections, actual charge-offs data, recoveries data, shut-offs, customer delinquencies, final bill data, and inflation. We continuously evaluate available information relevant to assessing collectability of current and future receivables. We evaluate creditworthiness of specific customers periodically or following changes in facts and circumstances. When we become aware of a specific commercial or industrial customer's inability to pay, an allowance for expected credit losses is recorded for the relevant amount. We also monitor other circumstances that could affect our overall expected credit losses including, but not limited to, creditworthiness of overall population in service territories, adverse conditions impacting an industry sector, and current economic conditions.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

At each reporting period, we record expected credit losses to an allowance for credit losses account. When deemed to be uncollectible, customer accounts are written-off. A rollforward of our allowance for credit losses as of March 31, 2024 and December 31, 2023 are presented in the table below:

<i>(in millions)</i>	Columbia Operations	NIPSCO Operations	Corporate and Other	Total
Balance as of January 1, 2024	\$ 10.2	\$ 11.9	\$ 0.8	\$ 22.9
Current period provisions	11.0	3.6	—	14.6
Write-offs charged against allowance	(7.3)	(2.1)	(0.8)	(10.2)
Recoveries of amounts previously written off	4.1	0.2	—	4.3
Balance as of March 31, 2024	\$ 18.0	\$ 13.6	\$ —	\$ 31.6

<i>(in millions)</i>	Columbia Operations	NIPSCO Operations	Corporate and Other	Total
Balance as of January 1, 2023	\$ 11.1	\$ 12.0	\$ 0.8	\$ 23.9
Current period provisions	28.3	11.5	—	39.8
Write-offs charged against allowance	(49.2)	(12.4)	—	(61.6)
Recoveries of amounts previously written off	20.0	0.8	—	20.8
Balance as of December 31, 2023	\$ 10.2	\$ 11.9	\$ 0.8	\$ 22.9

4. Noncontrolling Interests

Variable Interest Entities. A VIE is an entity in which the controlling interest is determined through means other than a majority voting interest. NIPSCO is a member of joint ventures that own and operate two wind facilities, Rosewater and Indiana Crossroads Wind, which have 102 MW and 302 MW of nameplate capacity, respectively. NIPSCO is also a member of joint ventures that own two solar facilities, Indiana Crossroads Solar and Dunns Bridge I, which have a combined 465 MW of nameplate capacity. We have determined that these joint ventures are VIEs. We control decisions that are significant to these entities' ongoing operations and economic results. Therefore, we have concluded that NIPSCO is the primary beneficiary and have consolidated all four entities.

Members of each respective JV include NIPSCO (who is the managing member) and a tax equity partner. Earnings, tax attributes and cash flows are allocated to both NIPSCO and the tax equity partner in varying percentages by category and over the life of the partnership. NIPSCO and each tax equity partner contributed cash to each JV. Once the tax equity partner has earned their negotiated rate of return and have reached a stated contractual date, NIPSCO has the option to purchase the remaining interest in the respective JV, at fair market value from the tax equity partner. NIPSCO has an obligation to purchase 100% of the electricity generated by our commercially operational JVs.

We did not provide any financial or other support during the quarter that was not previously contractually required, nor do we expect to provide such support in the future.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Our Condensed Consolidated Balance Sheets (unaudited) included the following assets and liabilities associated with VIEs.

<i>(in millions)</i>	March 31, 2024	December 31, 2023
Net Property, Plant and Equipment	\$ 1,358.2	\$ 1,369.8
Current assets	60.8	63.6
Total assets ⁽¹⁾	1,419.0	1,433.4
Current liabilities	60.9	68.3
Asset retirement obligations	56.3	55.7
Total liabilities ⁽¹⁾⁽²⁾	\$ 117.2	\$ 124.0

⁽¹⁾The assets of each VIE represent assets of a consolidated VIE that can be used only to settle obligations of the respective consolidated VIE. The creditors of the liabilities of the VIEs do not have recourse to the general credit of the primary beneficiary.

⁽²⁾In addition to the amounts disclosed above there is a de minimis amount of other noncurrent liabilities at Rosewater as of March 31, 2024.

Voting Interest Entities. In December 31, 2023, we consummated the NIPSCO Minority Interest Transaction for a capital contribution of \$2.16 billion in cash. The difference between the \$2.16 billion consideration received and the \$1.36 billion carrying value of the noncontrolling interest claim on net assets was recorded to additional paid-in capital, net of \$54.7 million in transaction costs and a \$63.5 million income tax benefit. We retain a controlling financial interest in NIPSCO Holdings II and its subsidiaries and consolidate their financial results. During Q1 2024, we paid the remaining transaction costs that were accrued as of December 31, 2023.

5. Earnings Per Share

The calculations of basic and diluted EPS are based on the weighted average number of shares of common stock and potential common stock outstanding during the period. For the three months ended March 31, 2024, the weighted-average shares outstanding for diluted EPS includes the incremental effects of the various long-term incentive compensation plans and an ATM forward agreement under the Treasury Stock Method when the impact would be dilutive (See Note 6, "Equity"). For the purposes of determining diluted EPS, for the three months ended March 31, 2023, the shares underlying the purchase contracts included within the Equity Units were included in the calculation of potential common stock outstanding using the if-converted method under US GAAP and we assumed share settlement of the remaining purchase contract payment balance from our Equity Units based on the average share price during the period. A numerator adjustment was reflected in the calculation of diluted EPS for interest expense incurred in the three months ended March 31, 2023, net of tax, related to the purchase contracts. The purchase contracts were settled on December 1, 2023.

We began using the two-class method of computing earnings per share in 2023 because we have participating securities in the form of non-vested restricted stock units with a non-forfeitable right to dividend equivalents, for which vesting is predicated solely on the passage of time. The calculation of earnings per share using the two-class method excludes income attributable to these participating securities from the numerator and excludes the dilutive impact of those shares from the denominator.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

The following table presents the calculation of our basic and diluted EPS:

<i>(in millions, except per share amounts)</i>	Three Months Ended March 31,	
	2024	2023
Numerator:		
Net Income Available to Common Shareholders	\$ 344.3	\$ 319.2
Less: Income allocated to participating securities	0.3	0.2
Net Income Available to Common Shareholders - Basic	344.0	319.0
Add: Dilutive effect of Equity Units	—	0.4
Net Income Available to Common Shareholders - Diluted	\$ 344.0	\$ 319.4
Denominator:		
Average common shares outstanding - Basic	447.9	412.8
Dilutive potential common shares:		
Equity Units purchase contracts	—	31.2
Equity Units purchase contract payment balance	—	1.8
Shares contingently issuable under employee stock plans	0.9	0.8
Shares restricted under employee stock plans	0.4	0.5
ATM forward agreement	0.2	—
Average Common Shares - Diluted	449.4	447.1
Earnings per common share:		
Basic	0.77	0.77
Diluted	0.77	0.71

6. Equity

ATM Program. On February 22, 2024, we entered into eight separate equity distribution agreements pursuant to which we are able to sell up to an aggregate of \$900.0 million of our common stock. On February 23, 2024, under the ATM program, we executed a forward sale agreement, which allows us to issue a fixed number of shares at a price to be settled in the future. On February 23, 2024, the forward purchaser under our forward sale agreement borrowed 7,757,951 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$25.78 per share. We may settle the forward sale agreement in shares, cash or net shares by December 20, 2024. Had we settled all the shares under the forward sale agreement at March 31, 2024, we would have received approximately \$199.8 million, based on a net price of \$25.76 per share. As of March 31, 2024, the ATM program (inclusive of the forward sale agreement) had approximately \$700.0 million of equity available for issuance. The program expires on December 31, 2025.

Preferred Stock. Dividends declared per share for the Series A Preferred Stock were zero and \$28.25 during the three months ended March 31, 2024 and 2023, respectively. Dividends declared per share for the Series B Preferred Stock were \$406.25 and \$812.50 during the three months ended March 31, 2024 and 2023, respectively.

On June 15, 2023, we redeemed all 400,000 outstanding shares of Series A Preferred Stock for a redemption price of \$1,000 per share or \$400.0 million in total.

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)**

Series B and B-1 Preferred Stock. On March 15, 2024, we redeemed all 20,000 outstanding shares of Series B Preferred Stock for a redemption price of \$25,000 per share and all 20,000 outstanding shares of Series B-1 Preferred Stock for a redemption price of \$0.01 per share or \$500.0 million in total. Following the redemption, dividends ceased to accrue on the shares of Series B Preferred Stock, shares of the Series B Preferred Stock and Series B-1 Preferred Stock were no longer deemed outstanding and all rights of the holders of such shares of Series B Preferred Stock and Series B-1 Preferred Stock terminated. In conjunction with the redemption, we recorded a \$14.0 million preferred stock redemption premium, calculated as the difference between the carrying value on the redemption date of the Series B Preferred Stock and Series B-1 Preferred Stock and the total amount of consideration paid to redeem, which was recorded as a reduction to retained earnings during the first quarter of 2024. We did not recognize an excise tax liability under the IRA in connection with this redemption as we expect to issue common stock under the ATM program in 2024 in excess of the fair value of the Series B Preferred Stock and Series B-1 Preferred Stock redeemed.

In March 2024, we filed a Certificate of Elimination to our Amended and Restated Certificate of Incorporation with the Secretary of State of Delaware to eliminate from the Amended and Restated Certificate of Incorporation all matters set forth in the Certificate of Designations with respect to the Series B Preferred Stock and the Certificate of Designations with respect to the Series B-1 Preferred Stock. As a result, the 20,000 shares that were previously designated as Series B Preferred Stock and the 20,000 shares that were previously designated as Series B-1 Preferred Stock were returned to the status of authorized but unissued shares of preferred stock, par value \$0.01 per share, without designation as to series. The Certificate of Elimination does not change the total number of authorized shares of capital stock of NiSource or the total number of authorized shares of preferred stock. We voluntarily delisted the preferred stock from the New York Stock Exchange.

Equity Units. On December 1, 2023, we issued 33,898,837 shares of our common stock under the purchase contract component of the Corporate Units. As of December 1, 2023, each holder of Corporate Units was deemed to have automatically delivered to us the related Series C Mandatory Convertible Preferred Stock that were components of the Corporate Units in full satisfaction of such holder's obligations under the related purchase contract, and all shares of Series C Mandatory Convertible Preferred Stock were returned to the status of authorized but unissued preferred stock, par value of \$0.01 per share, without designation as to series. We voluntarily delisted the Corporate Units from the New York Stock Exchange.

Refer to Note 5, "Earnings Per Share," for additional information regarding our treatment of the Equity Units for diluted EPS during 2023.

7. Short-Term Borrowings

We generate short-term borrowings from our revolving credit facility, commercial paper program, accounts receivable transfer programs, and term credit agreements. Each of these borrowing sources is described further below.

Revolving Credit Facility. We maintain a revolving credit facility to fund ongoing working capital requirements, including the provision of liquidity support for our commercial paper program, provide for issuance of letters of credit and also for general corporate purposes. Our revolving credit facility has a program limit of \$1.85 billion and is comprised of a syndicate of banks. We had no outstanding borrowings under this facility as of March 31, 2024 and December 31, 2023.

Commercial Paper Program. On February 9, 2024 we increased our commercial paper program limit from \$1.50 billion to \$1.85 billion. We had \$1,222.3 million and \$1,061.0 million of commercial paper outstanding with weighted-average interest rates of 5.58% and 5.65% as of March 31, 2024 and December 31, 2023, respectively.

Accounts Receivable Transfer Programs. Columbia of Ohio, NIPSCO, and Columbia of Pennsylvania each maintain a receivables agreement whereby they transfer their customer accounts receivables to third-party financial institutions through consolidated special purpose entities. The three agreements expire between June 2024 and October 2024 and may be further extended if mutually agreed to by the parties thereto.

All receivables transferred to third parties are valued at face value, which approximates fair value due to their short-term nature. The amount of the undivided percentage ownership interest in the accounts receivables transferred is determined in part by required loss reserves under the agreements.

Transfers of accounts receivable are accounted for as secured borrowings resulting in the recognition of short-term borrowings on the Condensed Consolidated Balance Sheets (unaudited). As of March 31, 2024, the maximum amount of debt that could be borrowed related to our accounts receivable programs was \$419.8 million.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

We had zero and \$337.6 million of short-term borrowings related to the securitization transactions as of March 31, 2024 and December 31, 2023, respectively.

For the three months ended March 31, 2024 and 2023, \$337.6 million and \$65.4 million, respectively were recorded as cash flows used for financing activities related to the change in short-term borrowings due to securitization transactions. For the accounts receivable transfer programs, we pay used facility fees for amounts borrowed, unused commitment fees for amounts not borrowed, and upfront renewal fees. Fees associated with the securitization transactions were \$0.5 million and \$0.9 million for the three months ended March 31, 2024 and 2023, respectively. Columbia of Ohio, NIPSCO and Columbia of Pennsylvania remain responsible for collecting on the receivables securitized, and the receivables cannot be transferred to another party.

Term Credit Agreements. At December 31, 2023, we had \$1.0 billion, and \$650.0 million outstanding under term credit agreements with interest rates of 6.41% and 6.50%, respectively. On January 3, 2024, we terminated and repaid in full our \$1.0 billion term credit agreement and our \$650.0 million term credit agreement with proceeds from the NIPSCO Minority Interest Transaction.

Items listed above, excluding the term credit agreements, are presented net in the Condensed Statements of Consolidated Cash Flows (unaudited) as their maturities are less than 90 days.

8. Long-Term Debt

On March 14, 2024 we completed the issuance and sale of \$650.0 million of 5.35% senior unsecured notes maturing in 2034, which resulted in approximately \$642.6 million of net proceeds after discount and debt issuance costs.

9. Gas in Storage

We use both the LIFO inventory methodology and the weighted-average cost methodology to value natural gas in storage. Natural gas storage injections are priced at the average of the costs of natural gas supply purchased during the year. For interim periods, the difference in the cost of replacing the current portion of stored gas inventory compared to the amount stated on a LIFO basis is recorded within the Condensed Consolidated Balance Sheets (unaudited). Due to seasonality requirements, we expect interim variances in LIFO layers to be replenished by year end. The LIFO basis exceeded the cost of replacing the current portion of stored gas by \$27.5 million and zero respectively, for the periods ended March 31, 2024 and December 31, 2023, for certain gas distribution companies recorded within "Prepayments and other" on the Condensed Consolidated Balance Sheets (unaudited).

10. Regulatory Matters

Renewable generation filings

In March 2024, NIPSCO filed a petition with the IURC to, after notice and hearing, issue an order modifying its November 22, 2023 order to approve direct ownership of the Gibson Project. The hearing is scheduled for June 2024 with a final order expected August 2024. In March 2024, NIPSCO also filed a petition with the IURC to, after notice and hearing, issue an order modifying its June 29, 2021 order to approve direct ownership of the Fairbanks Project. The hearing is scheduled for July 2024 with a final order expected September of 2024.

WAM system filing

In March 2024, NIPSCO filed a petition with the IURC for authority to defer, as a regulatory asset, certain costs, including depreciation and amortization incurred in connection with improvements to its information technology systems through the design, development, and implementation of a new WAM program for the scheduling, dispatch, and execution of work and the management of underlying assets. These improvements are part of our enterprise-wide transformation roadmap which seeks to optimize our field work. The petition also included the confirmation that the WAM program assets, including the requested regulatory assets, will be included in NIPSCO's rate base for ratemaking purposes in rate cases after the WAM assets have been placed in service. The hearing is scheduled for July 2024 with a final order expected in August 2024.

Regulatory deferral related to renewable energy investments

In accordance with the accounting principles of ASC 980, we recognize a regulatory liability or asset for amounts representing the timing difference between the profit earned from the JVs and the amount included in regulated rates to recover our approved investments in consolidated JVs. The amounts recorded in income will ultimately reflect the amount allowed in regulated rates to recover our investments over the useful life of the projects. The offset to the regulatory liability or asset associated with our renewable investments included in regulated rates is recorded in "Depreciation and amortization" on the Condensed Statements

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

of Consolidated Income (unaudited). NiSource recorded an increase to depreciation expense of \$3.5 million and a decrease to depreciation expense of \$4.4 million for the three months ended March 31, 2024 and 2023, respectively. Following the implementation of the electric base rate case, we began recognizing amounts to recover our investments of projects that have been placed in service. Refer to Note 4, "Noncontrolling Interests," for additional information.

11. Risk Management Activities

We are exposed to certain risks relating to our ongoing business operations; namely commodity price risk and interest rate risk. We recognize that the prudent and selective use of derivatives may help to lower our cost of debt capital, manage our interest rate exposure and limit volatility in the price of natural gas.

Risk management assets and liabilities on our derivatives are presented on the Condensed Consolidated Balance Sheets (unaudited) as shown below:

	March 31, 2024		December 31, 2023	
(in millions)	Assets	Liabilities	Assets	Liabilities
Current ⁽¹⁾				
Derivatives not designated as hedging instruments	\$ 3.0	\$ 11.6	\$ 1.1	\$ 7.5
Total	\$ 3.0	\$ 11.6	\$ 1.1	\$ 7.5
Noncurrent ⁽²⁾				
Derivatives not designated as hedging instruments	\$ 20.2	\$ 1.9	\$ 22.2	\$ 1.9
Total	\$ 20.2	\$ 1.9	\$ 22.2	\$ 1.9

⁽¹⁾Current assets and liabilities are presented in "Prepayments and other" and "Other accruals", respectively, on the Condensed Consolidated Balance Sheets (unaudited).

⁽²⁾Noncurrent assets and liabilities are presented in "Deferred charges and other" and "Other noncurrent liabilities and deferred credits", respectively, on the Condensed Consolidated Balance Sheets (unaudited).

Our derivative instruments are subject to enforceable master netting arrangements or similar agreements. No collateral was either received or posted related to our outstanding derivative positions at March 31, 2024. If the above gross asset and liability positions were presented net of amounts owed or receivable from counterparties, we would report a net asset position of \$9.7 million and \$13.9 million at March 31, 2024 and December 31, 2023, respectively.

All gains and losses on derivative contracts are deferred as regulatory liabilities or assets and are remitted to or collected from customers through NIPSCO's and Columbia of Pennsylvania's quarterly GCA mechanisms.

Derivatives Not Designated as Hedging Instruments

Commodity price risk management. We, along with our utility customers, are exposed to variability in cash flows associated with natural gas purchases and volatility in natural gas prices. We purchase natural gas for sale and delivery to our retail, commercial and industrial customers, and for most customers the variability in the market price of gas is passed through in their rates. Some of our utility subsidiaries offer programs whereby variability in the market price of gas is assumed by the respective utility. The objective of our commodity price risk programs is to mitigate the gas cost variability on behalf of our customers, associated with natural gas purchases or sales by economically hedging the various gas cost components using a combination of futures, options, forwards or other derivative contracts. At March 31, 2024 and December 31, 2023, we had 86.0 MMDth and 76.1 MMDth, respectively, of net energy derivative volumes outstanding related to our natural gas hedges.

NIPSCO has received IURC approval to lock in a fixed price for its natural gas customers using long-term forward purchase instruments and is limited to 20% of NIPSCO's average annual GCA purchase volume. As of March 31, 2024, the remaining terms of these instruments range from one to three years. Likewise, Columbia of Pennsylvania has received approval for a 24-month rolling hedge program. The hedging program was executed in December 2023, with an effective date of April 1, 2024 and will continue in perpetuity. The program is designed to financially hedge approximately 20% of the customer's annual demand. All gains and losses on these derivative contracts are deferred as regulatory liabilities or assets and are remitted to or collected from customers through the relevant cost recovery mechanism.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

The following table summarizes the gains and losses associated with the commodity price risk programs deferred as regulatory assets and liabilities:

<i>(in millions)</i>	March 31, 2024	December 31, 2023
Regulatory Assets		
Losses on commodity price risk programs	\$ 20.1	\$ 24.4
Regulatory Liabilities		
Gains on commodity price risk programs	23.3	23.3

Our derivative instruments measured at fair value as of March 31, 2024 and December 31, 2023 do not contain any credit-risk-related contingent features.

Derivatives Designated as Hedging Instruments

Interest rate risk management. As of March 31, 2024 and December 31, 2023 we had no active interest rate swap positions. The overall net gain related to our multiple settled interest rate swaps is recorded in AOCI. We amortize the net gain over the life of the debt associated with these swaps as we recognize interest expense. These amounts are immaterial for the three months ended March 31, 2024 and 2023 and are recorded in "Interest expense, net" on the Condensed Statements of Consolidated Income (unaudited). Amounts expected to be reclassified to earnings during the next twelve months are immaterial. See Note 16, "Accumulated Other Comprehensive Loss," for additional information.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

12. Fair Value

A. Fair Value Measurements

Recurring Fair Value Measurements

The following tables present financial assets and liabilities measured and recorded at fair value on our Condensed Consolidated Balance Sheets (unaudited) on a recurring basis and their level within the fair value hierarchy as of March 31, 2024 and December 31, 2023:

Recurring Fair Value Measurements March 31, 2024 (in millions)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of March 31, 2024
Assets				
Risk management assets	\$ —	\$ 23.2	\$ —	\$ 23.2
Available-for-sale debt securities	—	150.1	—	150.1
Total	\$ —	\$ 173.3	\$ —	\$ 173.3
Liabilities				
Risk management liabilities	\$ —	\$ 13.5	\$ —	\$ 13.5
Total	\$ —	\$ 13.5	\$ —	\$ 13.5
Recurring Fair Value Measurements December 31, 2023 (in millions)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of December 31, 2023
Assets				
Risk management assets	\$ —	\$ 23.3	\$ —	\$ 23.3
Available-for-sale debt securities	—	159.1	—	159.1
Total	\$ —	\$ 182.4	\$ —	\$ 182.4
Liabilities				
Risk management liabilities	\$ —	\$ 9.4	\$ —	\$ 9.4
Total	\$ —	\$ 9.4	\$ —	\$ 9.4

Risk Management Assets and Liabilities. Risk management assets and liabilities include exchange-traded NYMEX futures and NYMEX options and non-exchange-based forward purchase contracts.

Level 1- When utilized, exchange-traded derivative contracts are based on unadjusted quoted prices in active markets and are classified within Level 1. These financial assets and liabilities are secured with cash on deposit with the exchange; therefore, nonperformance risk has not been incorporated into these valuations. These financial assets and liabilities are deemed to be cleared and settled daily by NYMEX as the related cash collateral is posted with the exchange. As a result of this exchange rule, NYMEX derivatives are considered to have no fair value at the balance sheet date for financial reporting purposes, and are presented in Level 1 net of posted cash; however, the derivatives remain outstanding and are subject to future commodity price fluctuations until they are settled in accordance with their contractual terms.

Level 2- Certain non-exchange-traded derivatives are valued using broker or over-the-counter, on-line exchanges. In such cases, these non-exchange-traded derivatives are classified within Level 2. Non-exchange-based derivative instruments include swaps, forwards, and options. In certain instances, these instruments may utilize models to measure fair value. We use a similar model to value similar instruments. Valuation models utilize various inputs that include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, other observable inputs for the asset or liability and market-corroborated inputs, (i.e., inputs derived principally from or corroborated by observable market data by correlation or other means). Where observable inputs are available for substantially the full term of the asset or liability, the instrument is categorized within Level 2.

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)**

Level 3- Certain derivatives trade in less active markets with a lower availability of pricing information and models may be utilized in the valuation. When such inputs have a significant impact on the measurement of fair value, the instrument is categorized within Level 3.

Credit risk is considered in the fair value calculation of derivative instruments that are not exchange-traded. Credit exposures are adjusted to reflect collateral agreements that reduce exposures. As of March 31, 2024 and December 31, 2023, there were no material transfers between fair value hierarchies. Additionally, there were no changes in the method or significant assumptions used to estimate the fair value of our financial instruments.

NIPSCO and Columbia of Pennsylvania have entered into long-term forward natural gas purchase instruments to lock in a fixed price for natural gas customers. We value these contracts using a pricing model that incorporates market-based information when available, as these instruments trade less frequently and are classified within Level 2 of the fair value hierarchy. For additional information, see Note 11, "Risk Management Activities."

Available-for-Sale Debt Securities. Available-for-sale debt securities are investments pledged as collateral for trust accounts related to our wholly owned insurance company. We value U.S. Treasury, corporate debt and mortgage-backed securities using a matrix pricing model that incorporates market-based information. These securities trade less frequently and are classified within Level 2.

Our available-for-sale debt securities impairments are recognized periodically using an allowance approach. At each reporting date, we utilize a quantitative and qualitative review process to assess the impairment of available-for-sale debt securities at the individual security level. For securities in a loss position, we evaluate our intent to sell or whether it is more-likely-than-not that we will be required to sell the security prior to the recovery of its amortized cost. If either criteria is met, the loss is recognized in earnings immediately, with the offsetting entry to the carrying value of the security. If both criteria are not met, we perform an analysis to determine whether the unrealized loss is related to credit factors. The analysis focuses on a variety of factors that include, but are not limited to, downgrade on ratings of the security, defaults in the current reporting period or projected defaults in the future, the security's yield spread over treasuries, and other relevant market data. If the unrealized loss is not related to credit factors, it is included in other comprehensive income. If the unrealized loss is related to credit factors, the loss is recognized as credit loss expense in earnings during the period, with an offsetting entry to the allowance for credit losses. The amount of the credit loss recorded to the allowance account is limited by the amount at which the security's fair value is less than its amortized cost basis. If certain amounts recorded in the allowance for credit losses are deemed uncollectible, the allowance on the uncollectible portion will be charged off, with an offsetting entry to the carrying value of the security. Subsequent improvements to the estimated credit losses of available-for-sale debt securities will be recognized immediately in earnings. As of March 31, 2024 and December 31, 2023, we have \$0.4 million and \$0.6 million, respectively, recorded as an allowance for credit losses on available-for-sale debt securities as a result of the analysis described above. Continuous credit monitoring and portfolio credit balancing mitigates our risk of credit losses on our available-for-sale debt securities.

The amortized cost, gross unrealized gains and losses, allowance for credit losses, and fair value of available-for-sale securities at March 31, 2024 and December 31, 2023 were:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses ⁽¹⁾	Allowance for Credit Losses	Fair Value
March 31, 2024 <i>(in millions)</i>					
Available-for-sale debt securities					
U.S. Treasury debt securities	\$ 62.1	\$ —	\$ (3.3)	\$ —	\$ 58.8
Corporate/Other debt securities	98.1	0.6	(7.0)	(0.4)	91.3
Total	\$ 160.2	\$ 0.6	\$ (10.3)	\$ (0.4)	\$ 150.1
December 31, 2023 <i>(in millions)</i>					
Available-for-sale debt securities					
U.S. Treasury debt securities	\$ 63.8	\$ —	\$ (3.2)	\$ —	\$ 60.6
Corporate/Other debt securities	105.2	0.8	(6.9)	(0.6)	98.5
Total	\$ 169.0	\$ 0.8	\$ (10.1)	\$ (0.6)	\$ 159.1

⁽¹⁾Fair value of U.S. Treasury debt securities and Corporate/Other debt securities in an unrealized loss position without an allowance for credit losses is \$58.8 million and \$72.7 million, respectively, at March 31, 2024.

⁽²⁾Fair value of U.S. Treasury debt securities and Corporate/Other debt securities in an unrealized loss position without an allowance for credit losses is \$58.7 million and \$74.8 million, respectively, at December 31, 2023.

The cost of maturities sold is based upon specific identification. Realized gains and losses on available-for-sale securities were \$0.4 million and immaterial for the three months ended March 31, 2024 and 2023, respectively.

Non-recurring Fair Value Measurements

We measure the fair value of certain assets, primarily goodwill, on a non-recurring basis, typically when events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable.

B. Other Fair Value Disclosures for Financial Instruments. The carrying amount of cash and cash equivalents, restricted cash, notes receivable, customer deposits and short-term borrowings is a reasonable estimate of fair value due to their liquid or short-term nature. Our long-term borrowings are recorded at historical amounts.

The following method and assumptions were used to estimate the fair value of each class of financial instruments.

Long-term Debt. The fair value of outstanding long-term debt is estimated based on the quoted market prices for the same or similar securities. Certain premium costs associated with the early settlement of long-term debt are not taken into consideration in determining fair value. These fair value measurements are classified within Level 2 of the fair value hierarchy. As of March 31, 2024, there was no change in the method or significant assumptions used to estimate the fair value of long-term debt.

The carrying amount and estimated fair values of these financial instruments were as follows:

<i>(in millions)</i>	Carrying Amount as of March 31, 2024	Estimated Fair Value as of March 31, 2024	Carrying Amount as of Dec. 31, 2023	Estimated Fair Value as of Dec. 31, 2023
Long-term debt (including current portion)	\$ 11,748.6	\$ 10,852.3	\$ 11,079.3	\$ 10,370.9

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

13. Income Taxes

Our interim effective tax rates reflect the estimated annual effective tax rates for 2024 and 2023 applied to year-to-date pretax income, adjusted for tax expense associated with certain discrete items. The effective tax rates for the three months ended March 31, 2024 and 2023 were 16.0% and 20.3%, respectively. These effective tax rates differ from the federal statutory tax rate of 21% primarily due to renewable partnership income, amortization of excess deferred federal income tax liabilities, as specified in the TCJA, tax credits, state flow through, and other permanent book-to-tax differences.

The decrease in the three month effective tax rate of 4.3% in 2024 compared to 2023 is primarily attributed to the lower renewable partnership income, jurisdictional mix of pre-tax book income, offset by lower amortization of excess deferred federal income tax liabilities.

As of March 31, 2024, there have been no material changes to our unrecognized tax benefits or possible changes that could reasonably be expected to occur during the next twelve months. See Note 15 to the Company's Consolidated Financial Statements in the Annual Report on Form 10-K for the year ended December 31, 2023, for a discussion of these unrecognized tax benefits.

14. Pension and Other Postemployment Benefits

We provide defined contribution plans and noncontributory defined benefit retirement plans that cover certain of our employees. Benefits under the defined benefit retirement plans reflect the employees' compensation, years of service and age at retirement. Additionally, we provide health care and life insurance benefits for certain retired employees. The majority of employees may become eligible for these benefits if they reach retirement age while working for us. The expected cost of such benefits is accrued during the employees' years of service. We determined that, for certain rate-regulated subsidiaries, the future recovery of postretirement benefit costs is probable, and we record regulatory assets and liabilities for amounts that would otherwise have been recorded to expense or accumulated other comprehensive loss. Current rates of rate-regulated companies include postretirement benefit costs, including amortization of the regulatory assets and liabilities that arose prior to inclusion of these costs in rates. For most plans, cash contributions are remitted to grantor trusts.

For the three months ended March 31, 2024 and 2023, we contributed \$0.7 million and \$1.2 million, respectively to our pension plans and \$5.4 million and \$5.6 million, respectively to our OPEB plans.

The following table provides the components of the plans' actuarially determined net periodic benefit cost for the three months ended March 31, 2024 and 2023:

Three Months Ended March 31, (in millions)	Pension Benefits		OPEB	
	2024	2023	2024	2023
Components of Net Periodic Benefit Cost⁽¹⁾				
Service cost	\$ 5.4	\$ 5.1	\$ 1.3	\$ 1.3
Interest cost	16.3	17.1	5.4	5.4
Expected return on assets	(23.8)	(23.6)	(4.0)	(3.8)
Amortization of prior service credit	—	—	(0.4)	(0.5)
Recognized actuarial loss	7.2	8.4	0.8	0.8
Total Net Periodic Benefit Cost	\$ 5.1	\$ 7.0	\$ 3.1	\$ 3.2

⁽¹⁾The service cost component and all non-service cost components of net periodic benefit (income) cost are presented in "Operation and maintenance" and "Other, net," respectively, on the Condensed Statements of Consolidated Income (unaudited).

15. Other Commitments and Contingencies

A. Guarantees and Indemnities. We and certain of our subsidiaries enter into various agreements providing financial or performance assurance to third parties on behalf of certain subsidiaries as a part of normal business. Such agreements include guarantees and stand-by letters of credit. These agreements are entered into primarily to support or enhance the creditworthiness otherwise attributed to a subsidiary on a stand-alone basis, thereby facilitating the extension of sufficient credit to accomplish the subsidiaries' intended commercial purposes. As of March 31, 2024 and December 31, 2023, we had issued stand-by letters of credit of \$9.9 million for the benefit of third parties.

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)**

We provide guarantees related to our future performance under BTAs for our renewable generation projects. At March 31, 2024 and December 31, 2023, our guarantees for multiple BTAs totaled \$672.3 million and \$646.1 million, respectively. The amount of each guaranty will decrease upon the substantial completion of the construction of the facilities. See "- D. Other Matters - Generation Transition," below for more information.

B. Legal Proceedings. From time to time, various legal and regulatory claims and proceedings are pending or threatened against the Company and its subsidiaries. While the amounts claimed may be substantial, the Company is unable to predict with certainty the ultimate outcome of such claims and proceedings. The Company establishes reserves whenever it believes it to be appropriate for pending litigation matters. However, the actual results of resolving the pending litigation matters may be substantially higher than the amounts reserved. If one or more matters were decided against us, the effects could be material to our results of operations in the period in which we would be required to record or adjust the related liability and could also be material to our cash flows in the periods that we would be required to pay such liability. Due to the inherent uncertainty of litigation, there can be no assurance that the resolution of any particular claim, proceeding or investigation would not have a material adverse effect on our results of operations, financial position or liquidity.

Other Claims and Proceedings. We are also party to other claims, regulatory and legal proceedings arising in the ordinary course of business in each state in which we have operations, and based upon an investigation of these matters and discussion with legal counsel, we believe the ultimate outcome of such other legal proceedings to be individually, or in aggregate, not material at this time.

C. Environmental Matters. Our operations are subject to environmental statutes and regulations related to air quality, water quality, hazardous waste and solid waste. We believe that we are in substantial compliance with the environmental regulations currently applicable to our operations.

It is management's continued intent to address environmental issues in cooperation with regulatory authorities in such a manner as to achieve mutually acceptable compliance plans. However, there can be no assurance that fines and penalties will not be incurred. Management expects a majority of environmental assessment and remediation costs and asset retirement costs, further described below, to be recoverable through rates.

As of March 31, 2024 and December 31, 2023, we had recorded a liability of \$77.8 million and \$80.0 million, respectively, to cover environmental remediation at various sites. This liability is included in "Other accruals" and "Other noncurrent liabilities and deferred credits" in the Condensed Consolidated Balance Sheets (unaudited). We recognize costs associated with environmental remediation obligations when the incurrence of such costs is probable and the amounts can be reasonably estimated. The original estimates for remediation activities may differ materially from the amount ultimately expended. The actual future expenditures depend on many factors, including laws and regulations, the nature and extent of impact and the method of remediation. These expenditures are not currently estimable at some sites. We periodically adjust our liability as information is collected and estimates become more refined.

CERCLA. Our subsidiaries are potentially responsible parties at waste disposal sites under CERCLA and similar state laws. Under CERCLA, each potentially responsible party can be held jointly, severally and strictly liable for the remediation costs as the EPA, or state, can allow the parties to pay for remedial action or perform remedial action themselves and request reimbursement from the potentially responsible parties. Our affiliates have retained CERCLA environmental liabilities, including remediation liabilities, associated with certain current and former operations. At this time, we cannot estimate the full cost of remediating properties that have not yet been investigated, but it is possible that the future costs could be material to the Condensed Consolidated Financial Statements (unaudited).

MGP. We maintain a program to identify and investigate former MGP sites where our subsidiaries or predecessors may have liability. The program has identified 53 such sites where liability is probable. Remedial actions at many of these sites are being overseen by state or federal environmental agencies through consent agreements or voluntary remediation agreements.

We utilize a probabilistic model to estimate our future remediation costs related to MGP sites. The model was prepared with the assistance of a third party and incorporates our experience and general industry experience with remediating MGP sites. We complete an annual refresh of the model in the second quarter of each fiscal year. Our total estimated liability related to the facilities subject to remediation was \$72.8 million and \$73.7 million at March 31, 2024 and December 31, 2023, respectively. The liability represents our best estimate of the probable cost to remediate the MGP sites. Our model indicates that it is reasonably possible that remediation costs could vary by as much as \$15.1 million in addition to the costs noted above. Remediation costs are estimated based on the best available information, applicable remediation standards at the balance sheet date and experience with similar facilities.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

CCRs. NIPSCO continues to meet the compliance requirements established by the EPA for the regulation of CCRs. The CCR rule requirements currently in effect required revisions to previously recorded legal obligations associated with the retirement of certain NIPSCO facilities. The actual asset retirement costs related to the CCR rule may vary substantially from the estimates used to record the increased asset retirement obligation due to the uncertainty about the requirements that will be established by environmental authorities, compliance strategies that will be used and the preliminary nature of available data used to estimate costs. As allowed by the rule, NIPSCO will continue to collect data over time to determine the specific compliance solutions and associated costs and, as a result, the actual costs may vary. On April 25, 2024 new EPA rules have been issued and we are evaluating the potential impact on our business.

D. Other Matters.

Generation Transition. NIPSCO has also executed several BTAs with developers to construct renewable generation facilities. NIPSCO has received IURC approval for all of its BTAs and PPAs. In addition to IURC approval, NIPSCO's purchase obligation under the BTAs is dependent on timely completion of construction and for certain BTAs successful execution by NIPSCO of an agreement with a tax equity partner. Certain agreements require NIPSCO to make partial payments upon the developer's completion of significant construction milestones. With respect to BTAs for which tax equity partnerships are utilized, NIPSCO and the tax equity partner are obligated to make cash contributions to the JV that acquires project at the date construction is substantially complete. Once the tax equity partner has earned its negotiated rate of return and we have reached the agreed upon contractual date, NIPSCO has the option to purchase at fair market value the remaining interest in the JV from the tax equity partner. On January 17, 2024, the IURC approved the full ownership of Cavalry and Dunns Bridge II which will allow those BTAs to be executed through direct ownership. In March 2024, we filed with the IURC to modify the ownership structure for Gibson and Fairbanks solar projects to become fully owned projects and to modify the cost of the Fairbanks project as contemplated in the contractual actions. On March 18, 2024, Cavalry achieved mechanical completion, resulting in NIPSCO making a \$110.6 million payment to the developer.

16. Accumulated Other Comprehensive Loss

The following tables display the components of Accumulated Other Comprehensive Loss, net of tax:

<i>(in millions)</i>	Gains and Losses on Securities ⁽¹⁾	Gains and Losses on Cash Flow Hedges ⁽¹⁾	Pension and OPEB Items ⁽¹⁾	Accumulated Other Comprehensive Loss ⁽¹⁾
Balance as of January 1, 2024	\$ (7.3)	\$ (12.8)	\$ (13.5)	\$ (33.6)
Other comprehensive loss before reclassifications	(0.6)	(0.2)	(0.1)	(0.9)
Amounts reclassified from accumulated other comprehensive loss	0.3	0.1	0.3	0.7
Net current-period other comprehensive income (loss)	(0.3)	(0.1)	0.2	(0.2)
Balance as of March 31, 2024	\$ (7.6)	\$ (12.9)	\$ (13.3)	\$ (33.8)

⁽¹⁾All amounts are net of tax. Amounts in parentheses indicate debits.

<i>(in millions)</i>	Gains and Losses on Securities ⁽¹⁾	Gains and Losses on Cash Flow Hedges ⁽¹⁾	Pension and OPEB Items ⁽¹⁾	Accumulated Other Comprehensive Loss ⁽¹⁾
Balance as of January 1, 2023	\$ (11.2)	\$ (12.6)	\$ (13.3)	\$ (37.1)
Other comprehensive income (loss) before reclassifications	1.7	—	—	1.7
Amounts reclassified from accumulated other comprehensive loss	0.3	0.1	0.3	0.7
Net current-period other comprehensive income (loss)	2.0	0.1	0.3	2.4
Balance as of March 31, 2023	\$ (9.2)	\$ (12.5)	\$ (13.0)	\$ (34.7)

⁽¹⁾All amounts are net of tax. Amounts in parentheses indicate debits.

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)****17. Business Segment Information**

Our reportable segments reflect the manner in which our business is managed, and our resources are allocated. Following the consummation of the NIPSCO Minority Interest Transaction, the funding and strategic management was revised to evaluate operating performance at the state level. Refer to Note 4, "Noncontrolling Interests," for additional information on the NIPSCO Minority Interest Transaction. Our operations are now evaluated through two primary reportable segments, Columbia Operations and NIPSCO Operations. Columbia Operations aggregates the results of the fully regulated and wholly owned subsidiaries of NiSource Gas Distribution Group, Inc. (a holding company that owns Columbia of Kentucky, Columbia of Maryland, Columbia of Ohio, Columbia of Pennsylvania, and Columbia of Virginia). Each Columbia distribution company is an operating segment which we aggregate to form the Columbia Operations reportable segment. NIPSCO Operations includes the results of NIPSCO Holdings I and its majority-owned subsidiaries, including NIPSCO, which has fully regulated gas and electric operations in Northwest Indiana.

The remainder of our operations, which are not significant enough on a stand-alone basis to warrant treatment as a reportable segment, are presented as "Corporate and Other" and primarily are comprised of interest expense on holding company debt, and unallocated corporate costs and activities. Refer to Note 3, "Revenue Recognition," for additional information on our segments and their sources of revenues. The following table provides information about our reportable segments. Our CODM uses operating income as the primary measurement for each of the reported segments and makes decisions on finance, dividends, and taxes at the corporate level on a consolidated basis. Segment revenues include intersegment sales to affiliated subsidiaries, which are eliminated in consolidation. Affiliated sales are recognized on the basis of prevailing market, regulated prices or at levels provided for under contractual agreements. Operating income is derived from revenues and expenses directly associated with each segment.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

(in millions)	Three Months Ended March 31,	
	2024	2023
Operating Revenues		
Columbia Operations		
Unaffiliated	\$ 953.7	\$ 1,048.9
Intersegment	3.2	3.0
Total	956.9	1,051.9
NIPSCO Operations		
Unaffiliated	752.4	916.9
Intersegment	0.3	0.3
Total	752.7	917.2
Corporate and Other		
Unaffiliated	0.2	0.2
Intersegment	139.9	116.7
Total	140.1	116.9
Eliminations	(143.4)	(120.0)
Consolidated Operating Revenues	\$ 1,706.3	\$ 1,966.0
Operating Income		
Columbia Operations	\$ 362.0	\$ 351.8
NIPSCO Operations	216.4	177.0
Corporate and Other	5.0	2.2
Consolidated Operating Income	\$ 583.4	\$ 531.0

The following table provides information about the assets of our reportable segments included in the Condensed Consolidated Balance Sheet (unaudited):

(in millions)	March 31, 2024	December 31, 2023
Assets		
Columbia Operations	\$ 13,789.8	\$ 13,664.5
NIPSCO Operations	14,221.0	13,962.6
Corporate and Other	1,327.3	3,450.1
Consolidated Assets	\$ 29,338.1	\$ 31,077.2

Information about our reportable segments for the three months ended March 31, 2023, as well as for the period ended December 31, 2023 has been recast to align with the current year's presentation.

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)****18. Other, Net**

The following table displays the components of Other, Net included on the Condensed Statements of Consolidated Income (unaudited):

<i>(in millions)</i>	Three Months Ended March 31,	
	2024	2023
Interest income	\$ 2.5	\$ 1.8
AFUDC equity	11.3	4.8
Pension and other postretirement non-service benefit (cost)	(2.2)	(3.5)
Miscellaneous	(2.4)	(1.6)
Total Other, net	\$ 9.2	\$ 1.5

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

NiSource Inc.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

EXECUTIVE SUMMARY

This Management's Discussion and Analysis of Financial Condition and Results of Operations ("Management's Discussion") includes management's analysis of past financial results and certain potential factors that may affect future results, potential future risks and approaches that may be used to manage those risks. See "Note regarding forward-looking statements" at the beginning of this report for a list of factors that may cause results to differ materially.

Management's Discussion is designed to provide an understanding of our operations and financial performance and should be read in conjunction with our Annual Report on Form 10-K for the fiscal year ended December 31, 2023.

We are an energy holding company under the Public Utility Holding Company Act of 2005 whose utility subsidiaries are fully regulated natural gas and electric utility companies serving customers in six states. We generate substantially all of our operating income through these rate-regulated businesses, which are summarized for financial reporting purposes into two primary reportable segments: Columbia Operations and NIPSCO Operations. Refer to "Note 17, "Business Segment Information," for further discussion of our business segments.

Our goal is to develop strategies that benefit all stakeholders as we (i) focus on long-term infrastructure investment and safety programs to better serve our customers, (ii) align our tariff structures with our cost structure, and (iii) address changing customer energy demand. These strategies focus on improving safety and reliability, enhancing customer experience, pursuing regulatory and legislative initiatives to increase accessibility for customers currently not on our gas and electric service, ensuring customer affordability and reducing emissions while generating sustainable returns. The safety of our customers, communities and employees remains our focus. Serving as a guiding practice for our SMS, NiSource is certified in conformance to the American Petroleum Institute Recommended Practice 1173, which is the foundation to our journey towards operational excellence. We also made advancements in key strategic initiatives, described in further detail below.

Energy Transition: We continue to advance our energy transition strategy, primarily through the continuation and enhancement of existing programs, such as retiring and replacing remaining coal-fired electric generation by 2028 with a balanced mix of low- or zero-emission electric generation, ongoing pipe replacement and modernization programs, and deployment of advanced leak detection and repair. Our electric generation transition, initiated through the NIPSCO 2018 Integrated Resource Plan ("2018 Plan") is well underway, and we are continually adjusting to the dynamic energy landscape. As of March 31, 2024, we have executed and received IURC approval for BTAs and PPAs for wind, solar and solar plus storage projects, with a combined nameplate capacity of 1,950 MW and 1,400 MW, respectively, under the 2018 Plan. We have also taken contractual actions on a number of our other renewable projects to address the timing of these projects as well as consider the broad market issues facing the industry. We remain on track to retire R.M. Schahfer's remaining two coal units by the end of 2025. On January 17, 2024, the IURC approved full ownership of the Cavalry and Dunns Bridge II projects, allowing NIPSCO to leverage provisions of the Inflation Reduction Act passed in 2022, to monetize renewable tax credits more effectively. Full ownership of these projects provide enhanced benefits to customers as compared to the previous tax equity partnership structure approved by the IURC. In March 2024, we filed with the IURC to modify the ownership structure for Gibson and Fairbanks solar projects to become fully owned projects and to modify the cost of the Fairbanks project as contemplated in the contractual actions referenced above. We are continuing to evaluate the impact of this legislation on our remaining projects, with potential to drive increased value to customers. For additional information, see "Results and Discussion of Segment Operations - NIPSCO Operations," in this Management's Discussion.

In 2021, we announced and filed with the IURC the Preferred Energy Resource Plan associated with our 2021 Integrated Resource Plan ("2021 Plan"). The 2021 Plan affirms plans to retire the coal unit at the Michigan City Generating Station by the end of 2028. The 2021 Plan calls for the replacement of the retiring units with a diverse portfolio of resources including demand side management resources, incremental solar, stand-alone energy storage and upgrades to existing facilities at the Sugar Creek Generating Station, among other steps. Additionally, the 2021 Plan calls for a new natural gas peaking facility to replace existing vintage gas peaking facilities at the R.M. Schahfer Generating Station to support system reliability and resiliency, and upgrades to the electric transmission system. In September of 2023, we filed a request for issuance of a certificate of public convenience and necessity for an approximately 400 MW natural gas peaking generation facility with the IURC. The planned retirement of the two vintage gas peaking facilities at the R.M. Schahfer Generating Station is also expected to occur by the end of 2028. Final retirement dates for these units, as well as Michigan City, will be subject to MISO approval.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

We continue to enhance safety and reduce methane emissions on our gas systems through modernization programs and utilization of advanced leak detection and repair. In addition, we plan to advance other low- or zero-emission energy resources and technologies, such as hydrogen and renewable natural gas.

NIPSCO Minority Interest Transaction: On December 31, 2023, contemporaneously with the closing of the NIPSCO Minority Interest Transaction, Blackstone, NIPSCO Holdings I, NIPSCO Holdings II, and NiSource entered into an Amended and Restated Limited Liability Company Agreement (the "LLC Agreement") of NIPSCO Holdings II. On January 31, 2024, BIP transferred a 4.5% equity interest in NIPSCO Holdings II to BIP Blue Buyer VCOC L.L.C., a Delaware limited liability company and also an affiliate of Blackstone. Effective upon the closing of this transfer, the members of NIPSCO Holdings II entered into a Second Amended and Restated Limited Liability Company Operating Agreement of NIPSCO Holdings II (the "Amended LLC Agreement"). The two affiliates of Blackstone must vote their equity holdings under the Amended LLC Agreement as one investor. Refer to Note 4, "Noncontrolling Interests," for more information on this transaction.

Transformation: Our enterprise-wide transformation roadmap focuses on operational excellence, safety, operation and maintenance management, and unlocking efficiencies. We are committed to identifying and implementing initiatives that will enable us to streamline work and improve logistics company-wide. These efforts include investments in proven technologies backed with standardized processes that will change the way we plan, schedule, and execute work in the field and how we engage and provide service to our customers. Taken together, all of our optimization initiatives will prioritize safety and continue to optimize our long-term growth profile. We are making progress towards our transformation goals with the anticipated third quarter 2024 launch of the first phase of our WAM program, an information technology system that optimizes the scheduling, dispatch, and execution of our field operations.

Economic Environment: We continue to monitor risks related to increasing order and delivery lead times for construction and other materials, potential unavailability of materials due to global shortages in raw materials, and decreased construction labor productivity in the event of disruptions in the availability of materials. We continue to see increasing prices associated with certain materials and supplies. To the extent that work delays occur or our costs increase, our business operations, results of operations, cash flows, and financial condition could be materially adversely affected.

We are faced with increased competition for employee and contractor talent in the current labor market which has resulted in increased costs to attract and retain talent. We are ensuring that we use all internal human capital programs (development, leadership enablement programs, succession, performance management) to promote retention of our current employees along with having a competitive and attractive employee value proposition for potential recruits. With a focus on workforce planning, we are evaluating our future talent footprint by creating flexible work arrangements where possible to ensure we have the right people, in the right role, and at the right time.

We continue to evaluate our financing plan to manage interest expense and exposure to rates. For more information on interest rate risk, see "Market Risk Disclosures".

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

Summary of Consolidated Financial Results

A summary of our consolidated financial results for the three months ended March 31, 2024 and 2023 are presented below:

<i>(in millions, except per share amounts)</i>	Three Months Ended March 31,		
	2024	2023	Favorable (Unfavorable)
Operating Revenues	\$ 1,706.3	\$ 1,966.0	\$ (259.7)
Operating Expenses			
Cost of energy	425.0	765.1	340.1
Other Operating Expenses	697.9	669.9	(28.0)
Total Operating Expenses	1,122.9	1,435.0	312.1
Operating Income	583.4	531.0	52.4
Total Other Deductions, Net	(107.1)	(107.4)	0.3
Income Taxes	76.0	85.8	9.8
Net Income	400.3	337.8	62.5
Net income (loss) attributable to noncontrolling interest	35.3	4.8	(30.5)
Net Income Attributable to NiSource	365.0	333.0	32.0
Preferred dividends and redemption premium	(20.7)	(13.8)	(6.9)
Net Income Available to Common Shareholders	344.3	319.2	25.1
Earnings Per Share			
Basic Earnings Per Share	\$ 0.77	\$ 0.77	\$ —
Diluted Earnings Per Share	\$ 0.77	\$ 0.71	\$ 0.06

The majority of the cost of energy in the Columbia Operations and NIPSCO Operations segments are tracked costs that are passed through directly to the customer, resulting in an equal and offsetting amount reflected in operating revenues.

The increase in net income available to common shareholders for the three months ended March 31, 2024 was primarily due to higher revenues, net of cost of energy, driven by rate increases from regulatory outcomes. Higher net income is offset by increased net income attributable to noncontrolling interest following the consummation of the NIPSCO Minority Interest Transaction.

The increase in preferred dividends and redemption premium for the three months ended March 31, 2024 was primarily due to the inclusion of \$14 million Series B preferred redemption premium, offset by a shortened dividend accrual period due to the early redemption of Series A Preferred Stock in 2023 and the reduction of accrual for Series B Preferred Stock in 2024. See Note 6, "Equity," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information.

For additional information on operating income variance drivers see "Results and Discussion of Segment Operations" for Columbia Operations and NIPSCO Operations in this Management's Discussion.

Income Taxes

Refer to Note 13, "Income Taxes," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on income taxes and the change in the effective tax rates for the periods presented.

We continue to monitor and evaluate the impacts of final or proposed income tax regulations issued on provisions of the IRA including but not limited to renewable energy tax credits and the excise tax on stock buybacks guidance issued on April 9, 2024. While our analysis is not complete, we do not believe these proposed regulations will materially impact the excise tax liability recorded in 2023. See Note 6 to the Consolidated Financial Statements in the Company's Annual Report on Form 10-K for the year ended December 31, 2023 for a discussion of the excise tax on stock buybacks.

RESULTS AND DISCUSSION OF SEGMENT OPERATIONS

Presentation of Segment Information

In response to the NIPSCO Minority Interest Transaction, our operations are now evaluated through two primary reportable segments, Columbia Operations and NIPSCO Operations. Columbia Operations aggregates the results of the fully regulated and wholly owned subsidiaries of NiSource Gas Distribution Group, Inc. (a holding company that owns Columbia of Kentucky, Columbia of Maryland, Columbia of Ohio, Columbia of Pennsylvania, and Columbia of Virginia). Each Columbia distribution company is an operating segment which we aggregate to form the Columbia Operations reportable segment. NIPSCO Operations aggregates the results of NIPSCO Holdings I, and its majority-owned subsidiaries, including NIPSCO, which has both fully regulated gas and electric operations in Northwest Indiana. . The remainder of our operations, which are not significant enough on a stand-alone basis to warrant treatment as a reportable segment, are presented as "Corporate and Other" within the Notes to the Condensed Consolidated Financial Statements (unaudited) and primarily are comprised of interest expense on holding company debt, and unallocated corporate costs and activities.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
**NiSource Inc.
Columbia Operations**

Financial and operational data for the Columbia Operations segment for the three months ended March 31, 2024 and 2023 are presented below.

<i>(in millions)</i>	Three Months Ended March 31,		
	2024	2023	Favorable (Unfavorable)
Operating Revenues	\$ 956.9	\$ 1,051.9	\$ (95.0)
Operating Expenses			
Cost of energy	228.8	338.3	109.5
Operation and maintenance	210.7	220.5	9.8
Depreciation and amortization	98.2	87.7	(10.5)
Other taxes	57.2	53.6	(3.6)
Total Operating Expenses	594.9	700.1	105.2
Operating Income	\$ 362.0	\$ 351.8	\$ 10.2
Revenues			
Residential	\$ 665.8	\$ 722.9	\$ (57.1)
Commercial	225.3	253.2	(27.9)
Industrial	40.4	40.5	(0.1)
Off-System	12.7	17.2	(4.5)
Other	12.7	18.1	(5.4)
Total	\$ 956.9	\$ 1,051.9	\$ (95.0)
Sales and Transportation (MMDth)			
Residential	77.0	74.4	2.6
Commercial	54.3	50.7	3.6
Industrial	68.5	61.6	6.9
Off-System	7.3	7.4	(0.1)
Other	0.2	0.2	—
Total	207.3	194.3	13.0
Heating Degree Days⁽¹⁾	2,284	2,229	55
Normal Heating Degree Days⁽¹⁾	2,739	2,729	10
% (Warmer) than Normal	(17)%	(18)%	
% Colder than prior year	2 %		
Columbia Operations Customers			
Residential	2,222,345	2,212,247	10,098
Commercial	189,394	189,222	172
Industrial	1,980	2,074	(94)
Other	5	3	2
Total	2,413,724	2,403,546	10,178

⁽¹⁾ Heating degree figures represent averages of the five jurisdictions served by Columbia Operations.

Comparability of operation and maintenance expenses, depreciation and amortization, and other taxes may be impacted by regulatory, depreciation, and tax trackers that allow for the recovery in rates of certain costs.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc. Columbia Operations

The underlying reasons for changes in our operating revenues for the three months ended March 31, 2024 compared to the same period in 2023 are presented below.

	Favorable (Unfavorable)
	Three Months Ended March 31, 2024 vs 2023
Changes in Operating Revenues <i>(in millions)</i>	
New rates from base rate proceedings and regulatory capital programs	\$ 34.9
Increased customer usage	8.1
The effects of customer growth	2.2
The effects of weather in 2024 compared to 2023	1.6
Other	(2.9)
Change in operating revenues (before cost of energy and other tracked items)	\$ 43.9
Operating revenues offset in operating expense	
Lower cost of energy billed to customers	(109.4)
Lower tracker deferrals within operation and maintenance, depreciation, and tax	(29.5)
Total change in operating revenues	\$ (95.0)

Weather

In general, we calculate the weather-related revenue variance based on changing customer demand driven by weather variance from normal heating degree days, net of weather normalization mechanisms. Our composite heating degree days reported do not directly correlate to the weather-related dollar impact on the results of Columbia Operations. Heating degree days experienced during different times of the year or in different operating locations may have more or less impact on volume and dollars depending on when and where they occur. When the detailed results are combined for reporting, there may be weather-related dollar impacts on operations when there is not an apparent or significant change in our aggregated composite heating degree day comparison.

Throughput

The increase in total volumes for the three months ended March 31, 2024, compared to the same period in 2023, is primarily attributable to increased industrial usage.

Commodity Price Impact

Cost of energy for the Columbia Operations segment is principally comprised of the cost of natural gas used while providing transportation and distribution services to customers. All Columbia Operations companies have state-approved recovery mechanisms that provide a means for full recovery of prudently incurred gas costs. These are tracked costs that are passed through directly to the customer, and the gas costs included in revenues are matched with the gas cost expense recorded in the period. The difference is recorded on the Condensed Consolidated Balance Sheets (unaudited) as under-recovered or over-recovered gas cost to be included in future customer billings. Therefore, increases in these tracked operating expenses are offset by increases in operating revenues and have essentially no impact on net income.

Certain of the Columbia Operations companies continue to offer choice opportunities, where customers can choose to purchase gas from a third-party supplier, through regulatory initiatives in their respective jurisdictions.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)**NiSource Inc.
Columbia Operations**

The underlying reasons for changes in our operating expenses for the three months ended March 31, 2024 compared to the same period in 2023 are presented below.

		Favorable (Unfavorable)
		Three Months Ended March 31, 2024 vs 2023
Changes in Operating Expenses <i>(in millions)</i>		
Higher employee and administrative related expenses	\$	(13.7)
Higher depreciation and amortization expense		(10.6)
Higher property tax		(2.6)
Higher outside services expenses		(2.4)
Other		(4.4)
Change in operating expenses (before cost of energy and other tracked items)	\$	(33.7)
Operating expenses offset in operating revenue		
Lower cost of energy billed to customers		109.4
Lower tracker deferrals within operation and maintenance, depreciation, and tax		29.5
Total change in operating expense	\$	105.2

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
**NiSource Inc.
NIPSCO Operations**

Financial and operational data for the NIPSCO Operations segment, which services both gas and electric customers, for the three months ended March 31, 2024 and 2023 are presented below.

<i>(in millions)</i>	Three Months Ended March 31,		
	2024	2023	Favorable (Unfavorable)
NIPSCO Operations			
Operating Revenues	\$ 752.7	\$ 917.2	\$ (164.5)
Operating Expenses			
Cost of energy	196.2	426.8	230.6
Operation and maintenance	191.3	190.5	(0.8)
Depreciation and amortization	132.7	108.3	(24.4)
Other taxes	16.1	14.6	(1.5)
Total Operating Expenses	536.3	740.2	203.9
Operating Income	\$ 216.4	\$ 177.0	\$ 39.4

<i>(in millions)</i>	Three Months Ended March 31,		
	2024	2023	Favorable (Unfavorable)
NIPSCO Electric			
Revenues			
Residential	\$ 143.8	\$ 150.4	\$ (6.6)
Commercial	142.9	150.9	(8.0)
Industrial	116.1	134.4	(18.3)
Wholesale	6.4	2.6	3.8
Other	24.8	26.4	(1.6)
Total	\$ 434.0	\$ 464.7	\$ (30.7)
Sales (GWh)			
Residential	764.9	766.1	(1.2)
Commercial	878.7	856.2	22.5
Industrial	1,832.7	1,937.7	(105.0)
Wholesale	149.2	—	149.2
Other	23.4	22.8	0.6
Total	3,648.9	3,582.8	66.1
NIPSCO Electric Customers			
Residential	428,035	425,090	2,945
Commercial	58,883	58,499	384
Industrial	2,120	2,133	(13)
Wholesale	708	708	—
Other	3	3	—
Total	489,749	486,433	3,316

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
**NiSource Inc.
NIPSCO Operations**

<i>(in millions)</i>	Three Months Ended March 31,		
	2024	2023	Favorable (Unfavorable)
NIPSCO Gas			
Revenues			
Residential	\$ 212.1	\$ 302.4	\$ (90.3)
Commercial	74.7	112.7	(38.0)
Industrial	23.8	31.5	(7.7)
Other	8.1	5.9	2.2
Total	\$ 318.7	\$ 452.5	\$ (133.8)
Sales and Transportation Volumes (MMDth)			
Residential	28.6	29.2	(0.6)
Commercial	17.7	17.7	—
Industrial	70.2	71.0	(0.8)
Total	116.5	117.9	(1.4)
Heating Degree Days	2,643	2,659	(16)
Normal Heating Degree Days	3,141	3,100	41
% (Warmer) than Normal	(16)%	(14)%	
% (Warmer) than prior year	(1)%		
NIPSCO Gas Customers			
Residential	797,326	791,030	6,296
Commercial	66,485	66,162	323
Industrial	2,784	2,860	(76)
Total	866,595	860,052	6,543

Comparability of operation and maintenance expenses and depreciation and amortization may be impacted by regulatory and depreciation trackers that allow for the recovery in rates of certain costs.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc. NIPSCO Operations

The underlying reasons for changes in our operating revenues for the three months ended March 31, 2024 compared to the same period in 2023 are presented below.

	Favorable (Unfavorable)
	Three Months Ended
	March 31, 2024 vs 2023
Changes in Operating Revenues (in millions)	
New rates from base rate proceedings, regulatory capital and DSM programs	65.6
Renewable Joint Venture revenue, fully offset by Joint Venture operating expense and noncontrolling interest net income (loss)	4.0
Increased customer usage	3.9
Increased customer count	2.7
The effects of weather in 2024 compared to 2023	(5.7)
Other	(2.3)
Change in operating revenues (before cost of energy and other tracked items)	\$ 68.2
Operating revenues offset in operating expense	
Lower cost of energy billed to customers	(230.7)
Lower tracker deferrals within operation and maintenance, depreciation and tax	(2.0)
Total change in operating revenues	\$ (164.5)

Weather

The results of operations for the NIPSCO Operations segment include income from both electric and gas service lines. In general, we calculate the weather-related revenue variance based on changing customer demand driven by weather variance from normal cooling degree days and normal heating degree days, net of weather normalization mechanisms. Our composite cooling and heating degree days reported do not directly correlate to the weather-related dollar impact on the results of NIPSCO Operations. Cooling and heating degree days experienced during different times of the year or in different operating locations may have more or less impact on volume and dollars depending on when they occur. When the detailed results are combined for reporting, there may be weather-related dollar impacts on operations when there is not an apparent or significant change in our aggregated composite cooling and heating degree day comparison.

Sales

The increase in total volumes sold to electric customers for the three months ended March 31, 2024 compared to the same period in 2023 was primarily attributable to increased usage by commercial and wholesale customers partially offset by industrial and residential customers usage.

The decrease in total volumes sold to gas customers for the three months ended March 31, 2024 compared to the same period in 2023 was primarily attributable to decreased usage by industrial and residential customers.

Commodity Price Impact

Cost of energy for the NIPSCO Operations segment's electric activities is principally comprised of the cost of coal, natural gas purchased for internal generation of electricity, and the cost of power purchased from generators of electricity for its generation and transmission activities. For its gas distribution activities, NIPSCO Operations' cost of energy is principally comprised of the cost of natural gas used while providing transportation and distribution services to customers. NIPSCO Operations has state-approved recovery mechanisms that provide a means for full recovery of prudently incurred costs of energy. The majority of these costs of energy are passed through directly to the customer, and the costs of energy included in operating revenues are matched with the cost of energy expense recorded in the period. The difference is recorded on the Condensed Consolidated Balance Sheets (unaudited) as under-recovered or over-recovered fuel and gas costs to be included in future customer billings. Therefore, increases in these tracked operating expenses are offset by increases in operating revenues and have essentially no impact on net income.

The underlying reasons for changes in our operating expenses for the three months ended March 31, 2024 compared to the same period in 2023 are presented below.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
**NiSource Inc.
NIPSCO Operations**

	Favorable (Unfavorable)
	Three Months Ended March 31, 2024 vs 2023
Changes in Operating Expenses (in millions)	
Higher depreciation and amortization expense driven by new base rates	(20.0)
Higher employee and administrative expenses	(9.5)
Renewable Joint Venture operating expenses, partially offset by Joint Venture operating revenues	(9.3)
Lower materials and supplies costs	4.4
Lower outside services expenses primarily related to lower generation-related maintenance	2.0
Other	3.6
Change in operating expenses (before cost of energy and other tracked items)	\$ (28.8)
Operating expenses offset in operating revenue	
Lower cost of energy billed to customers	230.7
Lower tracker deferrals within operation and maintenance, depreciation and tax	2.0
Total change in operating expense	\$ 203.9

Electric Supply and Generation Transition

NIPSCO continues to execute on an electric generation transition consistent with the 2018 Plan and 2021 Plan, which outlines the path to retire the remaining two coal units at R.M. Schahfer by the end of 2025 and the remaining coal-fired generation at Michigan City by the end of 2028, to be replaced by lower-cost, reliable and cleaner options. See "Project Status" discussion, below, and "Liquidity and Capital Resources" in this Management's Discussion for information on anticipated in-service dates related to our electric generation transition and additional information on our capital investment spend.

NIPSCO continues to work with the EPA to obtain an administrative approval associated with the operation of R.M. Schahfer's remaining two coal units until 2025. In the event that the approval is not obtained, future operations could be impacted. We cannot estimate the financial impact on us if this approval is not obtained. Refer to Item 1A. Risk Factors, "Operational Risks," of the 2023 Annual Report on Form 10-K for further detail.

The current replacement plan is aligned with the Preferred Energy Resource Plan outlined in the 2021 Plan and primarily includes renewable sources of energy, including wind, solar, battery storage, and flexible natural gas resources to be obtained through a combination of NIPSCO ownership and PPAs. NIPSCO has sold, and may in the future sell, renewable energy credits from its renewable generation to third parties to offset customer costs. NIPSCO has executed several PPAs to purchase 100% of the output from renewable generation facilities at a fixed price per MWh. Each facility supplying the energy will have an associated nameplate capacity, and payments under the PPAs will not begin until the associated generation facility is constructed by the owner/seller. NIPSCO has also executed several BTAs with developers to construct renewable generation facilities.

Since 2020, two wind PPA projects, two wind BTA projects and two solar BTA projects have been placed into service, totaling 1,465 MW of nameplate capacity. NIPSCO has executed commercial agreements for each of the eight remaining identified projects. Dunns Bridge II, Cavalry, Fairbanks, Gibson, GreenRiver, Appleseed, Carpenter and Templeton have received IURC approval. NIPSCO has filed for a new gas peaking facility to be located at R.M. Schahfer Generating Station. On November 22, 2023 the IURC approved NIPSCO's request to convert the Gibson project from a PPA to a BTA. On January 17, 2024 the IURC approved increases to the project costs as well as the full ownership of Cavalry and Dunns Bridge II, allowing NIPSCO to leverage provisions of the IRA to monetize tax credits for the benefit of customers in lieu of utilizing tax equity partnerships. In March 2024, we filed with the IURC to modify the ownership structure for Gibson and Fairbanks solar projects to become fully owned projects and to modify the cost of the Fairbanks project. See "Executive Summary - Energy Transition" in this Management's Discussion for additional information. We expect the majority of our remaining BTA and PPA projects to be placed in service in 2024 and 2025.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)**NiSource Inc.**
NIPSCO Operations

Remaining Renewables Projects	Transaction Type	Technology	Nameplate Capacity (MW)	Storage Capacity (MW)
Cavalry	BTA	Solar & Storage	200	60
Dunns Bridge II	BTA	Solar & Storage	435	75
Fairbanks	BTA	Solar	250	—
Gibson	BTA	Solar	200	—
Green River	20 year PPA	Solar	200	—
Templeton	20 year PPA	Wind	200	—
Carpenter	20 year PPA	Wind	200	—
Appleseed	20 year PPA	Solar	200	—

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

Liquidity and Capital Resources

We continually evaluate the availability of adequate financing to fund our ongoing business operations, working capital and core safety and infrastructure investment programs. Our financing is sourced through cash flow from operations and the issuance of debt and/or equity. External debt financing is provided primarily through the issuance of long-term debt, accounts receivable securitization programs and our \$1.85 billion commercial paper program, which is backstopped by our committed revolving credit facility with a total availability from third-party lenders of \$1.85 billion.

- On December 31, 2023, we consummated the NIPSCO Minority Interest Transaction in exchange for a capital contribution of \$2.16 billion in cash. See Note 4, "Noncontrolling Interests," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for more information.
- On January 3, 2024, we applied the proceeds from the NIPSCO Minority Interest Transaction and repaid in full our \$1.0 billion term credit agreement and our \$650.0 million term credit agreement. On March 14, 2024 we completed the issuance and sale of \$650.0 million of 5.35% senior unsecured notes maturing in 2034, which resulted in approximately \$642.6 million of net proceeds after discount and debt issuance costs. See Note 7, "Short-Term Borrowings," and Note 8, "Long-Term Debt," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for more information.
- On February 22, 2024, we entered into an ATM equity program that provides an opportunity to issue and sell shares of our common stock up to an aggregate issuance of \$900.0 million through December 31, 2025. As of March 31, 2024, the ATM program (including the impact of the forward sale agreement) had approximately \$700.0 million of equity available for issuance. See Note 6, "Equity," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for more information.
- On March 15, 2024, we redeemed all 20,000 outstanding shares of Series B Preferred Stock for a redemption price of \$25,000 per share and all 20,000 outstanding shares of Series B-1 Preferred Stock for a redemption price of \$0.01 per share or \$500.0 million in total. See Note 6, "Equity," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for more information.

We believe these sources provide adequate capital to fund our operating activities and capital expenditures in 2024 and beyond.

The following table summarizes our cash flow activities:

(in millions)	Three Months Ended March 31,		
	2024	2023	Change in 2024 vs 2023
Cash from (used for):			
Operating Activities	\$ 456.2	\$ 683.4	\$ (227.2)
Investing Activities	(723.0)	(727.8)	4.8
Financing Activities	(1,873.8)	117.3	(1,991.1)

Operating Activities

The decrease in cash from operating activities was primarily driven by year over year change in accounts receivable collections, inventory and exchange gas receivables due to the impact of lower gas prices, partially offset by higher accounts payables and net income.

Investing Activities

Investing activities have been consistent year over year, and is primarily comprised of capital expenditures related to system growth and reliability and milestone payments to renewable generation asset developers for certain of our BTA projects.

As we evaluate progress on the renewable generation projects, we remain on track to make capital investments totaling \$3.3 billion to \$3.5 billion during the 2024 period. We also expect to invest approximately \$16.4 billion during the 2024-2028 period, including capital investments to support our generation transition strategy. These forecasted capital investments are subject to continuing review and adjustment. Actual capital expenditures may vary from these estimates.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
NiSource Inc.

Regulatory Capital Programs. We are in the process of upgrading and modernizing our gas infrastructure to enhance safety and reliability by reducing leaks. An ancillary benefit of these programs is the reduction of GHG emissions. In 2024, we continue to move forward on core infrastructure and environmental investment programs supported by complementary regulatory and customer initiatives across all six states of our operating area.

The following table describes the most recent vintage of our regulatory programs to recover infrastructure replacement and other federally mandated compliance investments:

(in millions)

Company	Program	Capital Investment	Investment Period	Filing Date	Costs Covered ⁽¹⁾
Approved					
Columbia of Ohio	IRP - 2024	\$ 753.5	4/21-12/23	2/26/2024	Replacement of hazardous service lines, cast iron, wrought iron, uncoated steel, and bare steel pipe.
Columbia of Ohio ⁽²⁾	PHMSA IRP - 2024	\$ 14.6	1/23-12/23	2/28/2024	Investments necessary to comply with the PHMSA Mega Rule.
Columbia of Ohio	CEP - 2023	\$ 482.1	4/21-12/22	2/24/2023	Assets not included in the IRP.
NIPSCO - Gas	TDSIC - 7	\$ 444.9	1/23-8/23	10/31/2023	New or replacement projects undertaken for the purpose of safety, reliability, system modernization or economic development.
NIPSCO - Gas	FMCA - 2	\$ 49.0	1/23-9/23	11/29/2023	Project costs to comply with federal mandates.
Columbia of Virginia	SAVE - 2024	\$ 166.5	10/22-12/24	8/15/2023	Replacement projects that (1) enhance system safety or reliability, or (2) reduce, or potentially reduce, greenhouse gas emissions. Includes costs associated with Advanced Leak Detection and Repair.
Columbia of Kentucky	SMRP - 2023	\$ 41.6	1/23-12/23	10/14/2022	Replacement of mains and inclusion of system safety investments.
NIPSCO - Electric ⁽³⁾	TDSIC - 3	\$ 144.8	7/22-1/23	3/28/2023	New or replacement projects undertaken for the purpose of safety, reliability, system modernization or economic development.
Pending Commission Approval					
NIPSCO - Gas	TDSIC - 8	\$ 514.1	1/23-2/24	4/30/2024	New or replacement projects undertaken for the purpose of safety, reliability, system modernization or economic development.
Columbia of Ohio	CEP - 2024	\$ 767.0	4/21-12/23	2/26/2024	Assets not included in the IRP or PHMSA IRP.
Columbia of Kentucky ⁽⁴⁾	SMRP - 2024	\$ 81.9	1/23-12/24	10/13/2023	Replacement of mains and inclusion of system safety investments.

⁽¹⁾Programs do not include any costs already included in base rates.

⁽²⁾ Columbia of Ohio received a final order with rates effective May 2024.

⁽³⁾Coincident with the implementation of Step 1 and Step 2 base rates in Cause No. 45772, TDSIC-3 cumulative capital investment of \$554.7 million at Step 1 and \$74.2 million at Step 2 moved out of this tracker and into base rates.

⁽⁴⁾Columbia of Kentucky placed these rates into effect, as of January 3, 2024, subject to refund, depending on a Commission order ruling on the Application.

Financing Activities

Common Stock and Preferred Stock. Refer to Note 6, "Equity," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on common and preferred stock.

Long-Term Debt. Refer to Note 8, "Long-Term Debt," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on long-term debt activity.

Short-Term Debt. Refer to Note 7, "Short-Term Borrowings," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on short-term debt activity.

Noncontrolling Interest. We received \$2.16 billion upon closing the NIPSCO Minority Interest Transaction. Proceeds from the closing of the NIPSCO Minority Interest Transaction were used to repay short-term debt, including our credit agreements. Under the terms of the LLC Agreement, BIP is obligated to provide up to \$250 million in additional capital contributions over a three-year period after the Closing, which obligation is backed by an Equity Commitment Letter from Blackstone. BIP may contribute additional capital above \$250 million as necessary to maintain its percentage ownership interest. Refer to Note 4,

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
NiSource Inc.

"Noncontrolling Interests," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on contributions from noncontrolling interest activity.

Sources of Liquidity

The following table displays our liquidity position as of March 31, 2024 and December 31, 2023:

<i>(in millions)</i>	March 31, 2024		December 31, 2023	
Current Liquidity				
Revolving Credit Facility	\$	1,850.0	\$	1,850.0
Accounts Receivable Programs ⁽¹⁾		419.8		383.9
<i>Less:</i>				
Commercial Paper		1,222.3		1,061.0
Accounts Receivable Programs Utilized		—		337.6
Letters of Credit Outstanding Under Credit Facility		9.9		9.9
<i>Add:</i>				
Cash and Cash Equivalents		102.2		2,245.4
Net Available Liquidity	\$	1,139.8	\$	3,070.8

⁽¹⁾Represents the lesser of the seasonal limit or maximum borrowings supportable by the underlying receivables.

Debt Covenants. We are subject to a financial covenant under our revolving credit facility, which require us to maintain a debt to capitalization ratio that does not exceed 70.0%. As of March 31, 2024, the ratio was 57.0%.

Credit Ratings. The credit rating agencies periodically review our ratings, taking into account factors such as our capital structure and earnings profile. The following table includes our and NIPSCO's credit ratings and ratings outlook as of March 31, 2024. There were no changes to the below credit ratings or outlooks since February 2020.

A credit rating is not a recommendation to buy, sell, or hold securities, and may be subject to revision or withdrawal at any time by the assigning rating organization.

	S&P		Moody's		Fitch	
	Rating	Outlook	Rating	Outlook	Rating	Outlook
NiSource	BBB+	Stable	Baa2	Stable	BBB	Stable
NIPSCO	BBB+	Stable	Baa1	Stable	BBB	Stable
Commercial Paper	A-2	Stable	P-2	Stable	F2	Stable

Certain of our subsidiaries have agreements that contain "ratings triggers" that require increased collateral if our credit rating or the credit ratings of certain of our subsidiaries are below investment grade. These agreements are primarily for insurance purposes and for the physical purchase or sale of power. As of March 31, 2024, the collateral requirement that would be required in the event of a downgrade below the ratings trigger levels would amount to approximately \$108.6 million. In addition to agreements with ratings triggers, there are other agreements that contain "adequate assurance" or "material adverse change" provisions that could necessitate additional credit support such as letters of credit and cash collateral to transact business.

Equity. Our authorized capital stock consists of 770,000,000 shares, \$0.01 par value, of which 750,000,000 are common stock and 20,000,000 are preferred stock. As of March 31, 2024, 448,197,604 shares of common stock were outstanding.

Contractual Obligations. A summary of contractual obligations is included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023. Except for our March 2024 debt issuance, there were no additional material changes from year-end during the three months ended March 31, 2024. Refer to Note 8, "Long-Term Debt," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information regarding the debt issuances.

Guarantees, Indemnities and Other Off Balance Sheet Arrangements. We and certain of our subsidiaries enter into various agreements providing financial or performance assurance to third parties on behalf of certain subsidiaries as a part of normal

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

business. Such agreements include guarantees and stand-by letters of credit. Refer to Note 15, "Other Commitments and Contingencies," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information about such arrangements.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

Regulatory, Environmental and Safety Matters

Cost Recovery and Trackers

Comparability of our line item operating results is impacted by regulatory trackers that allow for the recovery in rates of certain costs such as those described below. Increases in the expenses that are subject to approved regulatory tracker mechanisms generally lead to increased regulatory assets, which ultimately result in a corresponding increase in operating revenues and, therefore, have essentially no impact on total operating income results. Certain approved regulatory tracker mechanisms allow for abbreviated regulatory proceedings in order for the operating companies to quickly implement revised rates and recover associated costs.

A portion of the Columbia Operations and NIPSCO Operations revenue is related to the recovery of gas costs, the review and recovery of which occurs through standard regulatory proceedings. All states in our operating area require periodic review of actual gas procurement activity to determine prudence and to confirm the recovery of prudently incurred energy commodity costs supplied to customers.

We recognize that energy efficiency reduces emissions, conserves natural resources and saves our customers money. Our gas distribution companies offer programs such as energy efficiency upgrades, home checkups and weatherization services. The increased efficiency of natural gas appliances and improvements in home building codes and standards contributes to a long-term trend of declining average use per customer. While we are looking to expand offerings so the energy efficiency programs can benefit as many customers as possible, our Columbia Operations and NIPSCO Operations have pursued changes in rate design to more effectively match recoveries with costs incurred. Columbia of Ohio has adopted a straight fixed variable rate design for residential customers that closely links the recovery of fixed costs with fixed charges. Columbia of Maryland and Columbia of Virginia have regulatory approval for weather and revenue normalization adjustments for certain customer classes, which adjust monthly revenues that exceed or fall short of approved levels. Columbia of Pennsylvania continues to operate its pilot residential weather normalization adjustment and also has a fixed customer charge. This weather normalization adjustment only adjusts revenues when actual weather compared to normal varies by more than 3%. Columbia of Kentucky incorporates a weather normalization adjustment for certain customer classes and also has a fixed customer charge.

A portion of the NIPSCO Operations revenue is related to the recovery of fuel costs to generate power and the fuel costs related to purchased power. These costs are recovered through a FAC, which is updated quarterly to reflect actual costs incurred to supply electricity to customers.

While increased efficiency of electric appliances and improvements in home building codes and standards has similarly impacted the average use per electric customer in recent years, NIPSCO Operations expects future growth in per customer usage as a result of increasing electric applications. Further growth is anticipated as electric vehicles become more prevalent. These ongoing changes in use of electricity will likely lead to development of innovative rate designs, and NIPSCO Operations will continue efforts to design rates that increase the certainty of recovery of fixed costs.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
NiSource Inc.
Regulatory, Environmental and Safety Matters
Rate Case Actions

The following table describes current rate case actions as applicable in each of our jurisdictions net of tracker impacts:

(in millions)

Company	Approved ROE	Requested Incremental Revenue	Approved Incremental Revenue	Filing Date	Rates Effective
Approved Rate Cases					
Columbia of Pennsylvania ⁽¹⁾	None specified	\$ 82.2	\$ 44.5	March 18, 2022	December 2022
Columbia of Maryland ⁽¹⁾	None specified	\$ 6.5	\$ 3.9	May 12, 2023	December 2023
Columbia of Kentucky ⁽²⁾	9.35 %	\$ 26.7	\$ 18.3	May 28, 2021	January 2022
Columbia of Virginia ⁽³⁾	None specified	\$ 40.5	\$ 25.8	April 29, 2022	October 2022
Columbia of Ohio	9.60 %	\$ 221.4	\$ 68.3	June 30, 2021	March 2023
NIPSCO - Gas ⁽⁴⁾	9.85 %	\$ 109.7	\$ 71.8	September 29, 2021	September 2022
NIPSCO - Electric ⁽⁵⁾	9.80 %	\$ 291.8	\$ 261.9	September 19, 2022	August 2023
Pending Rate Cases					
NIPSCO - Gas ⁽⁶⁾	In process	\$ 161.9	In process	October 25, 2023	September 2024
Columbia of Pennsylvania	In process	\$ 124.1	In process	March 15, 2024	December 2024
Columbia of Virginia ⁽⁷⁾	In process	\$ 37.2	In process	April 29, 2024	October 2024

⁽¹⁾No approved ROE is identified for this matter since the approved revenue increase is the result of a black box settlement under which parties agree upon the amount of increase.

⁽²⁾The approved ROE for natural gas capital riders (e.g., SMRP) is 9.275%.

⁽³⁾Columbia of Virginia's rate case resulted in a black box settlement, representing a settlement to a specific revenue increase but not a specified ROE. The settlement provides use of a 9.70% ROE for future SAVE and filings.

⁽⁴⁾New rates were implemented in 2 steps, with implementation of Step 1 rates in September 2022. The Step 2 rates were filed on February 21, 2023, with rates effective March 2023.

⁽⁵⁾New rates will be implemented in 2 steps, with implementation of Step 1 rates in August 2023 and Step 2 rates effective in March 2024, with service provided in February 2024.

⁽⁶⁾On March 20, 2024, NIPSCO filed a unanimous settlement agreement that, if approved, will result in increased incremental revenue of \$120.9 million. Pending the approval of the settlement agreement, new rates expected to be implemented in 2 steps, with implementation of Step 1 rates to be effective in September 2024 and Step 2 Rates in March 2025.

⁽⁷⁾Rates expected to be effective on an interim basis and subject to refund.

PHMSA Regulations

We are committed to reducing the environmental impact of our business and promoting sustained environmental stewardship. We seek proactive opportunities for improved environmental performance and are committed to complying with environmental laws and regulations. To fulfill our vision of being a trusted energy provider, we follow safety practices recommended by leading industry organizations. These practices help us identify and address potential risks, resulting in improvements to our operational and environmental safety.

PHMSA Legislation and Regulations

Under the Protecting Our Infrastructure of Pipelines and Enhancing Safety (PIPES) Act of 2020, PHMSA has revised, and continues to revise, the pipeline safety regulations to require operators to update, as needed, their existing distribution integrity management plans, emergency response plans, and operation and maintenance plans. PHMSA has also adopted new requirements for managing records and updating, as necessary, existing district regulator stations to eliminate common modes of failure that can lead to over-pressurization.

In May 2023, PHMSA proposed numerous regulatory revisions under the PIPES Act of 2020 to minimize methane emissions and improve public safety. Under these proposed revisions, our subsidiaries would be required to detect and repair an increased number of gas leaks, reduce the time to repair leaks, increase leak survey frequency, and expand our existing advanced leak detection program. We continue to evaluate the proposed rule for additional impacts on our business.

In September 2023, PHMSA proposed additional regulatory revisions under the PIPES Act of 2020 to enhance distribution system safety through equipment and procedural expectations. Operators will be required to incorporate additional protections for low pressure distribution systems that prevent over-pressurization, amend construction procedures designed to minimize the risk of incidents caused by system over-pressurization, and update distribution integrity management programs to cover and prepare for over-pressurization incidents.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

Regulatory, Environmental and Safety Matters

On November 30, 2023, the House Transportation & Infrastructure Committee introduced new pipeline safety reauthorization legislation known as the PIPES Act of 2023 to reauthorize PHMSA's safety programs for the next four years. The proposed legislation includes several priorities for our company, including excavation damage prevention grants to improve states' damage prevention programs, a PHMSA study on blending hydrogen in distribution pipelines, new criminal penalties for intentionally damaging pipeline facilities, and creation of a Voluntary Information Sharing System to allow for industry participants to share learnings and best practices in a protected manner across the pipeline industry.

CCR Regulation

In May 2023, the EPA proposed changes to the CCR regulations for inactive surface impoundments at inactive facilities, referred to as "legacy CCR surface impoundments." The EPA is also proposing to extend a subset of requirements in the CCR regulations to areas not previously subject to the CCR regulations, referred to as CCR management units ("CCRMUs"). In November 2023, the EPA issued a Notice of Data Availability seeking comment on updated lists of legacy impoundments and CCRMUs, as well as a risk assessment for legacy impoundments and CCRMUs. On April 25, 2024 new EPA rules have been issued and we are evaluating the potential impact on our business.

Climate Change Issues

Physical Climate Risks. Increased frequency of severe and extreme weather events associated with climate change could materially impact our facilities, energy sales, and results of operations. We are unable to predict these events. However, we perform ongoing assessments of physical risk, including physical climate risk, to our business. More extreme and volatile temperatures, increased storm intensity and flooding, and more volatile precipitation leading to changes in lake and river levels are among the weather events that are most likely to impact our business. Efforts to mitigate these physical risks continue to be implemented on an ongoing basis.

Transition Climate Risks. We actively engage with and monitor the impact that proposed legislative and regulatory programs related to GHG emissions, at both the federal and state levels, would have on our business.

Regarding federal policies, we continue to monitor the implementation of any final and proposed climate change-related legislation and regulations, including the Infrastructure Investment and Jobs Act ("IIJA"), IRA, EPA's final methane regulations for the oil and natural gas industry, and EPA's proposed Waste Emissions Charge for Petroleum and Natural Gas Systems. We have identified potential opportunities associated with the IIJA and the IRA and are evaluating how they may align with our strategy going forward. The energy-related provisions of the IIJA include new federal funding for power grid infrastructure and resiliency investments, new and existing energy efficiency and weatherization programs, electric vehicle infrastructure for public chargers and additional LIHEAP funding. The IRA contains climate and energy provisions, including funding to decarbonize the electric sector.

The United States is a party to the Paris Agreement, an international treaty through which parties set nationally determined contributions to reduce GHG emissions, build resilience, and adapt to the impacts of climate change. The Biden Administration has set a target for the United States to achieve a 50%-52% GHG reduction from 2005 levels by 2030, which supports the President's goals to create a carbon-free power sector by 2035 and net zero emissions economy no later than 2050. There are many potential pathways to reach these goals.

In December 2023, the U.S. Department of Energy ("DOE") amended the congressionally-mandated efficiency standards for residential home furnaces manufactured after December 2028. We are assessing the potential impacts associated with these new standards.

The DOE has selected two hydrogen hubs in our territories as recipients of funding designated in the IIJA to support the development of regional clean hydrogen hubs. The two hubs are the Midwest Alliance for Clean Hydrogen Hub (MachH2), with potential projects across Illinois, Indiana, Kentucky, Michigan, Missouri, and Wisconsin; and the Appalachian Regional Clean Hydrogen Hub (ARCH2), with potential investments across West Virginia, Ohio, Kentucky, and Pennsylvania. Work is underway to determine what roles our companies may have with these hydrogen hubs.

In May 2023, the EPA released a package of proposed regulatory actions to reduce carbon dioxide emissions from new natural gas-fired electric generating units (EGUs), existing natural gas-fired EGUs, and existing coal-fired EGUs. The EPA finalized the rules on April 25, 2024. We are reviewing the potential impacts of these rules on our business.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)**NiSource Inc.****Regulatory, Environmental and Safety Matters**

We also continue to monitor the implementation of any final and proposed state policy. The Virginia Energy Innovation Act, enacted into law in April 2022, and effective July 1, 2022, allows natural gas utilities to supply alternative forms of gas that meet certain standards and reduce emissions intensity. The Act also provides that the costs of enhanced leak detection and repair may be added to a utility's plan to identify proposed eligible infrastructure replacement projects and related cost recovery mechanisms, known as the SAVE Plan. Furthermore, under the Act, utilities can recover eligible biogas supply infrastructure costs on an ongoing basis. The provisions of these laws may provide opportunities for Columbia of Virginia as it participates in the transition to a lower carbon future.

The Climate Solutions Now Act of 2022 requires Maryland to reduce GHG emissions by 60% by 2031 (from 2006 levels), and it requires the state to reach net zero emissions by 2045. The Maryland Department of the Environment adopted a plan to achieve its 2031 goal and is required to adopt a plan for their 2045 net zero goal by 2030. The Act also enacts a state policy to move to broader electrification of both existing buildings and new construction, and requires the Public Service Commission ("PSC") to complete a study assessing the capacity of gas and electric distribution systems to successfully serve customers under a transition to a highly electrified building sector. The PSC released their report on December 29, 2023, and concluded that high levels of electrification can be handled by Maryland's electric systems through 2031. The Maryland Department of the Environment issued proposed Building Energy Performance Standards (BEPS), which would require net zero direct greenhouse gas emissions from large buildings by 2040 with interim targets. Columbia of Maryland is advocating for compliance pathways that use RNG, hydrogen, and emissions offsets. Separately, the PSC has also initiated a proceeding related to Near-Term, Priority Actions and Comprehensive, Long-Term Planning for Maryland's Gas Companies. Columbia of Maryland will continue to monitor these matters, but we cannot predict their final impact on our business at this time.

NIPSCO Gas, Columbia of Maryland, Columbia of Pennsylvania, Columbia of Virginia and Columbia of Kentucky each filed petitions to implement the Green Path Rider, which is a voluntary rider allowing customers to opt in and offset either 50% or 100% of their natural gas related emissions. To reduce the emissions, the utilities will purchase RNG attributes and carbon offsets to match the usage for customers opting into the program. After reaching settlement with other parties in September 2022, NIPSCO agreed to add a third tier to offset 25% of customer usage. The program was approved by the IURC at NIPSCO in November 2022 with a January 2023 start date. Columbia of Virginia received a final order in May 2023, approving the Green Path Rider and began enrolling customers in September 2023. The petitions filed by Columbia of Maryland, Columbia of Pennsylvania, and Columbia of Kentucky were rejected and have not been implemented as of March 31, 2024. Additionally, NIPSCO Electric has a voluntary Green Power Rider program in place that allows customers to designate a portion or all their monthly electric usage to come from power generated by renewable energy sources.

Net Zero Goal. In November 2022, we announced a goal of net zero greenhouse gas emissions by 2040 covering both Scope 1 and Scope 2 GHG emissions ("Net Zero Goal"). Our Net Zero Goal builds on greenhouse gas emission reductions achieved to-date and demonstrates that continued execution of our long-term business plan will drive further greenhouse gas emission reductions. We remain on track to achieve previously announced interim greenhouse gas emission reduction targets by reducing fugitive methane emissions from main and service lines by 50% from 2005 levels by 2025 and reducing Scope 1 GHG emissions from company-wide operations by 90% from 2005 levels by 2030. We plan to achieve our Net Zero Goal primarily through continuation and enhancement of existing programs, such as retiring and replacing coal-fired electric generation with low- or zero-emission electric generation, ongoing pipe replacement and modernization programs, and deployment of advanced leak-detection technologies. In addition, we plan to advance other low- and zero-emission energy resources and technologies, which may include hydrogen, renewable natural gas, long-duration storage, and/or deployment of carbon capture and utilization technologies, if and when these become technologically and economically feasible. Carbon offsets and renewable energy credits may also be used to support achievement of our Net Zero Goal. As of the end of 2023, we had reduced Scope 1 GHG emissions by approximately 72% from 2005 levels.

Our greenhouse gas emissions projections, including achieving a Net Zero Goal, are subject to various assumptions that involve risks and uncertainties. Achievement of our Net Zero Goal by 2040 will require supportive regulatory and legislative policies, favorable stakeholder environments and advancement of technologies that are not currently economical to deploy. Should such regulatory and legislative policies, stakeholder environments or technologies fail to materialize, our actual results or ability to achieve our Net Zero Goal, including by 2040, may differ materially.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)**NiSource Inc.****Market Risk Disclosures**

Risk is an inherent part of our businesses. The extent to which we properly and effectively identify, assess, monitor and manage each of the various types of risk involved in our businesses is critical to our profitability. We seek to identify, assess, monitor and manage, in accordance with defined policies and procedures, the following principal market risks that are involved in our businesses: commodity price risk, interest rate risk and credit risk. We manage risk through a multi-faceted process with oversight by the Risk Management Committee that requires constant communication, judgment and knowledge of specialized products and markets. Our senior management takes an active role in the risk management process and has developed policies and procedures that require specific administrative and business functions to assist in the identification, assessment and control of various risks. These may include, but are not limited to market, operational, financial, compliance and strategic risk types. In recognition of the increasingly varied and complex nature of the energy business, our risk management process, policies and procedures continue to evolve and are subject to ongoing review and modification.

Commodity Price Risk

Our gas and electric subsidiaries have commodity price risk primarily related to the purchases of natural gas and power. To manage this market risk, our subsidiaries use derivatives, including commodity futures contracts, swaps, forwards and options. We do not participate in speculative energy trading activity.

Commodity price risk resulting from derivative activities at our rate-regulated subsidiaries is limited and does not bear significant exposure to earnings risk, since our current regulatory mechanisms allow recovery of prudently incurred purchased power, fuel and gas costs through the rate-making process, including gains or losses on these derivative instruments. These changes are included in the GCA and FAC regulatory rate-recovery mechanisms. If these mechanisms were to be adjusted or eliminated, these subsidiaries may begin providing services without the benefit of the traditional rate-making process and may be more exposed to commodity price risk. For additional information, see "Results and Discussion of Segment Operations" in this Management's Discussion.

Our subsidiaries are required to make cash margin deposits with their brokers to cover actual and potential losses in the value of outstanding exchange traded derivative contracts. The amount of these deposits, some of which are reflected in our restricted cash balance, may fluctuate significantly during periods of high volatility in the energy commodity markets.

Refer to Note 11, "Risk Management Activities," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for further information on our commodity price risk assets and liabilities as of March 31, 2024 and December 31, 2023.

Interest Rate Risk

We are exposed to interest rate risk as a result of changes in interest rates on borrowings under our revolving credit agreement, commercial paper program, and accounts receivable programs, which have interest rates that are indexed to short-term market interest rates. Based upon average borrowings and debt obligations subject to fluctuations in short-term market interest rates, an increase (or decrease) in short-term interest rates of 100 basis points (1%) would have increased (or decreased) interest expense by \$2.6 million and \$4.5 million for the three months ended March 31, 2024 and 2023, respectively. We are also exposed to interest rate risk as a result of changes in benchmark rates that can influence the interest rates of future long-term debt issuances. From time to time we may enter into forward interest rate instruments to lock in long term interest costs and/ or rates.

Credit Risk

Due to the nature of the industry, credit risk is embedded in many of our business activities. Our extension of credit is governed by a Corporate Credit Risk Policy. In addition, Risk Management Committee guidelines are in place which document management approval levels for credit limits, evaluation of creditworthiness, and credit risk mitigation efforts. Exposures to credit risks are monitored by the risk management function, which is independent of commercial operations. Credit risk arises due to the possibility that a customer, supplier or counterparty will not be able or willing to fulfill its obligations on a transaction on or before the settlement date. For derivative-related contracts, credit risk arises when counterparties are obligated to deliver or purchase defined commodity units of gas or power to us at a future date per execution of contractual terms and conditions. Exposure to credit risk is measured in terms of both current obligations and the market value of forward positions net of any posted collateral such as cash and letters of credit.

We evaluate the financial status of our banking partners through the use of market-based metrics such as credit default swap pricing levels, and also through traditional credit ratings provided by major credit rating agencies.

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

Other Information

Critical Accounting Estimates

A summary of our critical accounting estimates is included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023. There were no material changes made as of March 31, 2024.

Recently Issued Accounting Pronouncements

Refer to Note 2, "Recent Accounting Pronouncements," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information about recently issued and adopted accounting pronouncements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Quantitative and qualitative disclosures about market risk are reported in Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations - Market Risk Disclosures."

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our chief executive officer and our chief financial officer are responsible for evaluating the effectiveness of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)). Our disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed by us in reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure and is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. Based upon that evaluation, our chief executive officer and chief financial officer concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were effective to provide reasonable assurance that financial information was processed, recorded and reported accurately.

Changes in Internal Controls

There have been no changes in our internal control over financial reporting during the most recently completed quarter covered by this report that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II

ITEM 1. LEGAL PROCEEDINGS

For a description of our legal proceedings, see Note 15, "Other Commitments and Contingencies - B. Legal Proceedings," in the Notes to the Condensed Consolidated Financial Statements (unaudited).

ITEM 1A. RISK FACTORS

Please refer to the risk factors set forth in Part I, Item 1A of the Annual Report on Form 10-K for the year ended December 31, 2023. There have been no material changes to such risk factors.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

Director and Officer Trading Arrangements

During the three months ended March 31, 2024, no director or Section 16 officer of the Company adopted, terminated or modified a 'Rule 10b5-1 trading arrangement' or 'non-Rule 10b5-1 trading arrangement,' as each term is defined in Item 408(a) of Regulation S-K.

ITEM 6. EXHIBITS

NiSource Inc.

- (3.1) Certificate of Elimination of the Company with respect to the Series B Preferred Stock and the Series B-1 Preferred Stock, dated March 18, 2024 (incorporated by reference to [Exhibit 3.1 to the NiSource Inc. Form 8-K](#) filed on March 18, 2024).
- (4.1) Form of 5.350% Notes due 2034 (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on March 14, 2024).
- (10.1) Separation Agreement dated March 15, 2024, between NiSource Inc. and Donald Brown (incorporated by reference to [Exhibit 10.1 to the NiSource Inc. Form 8-K](#) filed on March 15, 2024).
- (10.2) Second Amended and Restated Limited Liability Company Agreement of NIPSCO Holdings II LLC, dated January 30, 2024 (incorporated by reference to [Exhibit 10.44 to NiSource Inc. Form 10-K](#) filed on February 21, 2024).
- (10.3) Form of 2024 CEO RSU Award Agreement (incorporated by reference to [Exhibit 10.1 of the NiSource Inc. Form 10-K](#) filed on February 21, 2024).
- (10.4) Form of 2024 CEO PSU Award Agreement (incorporated by reference to [Exhibit 10.2 of the NiSource Inc. Form 10-K](#) filed on February 21, 2024).
- (10.5) Form of RSU Award Agreement (for awards on or after 2024) (incorporated by reference to [Exhibit 10.3 of the NiSource Inc. Form 10-K](#) filed on February 21, 2024).
- (10.6) Form of PSU Award Agreement (for awards on or after 2024) (incorporated by reference to [Exhibit 10.48 of the NiSource Inc. Form 10-K](#) filed on February 21, 2024).
- (31.1) [Certification of Chief Executive Officer pursuant to Rule 13a-14\(a\)/15d-14\(a\), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.](#)*
- (31.2) [Certification of Chief Financial Officer pursuant to Rule 13a-14\(a\)/15d-14\(a\), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.](#)*
- (32.1) [Certification of Chief Executive Officer pursuant to 18. U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 \(furnished herewith\).](#)*
- (32.2) [Certification of Chief Financial Officer pursuant to 18. U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 \(furnished herewith\).](#)*
- (101.INS) Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
- (101.SCH) Inline XBRL Schema Document
- (101.CAL) Inline XBRL Calculation Linkbase Document
- (101.LAB) Inline XBRL Labels Linkbase Document
- (101.PRE) Inline XBRL Presentation Linkbase Document
- (101.DEF) Inline XBRL Definition Linkbase Document
- (104) Cover page Interactive Data File (formatted as inline XBRL, and contained in Exhibit 101.)

* Exhibit filed herewith.

** Schedules and similar attachments to this Exhibit have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company agrees to furnish supplementally a copy of any omitted schedule or exhibit to the U.S. Securities and Exchange Commission (the "SEC") upon request

SIGNATURE

NiSource Inc.

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

NiSource Inc.

(Registrant)

Date: May 8, 2024

By:

/s/ Gunnar J. Gode

Gunnar J. Gode

Vice President, Chief Accounting Officer
(Principal Accounting Officer)

**Certification Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002**

I, Lloyd M. Yates, certify that:

1. I have reviewed this Quarterly Report of NiSource Inc. on Form 10-Q of NiSource Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2024

By:

/s/ Lloyd M. Yates

Lloyd M. Yates
President and Chief Executive Officer

**Certification Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002**

I, Shawn Anderson, certify that:

1. I have reviewed this Quarterly Report of NiSource Inc. on Form 10-Q for the quarter ended March 31, 2024;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2024

By: /s/ Shawn Anderson
Shawn Anderson
Executive Vice President and Chief Financial Officer

**Certification Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of NiSource Inc. (the “Company”) on Form 10-Q for the year ending March 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Lloyd M. Yates, Chief Executive Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Lloyd M. Yates

Lloyd M. Yates

President and Chief Executive Officer

Date: May 8, 2024

**Certification Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of NiSource Inc. (the “Company”) on Form 10-Q for the quarter ending March 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Shawn Anderson, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Shawn Anderson

Shawn Anderson
Executive Vice President and Chief Financial Officer

Date: May 8, 2024

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2024

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 001-16189

NiSource Inc.

(Exact name of registrant as specified in its charter)

DE

(State or other jurisdiction of
incorporation or organization)

801 East 86th Avenue
Merrillville, IN

(Address of principal executive offices)

35-2108964

(I.R.S. Employer
Identification No.)

46410

(Zip Code)

(877) 647-5990

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

	Title of Each Class	Trading	Name of Each Exchange on Which
		Symbol(s)	Registered
Common Stock, par value \$0.01 per share		NI	NYSE

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files.)

Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Emerging growth company ☐ Non-accelerated filer ☐ Smaller reporting company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: Common Stock, \$0.01 Par Value: 448,509,837 shares outstanding at July 31, 2024.

NISOURCE INC.
FORM 10-Q QUARTERLY REPORT
FOR THE QUARTER ENDED JUNE 30, 2024

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DEFINED TERMS

The following is a list of frequently used abbreviations or acronyms that are found in this report:

NiSource Subsidiaries and Affiliates (not exhaustive)

Columbia of Kentucky	Columbia Gas of Kentucky, Inc.
Columbia of Maryland	Columbia Gas of Maryland, Inc.
Columbia of Ohio	Columbia Gas of Ohio, Inc.
Columbia of Pennsylvania	Columbia Gas of Pennsylvania, Inc.
Columbia of Virginia	Columbia Gas of Virginia, Inc.
NIPSCO	Northern Indiana Public Service Company LLC
NIPSCO Holdings I	NIPSCO Holdings I LLC
NIPSCO Holdings II	NIPSCO Holdings II LLC
NiSource ("we," "us" or "our")	NiSource Inc.
Rosewater	Rosewater Wind Generation LLC and its wholly owned subsidiary, Rosewater Wind Farm LLC
Indiana Crossroads Wind	Indiana Crossroads Wind Generation LLC and its wholly owned subsidiary, Indiana Crossroads Wind Farm LLC
Indiana Crossroads Solar	Indiana Crossroads Solar Generation LLC and its wholly owned subsidiary, Meadow Lake Solar Park LLC
Dunns Bridge I	Dunn's Bridge I Solar Generation LLC and its wholly owned subsidiary, Dunns Bridge Solar Center, LLC
Dunns Bridge II	Dunn's Bridge II Solar Generation LLC
Gibson	Gibson Solar Generation LLC
Fairbanks	Fairbanks Solar Generation LLC
Cavalry	Cavalry Solar Generation LLC

Abbreviations and Other

AFUDC	Allowance for funds used during construction
AOI	Accumulated Other Comprehensive Income (Loss)
ASC	Accounting Standards Codification
ASU	Accounting Standards Update
ATM	At-the-market
BIP	BIP Blue Buyer L.L.C
BIP Blue Buyer VCOC L.L.C	BIP Blue Buyer VCOC L.L.C., a Delaware limited liability company and also an affiliate of Blackstone
Blackstone	Blackstone Infrastructure Partners L.P
BTA	Build-transfer agreement
CCRs	Coal Combustion Residuals
CEP	Ohio Capital Expenditure Program
CERCLA	Comprehensive Environmental Response Compensation and Liability Act (also known as Superfund)
CODM	Chief Operating Decision Maker
Columbia Operations	Reportable segment comprised of the results of NiSource Gas Distribution company, including all of its Columbia Gas distribution companies and related subsidiaries
Corporate Units	Series A Corporate Units
DSIC	Distribution System Improvement Charge
DSM	Demand Side Management
EPA	United States Environmental Protection Agency

	<u>DEFINED TERMS</u>
EPS	Earnings per share
Equity Units	Series A Equity Units
FAC	Fuel adjustment clause
FASB	Financial Accounting Standards Board
FMCA	Indiana Federally Mandated Cost Adjustment mechanism
GAAP	Generally Accepted Accounting Principles
GCA	Gas cost adjustment
GHG	Greenhouse gases
GWh	Gigawatt hours
IRA	Inflation Reduction Act of 2022
IRP	Ohio Infrastructure Replacement Program
IURC	Indiana Utility Regulatory Commission
JV	Joint Venture
LIFO	Last In, First Out
LIHEAP	Low Income Heating Energy Assistance Program
MGP	Manufactured Gas Plant
MISO	Midcontinent Independent System Operator
MMDth	Million dekatherms
MW	Megawatts
MWh	Megawatt hours
NIPSCO Electric	The electric generation and transmission activities of the NIPSCO Operations reportable segment
NIPSCO Gas	The gas distribution activities of the NIPSCO Operations reportable segment
NIPSCO Minority Interest Transaction	A transaction between NiSource, NIPSCO Holdings II (sole owner of NIPSCO) and an affiliate of Blackstone pursuant to a purchase and sale agreement entered into on June 17, 2023, that offered equity interests in NIPSCO Holdings II in exchange for capital contributions by the parties.
NIPSCO Operations	Reportable segment comprised of the results of NIPSCO Holdings I, NIPSCO Holdings II, and NIPSCO and all related subsidiaries
NYMEX	New York Mercantile Exchange
OPEB	Other Postemployment Benefits
PHMSA	Pipeline and Hazardous Materials Safety Administration
PPA	Power Purchase Agreement
RNG	Renewable Natural Gas
SAVE	Steps to Advance Virginia's Energy Plan
Scope 1 GHG Emissions	Direct emissions from sources owned or controlled by us (e.g., emissions from our combustion of fuel, vehicles, and process emissions and fugitive emissions)
Scope 2 GHG Emissions	Indirect emissions from sources owned or controlled by us
SEC	Securities and Exchange Commission
SMRP	Kentucky Safety Modification and Replacement Program
SMS	Safety Management System
TCJA	An Act to provide for reconciliation pursuant to titles II and V of the concurrent resolution on the budget for fiscal year 2018 (commonly known as the Tax Cuts and Jobs Act of 2017)
TDSIC	Indiana Transmission, Distribution and Storage System Improvement Charge

VIE
WAM

DEFINED TERMS

Variable Interest Entity
Work and Asset Management enterprise resourcing system

Note regarding forward-looking statements

This Quarterly Report on Form 10-Q 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"). Forward-looking statements in this Quarterly Report on Form 10-Q 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 Quarterly Report on Form 10-Q 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 work successfully with our third-party investors;
- our ability to adapt to, and manage costs related to, advances in technology, including alternative energy sources and changes in laws and regulations;
- our increased dependency on 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 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 demand;
- our ability to attract, retain or re-skill a qualified, diverse workforce and maintain good labor relations;
- our ability to manage new initiatives and organizational changes;
- the actions of activist stockholders;
- the performance and quality of third-party suppliers and service providers;
- potential cybersecurity attacks or security breaches;
- increased requirements and costs related to cybersecurity;
- any damage to our reputation;
- the impacts of natural disasters, potential terrorist attacks or other catastrophic events;
- the physical impacts of climate change and the transition to a lower carbon future;
- our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals, including our Net Zero Goal (as defined below);
- our debt obligations;
- any changes to our credit rating or the credit rating of certain of our subsidiaries;
- adverse economic and capital market conditions, including increases in inflation or interest rates, recession, or changes in investor sentiment;
- economic regulation and the impact of regulatory rate reviews;
- our ability to obtain expected financial or regulatory outcomes;
- 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;
- the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation;
- compliance with changes in, or new interpretations of applicable laws, regulations and tariffs;
- the cost of compliance with environmental laws and regulations and the costs of associated liabilities;
- changes in tax laws or the interpretation thereof;
- and other matters set forth in Item 1, "Business," Item 1A, "Risk Factors" section of our Annual Report on Form 10-K for the fiscal year ended December 31, 2023, and Part I, Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations," of this report, some 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.

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PART I

ITEM 1. FINANCIAL STATEMENTS

NiSource Inc.

Condensed Statements of Consolidated Income (unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
<i>(in millions, except per share amounts)</i>	2024	2023	2024	2023
Operating Revenues				
Customer revenues	\$ 1,054.1	\$ 1,067.2	\$ 2,697.1	\$ 2,963.3
Other revenues	30.6	22.8	93.9	92.7
Total Operating Revenues	1,084.7	1,090.0	2,791.0	3,056.0
Operating Expenses				
Cost of energy	164.7	251.9	589.7	1,017.0
Operation and maintenance	357.7	369.5	736.1	760.7
Depreciation and amortization	253.5	233.1	495.6	440.0
Loss on impairment of assets	2.9	—	2.9	—
Loss (gain) on sale of assets, net	1.6	(0.3)	1.6	(0.3)
Other taxes	67.3	66.9	144.7	138.7
Total Operating Expenses	847.7	921.1	1,970.6	2,356.1
Operating Income	237.0	168.9	820.4	699.9
Other Income (Deductions)				
Interest expense, net	(129.3)	(110.5)	(245.6)	(219.4)
Other, net	13.0	2.0	22.2	3.5
Total Other Deductions, Net	(116.3)	(108.5)	(223.4)	(215.9)
Income before Income Taxes	120.7	60.4	597.0	484.0
Income Taxes	17.6	14.1	93.6	99.9
Net Income	103.1	46.3	503.4	384.1
Net income (loss) attributable to noncontrolling interest	17.3	(12.5)	52.6	(7.7)
Net Income Attributable to NiSource	85.8	58.8	450.8	391.8
Preferred dividends	—	(12.7)	(6.7)	(26.5)
Preferred redemption premium	—	(6.2)	(14.0)	(6.2)
Net Income Available to Common Shareholders	\$ 85.8	\$ 39.9	\$ 430.1	\$ 359.1
Earnings Per Share				
Basic Earnings Per Share	\$ 0.19	\$ 0.10	\$ 0.96	\$ 0.87
Diluted Earnings Per Share	\$ 0.19	\$ 0.09	\$ 0.95	\$ 0.80
Basic Average Common Shares Outstanding	448.5	413.3	448.2	413.1
Diluted Average Common Shares	450.2	446.8	449.8	446.9

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Condensed Statements of Consolidated Comprehensive Income (unaudited)

<i>(in millions, net of taxes)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net Income	\$ 103.1	\$ 46.3	\$ 503.4	\$ 384.1
Other comprehensive income:				
Net unrealized gain (loss) on available-for-sale debt securities ⁽¹⁾	—	(1.2)	(0.3)	0.8
Reclassification adjustment for cash flow hedges ⁽²⁾	(0.1)	(0.2)	(0.2)	(0.1)
Unrecognized pension and OPEB benefit ⁽³⁾	0.3	0.3	0.5	0.6
Total other comprehensive income (loss)	0.2	(1.1)	—	1.3
Comprehensive Income	\$ 103.3	\$ 45.2	\$ 503.4	\$ 385.4

⁽¹⁾Net unrealized gain (loss) on available-for-sale debt securities, net of \$0.0 million tax expense and \$0.3 million tax benefit in the second quarter of 2024 and 2023, respectively, and \$0.1 million of tax benefit and \$0.2 million tax expense for the six months ended 2024 and 2023, respectively.

⁽²⁾Reclassification adjustment for cash flow hedges, net of \$0.0 million tax benefit and \$0.0 million tax expense in the second quarter of 2024 and 2023, respectively, and \$0.0 million of tax benefit and \$0.1 million tax benefit for the six months ended 2024 and 2023, respectively.

⁽³⁾Unrecognized pension and OPEB benefit, net of \$0.1 million of tax expense and \$0.1 million tax expense in the second quarter of 2024 and 2023, respectively, and \$0.2 million of tax expense and \$0.2 million tax expense for the six months ended 2024 and 2023, respectively.

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)
**NiSource Inc.
Condensed Consolidated Balance Sheets (unaudited)**

<i>(in millions)</i>	June 30, 2024	December 31, 2023
ASSETS		
Property, Plant and Equipment		
Plant	\$ 32,031.1	\$ 30,482.1
Accumulated depreciation and amortization	(8,418.5)	(8,207.2)
Net Property, Plant and Equipment ⁽¹⁾	23,612.6	22,274.9
Investments and Other Assets		
Unconsolidated affiliates	5.4	5.3
Available-for-sale debt securities (amortized cost of \$155.5 and \$169.0, allowance for credit losses of \$0.3 and \$0.6, respectively)	145.5	159.1
Other investments	84.9	82.7
Total Investments and Other Assets	235.8	247.1
Current Assets		
Cash and cash equivalents	101.2	2,245.4
Restricted cash	34.7	35.7
Accounts receivable	650.2	884.9
Allowance for credit losses	(26.2)	(22.9)
Accounts receivable, net	624.0	862.0
Gas storage	133.1	265.8
Materials and supplies, at average cost	180.8	172.1
Electric production fuel, at average cost	59.3	65.3
Exchange gas receivable	13.0	66.0
Regulatory assets	278.4	214.3
Deposits to renewable generation asset developer	381.1	454.2
Prepayments and other	138.2	118.6
Total Current Assets ⁽¹⁾	1,943.8	4,499.4
Other Assets		
Regulatory assets	2,221.7	2,245.9
Goodwill	1,485.9	1,485.9
Deferred charges and other	397.8	324.0
Total Other Assets	4,105.4	4,055.8
Total Assets	\$ 29,897.6	\$ 31,077.2

⁽¹⁾Includes \$1,346.8 million and \$1,369.8 million at June 30, 2024 and December 31, 2023, respectively, of net property, plant and equipment assets and \$62.8 million and \$63.6 million at June 30, 2024 and December 31, 2023, respectively, of current assets of consolidated VIEs that may be used only to settle obligations of the consolidated VIEs. Refer to Note 4, "Noncontrolling Interests," for additional information.

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Condensed Consolidated Balance Sheets (unaudited) (continued)

<i>(in millions, except share amounts)</i>	June 30, 2024	December 31, 2023
CAPITALIZATION AND LIABILITIES		
Capitalization		
Stockholders' Equity		
Common stock - \$0.01 par value, 750,000,000 shares authorized; 448,398,632 and 447,381,671 shares outstanding, respectively	\$ 4.5	\$ 4.5
Preferred stock - \$0.01 par value, 20,000,000 shares authorized; 0 and 40,000 shares outstanding, respectively	—	486.1
Treasury stock	(99.9)	(99.9)
Additional paid-in capital	8,894.2	8,879.5
Retained deficit	(896.2)	(967.0)
Accumulated other comprehensive loss	(33.6)	(33.6)
Total NiSource Stockholders' Equity	7,869.0	8,269.6
Noncontrolling interest in consolidated subsidiaries	1,950.6	1,866.7
Total Stockholders' Equity	9,819.6	10,136.3
Long-term debt, excluding amounts due within one year	12,809.6	11,055.5
Total Capitalization	22,629.2	21,191.8
Current Liabilities		
Current portion of long-term debt	23.4	23.8
Short-term borrowings	644.0	3,048.6
Accounts payable	584.0	749.4
Dividends payable - common stock	120.0	—
Customer deposits and credits	187.7	294.4
Taxes accrued	163.7	166.2
Interest accrued	146.4	136.1
Exchange gas payable	34.7	50.5
Regulatory liabilities	193.4	278.6
Asset retirement obligations	69.6	72.5
Accrued compensation and employee benefits	174.0	227.6
Other accruals	167.1	217.4
Total Current Liabilities ⁽¹⁾	2,508.0	5,265.1
Other Liabilities		
Deferred income taxes	2,198.2	2,080.4
Accrued liability for postretirement and postemployment benefits	241.8	250.1
Regulatory liabilities	1,456.5	1,510.7
Asset retirement obligations	555.6	480.5
Other noncurrent liabilities and deferred credits	308.3	298.6
Total Other Liabilities ⁽¹⁾	4,760.4	4,620.3
Commitments and Contingencies (Refer to Note 16, "Other Commitments and Contingencies")		
Total Capitalization and Liabilities	\$ 29,897.6	\$ 31,077.2

⁽¹⁾Includes \$55.3 million and \$68.3 million at June 30, 2024 and December 31, 2023, respectively, of current liabilities and \$57.0 million and \$55.7 million at June 30, 2024 and December 31, 2023, respectively, of other liabilities of consolidated VIEs that creditors do not have recourse to our general credit. Refer to Note 4, "Noncontrolling Interests," for additional information.

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)
NiSource Inc.
Condensed Statements of Consolidated Cash Flows (unaudited)

Six Months Ended June 30, (in millions)	2024	2023
Operating Activities		
Net Income	\$ 503.4	\$ 384.1
Adjustments to Reconcile Net Income to Net Cash from Operating Activities:		
Depreciation and amortization	495.6	440.0
Deferred income taxes and investment tax credits	85.1	93.0
Loss (Gain) on sale of assets	1.6	(0.3)
Payments for asset retirement obligations	(35.0)	(15.0)
Other adjustments	2.5	6.6
Changes in Assets and Liabilities:		
Components of working capital	(116.2)	300.6
Regulatory assets/liabilities	(5.9)	12.6
Deferred charges and other noncurrent assets	(32.7)	(18.4)
Other noncurrent liabilities and deferred credits	3.3	(12.2)
Net Cash Flows from Operating Activities	901.7	1,191.0
Investing Activities		
Capital expenditures	(1,219.3)	(1,161.9)
Milestone payments to renewable generation asset developer	(320.8)	(137.4)
Other investing activities	(53.9)	(76.3)
Net Cash Flows used for Investing Activities	(1,594.0)	(1,375.6)
Financing Activities		
Proceeds from issuance of long-term debt	1,734.5	1,488.7
Repayments of finance lease obligations	(13.5)	(16.1)
Repayment of short term credit agreements	(1,650.0)	—
Net change in commercial paper and other short-term borrowings	(754.6)	(172.2)
Issuance of common stock, net of issuance costs	5.6	6.3
Redemption of preferred stock	(486.1)	(393.9)
Preferred stock redemption premium	(14.0)	(6.2)
Equity costs, premiums and other debt related costs	(60.0)	(16.7)
Contributions from NIPSCO minority interest holders	59.7	—
Contributions from equity tax partners	—	35.0
Distributions to tax equity partners	(8.2)	(10.0)
Distribution to NIPSCO minority interest holders	(20.2)	—
Dividends paid - common stock	(237.9)	(206.6)
Dividends paid - preferred stock	(8.2)	(27.6)
Contract liability payment	—	(33.2)
Payment of obligation to renewable generation asset developer	—	(347.2)
Net Cash Flows from Financing Activities	(1,452.9)	300.3
Change in cash, cash equivalents and restricted cash	(2,145.2)	115.7
Cash, cash equivalents and restricted cash at beginning of period	2,281.1	75.4
Cash, Cash Equivalents and Restricted Cash at End of Period	\$ 135.9	\$ 191.1

Reconciliation to Balance Sheet

Six Months Ended June 30, (in millions)	2024
Cash and cash equivalents	101.2
Restricted Cash	34.7
Total Cash, Cash Equivalents and Restricted Cash	135.9

ITEM 1. FINANCIAL STATEMENTS (continued)

Supplemental Disclosures of Cash Flow Information

Six Months Ended June 30, (in millions)	2024	2023
Non-cash transactions:		
Capital expenditures included in current liabilities	\$ 283.6	\$ 410.2
Dividends declared but not paid	120.0	111.6
Purchase contract liability	—	32.6

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Condensed Statements of Consolidated Equity (unaudited)

<i>(in millions)</i>	Common Stock	Preferred Stock	Treasury Stock	Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest in Consolidated Subsidiaries	Total
Balance as of April 1, 2024	\$ 4.5	\$ —	\$ (99.9)	\$ 8,886.8	\$ (861.7)	\$ (33.8)	\$ 1,899.0	\$ 9,794.9
Comprehensive Income:								
Net income	—	—	—	—	85.8	—	17.3	103.1
Other comprehensive loss, net of tax	—	—	—	—	—	0.2	—	0.2
Dividends:								
Common stock (\$0.27 per share)	—	—	—	—	(120.3)	—	—	(120.3)
Noncontrolling Interests:								
Contributions from noncontrolling interests	—	—	—	—	—	—	59.7	59.7
Distributions to noncontrolling interests	—	—	—	—	—	—	(25.4)	(25.4)
Stock issuances:								
Employee stock purchase plan	—	—	—	1.6	—	—	—	1.6
Long-term incentive plan	—	—	—	3.6	—	—	—	3.6
401(k) and profit sharing	—	—	—	2.2	—	—	—	2.2
Balance as of June 30, 2024	\$ 4.5	\$ —	\$ (99.9)	\$ 8,894.2	\$ (896.2)	\$ (33.6)	\$ 1,950.6	\$ 9,819.6

<i>(in millions)</i>	Common Stock	Preferred Stock	Treasury Stock	Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest in Consolidated Subsidiaries	Total
Balance as of January 1, 2024	\$ 4.5	\$ 486.1	\$ (99.9)	\$ 8,879.5	\$ (967.0)	\$ (33.6)	\$ 1,866.7	\$ 10,136.3
Comprehensive Income:								
Net income	—	—	—	—	450.8	—	52.6	503.4
Dividends:								
Common stock (\$0.80 per share)	—	—	—	—	(357.9)	—	—	(357.9)
Preferred stock (See Note 6)	—	—	—	—	(8.1)	—	—	(8.1)
Noncontrolling Interests:								
Contributions from noncontrolling interests	—	—	—	—	—	—	59.7	59.7
Distributions to noncontrolling interests	—	—	—	—	—	—	(28.4)	(28.4)
Stock issuances (redemptions):								
Series B and B-1 Preferred Stock Redemption	—	(486.1)	—	—	—	—	—	(486.1)
Series B and B-1 Preferred stock redemption premium	—	—	—	—	(14.0)	—	—	(14.0)
Employee stock purchase plan	—	—	—	3.0	—	—	—	3.0
Long-term incentive plan	—	—	—	6.9	—	—	—	6.9
401(k) and profit sharing	—	—	—	4.8	—	—	—	4.8
Balance as of June 30, 2024	\$ 4.5	\$ —	\$ (99.9)	\$ 8,894.2	\$ (896.2)	\$ (33.6)	\$ 1,950.6	\$ 9,819.6

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ITEM 1. FINANCIAL STATEMENTS (continued)

<i>(in millions)</i>	Common Stock	Preferred Stock	Treasury Stock	Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest in Consolidated Subsidiaries	Total
Balance as of April 1, 2023	\$ 4.2	\$ 1,546.5	\$ (99.9)	\$ 7,372.9	\$ (1,114.8)	\$ (34.7)	\$ 329.5	\$ 8,003.7
Comprehensive Income:								
Net income (loss)	—	—	—	—	58.8	—	(12.5)	46.3
Other comprehensive income, net of tax	—	—	—	—	—	(1.1)	—	(1.1)
Dividends:								
Common stock (\$0.25 per share)	—	—	—	—	(103.4)	—	—	(103.4)
Preferred stock (See Note 6)	—	—	—	—	(8.2)	—	—	(8.2)
Noncontrolling Interests:								
Contributions from noncontrolling interests ⁽¹⁾	—	—	—	—	—	—	28.7	28.7
Distributions to noncontrolling interest	—	—	—	—	—	—	(4.7)	(4.7)
Stock issuances (redemptions):								
Series A Preferred stock redemption	—	(393.9)	—	—	—	—	—	(393.9)
Series A Preferred stock redemption premium	—	—	—	—	(6.2)	—	—	(6.2)
Employee stock purchase plan	—	—	—	1.5	—	—	—	1.5
Long-term incentive plan	—	—	—	6.2	—	—	—	6.2
401(k) and profit sharing	—	—	—	2.5	—	—	—	2.5
Balance as of June 30, 2023	\$ 4.2	\$ 1,152.6	\$ (99.9)	\$ 7,383.1	\$ (1,173.8)	\$ (35.8)	\$ 341.0	\$ 7,571.4

⁽¹⁾ Contributions from noncontrolling interest is net of transaction costs.

<i>(in millions)</i>	Common Stock	Preferred Stock	Treasury Stock	Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest in Consolidated Subsidiaries	Total
Balance as of January 1, 2023	\$ 4.2	\$ 1,546.5	\$ (99.9)	\$ 7,375.3	\$ (1,213.6)	\$ (37.1)	\$ 326.4	\$ 7,901.8
Comprehensive Income:								
Net income (loss)	—	—	—	—	391.8	—	(7.7)	384.1
Other comprehensive income, net of tax	—	—	—	—	—	1.3	—	1.3
Dividends:								
Common stock (\$0.75 per share)	—	—	—	—	(310.1)	—	—	(310.1)
Preferred stock (See Note 6)	—	—	—	—	(35.7)	—	—	(35.7)
Noncontrolling Interests:								
Contributions from noncontrolling interests ⁽¹⁾	—	—	—	—	—	—	32.3	32.3
Distributions to noncontrolling interest	—	—	—	—	—	—	(10.0)	(10.0)
Stock issuances:								
Series A Preferred stock redemption	—	(393.9)	—	—	—	—	—	(393.9)
Series A Preferred stock redemption premium	—	—	—	—	(6.2)	—	—	(6.2)
Employee stock purchase plan	—	—	—	2.8	—	—	—	2.8
Long-term incentive plan	—	—	—	(0.1)	—	—	—	(0.1)
401(k) and profit sharing	—	—	—	5.1	—	—	—	5.1
Balance as of June 30, 2023	\$ 4.2	\$ 1,152.6	\$ (99.9)	\$ 7,383.1	\$ (1,173.8)	\$ (35.8)	\$ 341.0	\$ 7,571.4

⁽¹⁾ Contributions from noncontrolling interest is net of transaction costs.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Condensed Statements of Consolidated Equity (unaudited) (continued)

Shares (in thousands)	Preferred	Common		
	Shares	Shares	Treasury	Outstanding
Balance as of April 1, 2024	—	452,161	(3,963)	448,198
Issued:				
Employee stock purchase plan	—	58	—	58
Long-term incentive plan	—	66	—	66
401(k) and profit sharing	—	77	—	77
Balance as of June 30, 2024	—	452,362	(3,963)	448,399

Shares (in thousands)	Preferred	Common		
	Shares	Shares	Treasury	Outstanding
Balance as of January 1, 2024	40	451,345	(3,963)	447,382
Issued:				
Employee stock purchase plan	—	111	—	111
Long-term incentive plan	—	729	—	729
401(k) and profit sharing	—	177	—	177
Redeemed:				
Series B and B-1 Preferred Stock	(40)	—	—	—
Balance as of June 30, 2024	—	452,362	(3,963)	448,399

Shares (in thousands)	Preferred	Common		
	Shares	Shares	Treasury	Outstanding
Balance as of April 1, 2023	1,303	416,946	(3,963)	412,983
Issued:				
Employee stock purchase plan	—	53	—	53
Long-term incentive plan	—	26	—	26
401(k) and profit sharing	—	87	—	87
Redeemed:				
Series A Preferred Stock	(400)	—	—	—
Balance as of June 30, 2023	903	417,112	(3,963)	413,149

Shares (in thousands)	Preferred	Common		
	Shares	Shares	Treasury	Outstanding
Balance as of January 1, 2023	1,303	416,106	(3,963)	412,143
Issued:				
Employee stock purchase plan	—	101	—	101
Long-term incentive plan	—	721	—	721
401(k) and profit sharing	—	184	—	184
Redeemed:				
Series A Preferred Stock	(400)	—	—	—
Balance as of June 30, 2023	903	417,112	(3,963)	413,149

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)****1. Basis of Accounting Presentation**

Our accompanying Condensed Consolidated Financial Statements (unaudited) reflect all normal recurring adjustments that are necessary, in the opinion of management, to present fairly the results of operations in accordance with GAAP in the United States of America. The accompanying financial statements include the accounts of us, our majority-owned subsidiaries, and VIEs of which we are the primary beneficiary after the elimination of all intercompany accounts and transactions.

The accompanying financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023. Income for interim periods may not be indicative of results for the calendar year due to weather variations and other factors.

The Condensed Consolidated Financial Statements (unaudited) have been prepared pursuant to the rules and regulations of the SEC. Certain information and note disclosures normally included in annual financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to those rules and regulations, although we believe that the disclosures made in this Quarterly Report on Form 10-Q are adequate to make the information herein not misleading.

2. Recent Accounting Pronouncements**Recently Issued Accounting Pronouncements**

In November 2023, the FASB issued ASU 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures. This pronouncement enhances annual and interim disclosure requirements over reportable segments, primarily through enhanced disclosures about significant segment expenses that are regularly provided to or easily computed from information regularly provided to the chief operating decision maker ("CODM") and included within each reported measure of segment profit or loss. The pronouncement also allows for more than one measure of segment profit if the CODM uses more than one measure in assessing segment performance. The pronouncement is effective for annual periods beginning after December 15, 2023 and interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted. We will implement and provide the required disclosures beginning in the 2024 Annual Report on Form 10-K.

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures. This pronouncement enhances required income tax disclosures. The pronouncement will require disclosure of specific categories and reconciling items included in the rate reconciliation, disaggregation between federal, state and local income taxes paid, and disclosure of income taxes paid by jurisdictions over a certain threshold. Additionally, the pronouncement eliminates certain required disclosures related to unrecognized tax benefits. This ASU is effective for annual periods beginning after December 15, 2024, with early adoption permitted, and is to be applied on a prospective basis with retrospective application permitted. We will implement and provide the required disclosures beginning in 2025.

3. Revenue Recognition

Revenue Disaggregation and Reconciliation. We disaggregate revenue from contracts with customers based upon reportable segment, as well as by customer class. As of January 1, 2024, we have changed our reportable segments from Gas Distribution Operations and Electric Operations to Columbia Operations and NIPSCO Operations. Our historical segment disclosures have been recast to be consistent with the current presentation. For additional information see Note 18, "Business Segment Information."

The Columbia Operations segment provides regulated natural gas service and transportation for residential, commercial and industrial customers in Ohio, Pennsylvania, Virginia, Kentucky, and Maryland. The NIPSCO Operations segment provides regulated gas and electric service in the northern part of Indiana.

The tables below reconcile revenue disaggregation by customer class to segment revenue, as well as to revenues reflected on the Condensed Statements of Consolidated Income (unaudited):

ITEM 1. FINANCIAL STATEMENTS (continued)
NiSource Inc.
Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Three months ended June 30, 2024
(in millions)

	Columbia Operations	NIPSCO Operations	Corporate and Other	Total
Gas Distribution				
Residential	\$ 332.3	\$ 78.6	\$ —	\$ 410.9
Commercial	96.9	30.7	—	127.6
Industrial	33.0	16.1	—	49.1
Off-system	10.6	—	—	10.6
Wholesale	0.2	—	—	0.2
Miscellaneous ⁽¹⁾	4.3	2.6	—	6.9
Subtotal	\$ 477.3	\$ 128.0	\$ —	\$ 605.3
Electric Generation and Power Delivery				
Residential	\$ —	\$ 156.9	\$ —	\$ 156.9
Commercial	—	154.4	—	154.4
Industrial	—	119.7	—	119.7
Wholesale	—	11.2	—	11.2
Public Authority	—	1.9	—	1.9
Miscellaneous ⁽¹⁾	—	4.7	—	4.7
Subtotal	\$ —	\$ 448.8	\$ —	\$ 448.8
Total Customer Revenues⁽²⁾	477.3	576.8	—	1,054.1
Other Revenues⁽³⁾	10.1	20.4	0.1	30.6
Total Operating Revenues	\$ 487.4	\$ 597.2	\$ 0.1	\$ 1,084.7

⁽¹⁾Amounts included in Columbia Operations are primarily related to earnings share mechanisms and late fees. Amounts included in NIPSCO Operations are primarily related to revenue refunds, public repairs and property rentals. ⁽²⁾Customer revenue amounts exclude intersegment revenues. See Note 18, "Business Segment Information," for discussion of intersegment revenues.

⁽³⁾Amounts included in Columbia Operations primarily relate to weather normalization adjustment mechanisms. Amounts included in NIPSCO Operations primarily relate to MISO multi-value projects and revenue from non-jurisdictional transmission assets.

Three months ended June 30, 2023
(in millions)

	Columbia Operations	NIPSCO Operations	Corporate and Other	Total
Gas Distribution				
Residential	\$ 344.7	\$ 105.9	\$ —	\$ 450.6
Commercial	109.0	43.1	—	152.1
Industrial	32.3	18.8	—	51.1
Off-system	22.9	—	—	22.9
Wholesale	0.4	—	—	0.4
Miscellaneous ⁽¹⁾	8.1	3.2	—	11.3
Subtotal	\$ 517.4	\$ 171.0	\$ —	\$ 688.4
Electric Generation and Power Delivery				
Residential	\$ —	\$ 122.8	\$ —	\$ 122.8
Commercial	—	130.1	—	130.1
Industrial	—	112.6	—	112.6
Wholesale	—	7.7	—	7.7
Public Authority	—	1.7	—	1.7
Miscellaneous ⁽¹⁾	—	3.9	—	3.9
Subtotal	\$ —	\$ 378.8	\$ —	\$ 378.8
Total Customer Revenues⁽²⁾	517.4	549.8	—	1,067.2
Other Revenues⁽³⁾	4.2	18.4	0.2	22.8
Total Operating Revenues	\$ 521.6	\$ 568.2	\$ 0.2	\$ 1,090.0

⁽¹⁾Amounts included in Columbia Operations are primarily related to earnings share mechanisms and late fees. Amounts included in NIPSCO Operations, are primarily related to revenue refunds, public repairs and property rentals. ⁽²⁾Customer revenue amounts exclude intersegment revenues. See Note 18, "Business Segment Information," for discussion of intersegment revenues.

⁽³⁾Amounts included in Columbia Operations are primarily relate to weather normalization adjustment mechanisms. Amounts included in NIPSCO Operations primarily relate to MISO multi-value projects and revenue from non-jurisdictional transmission assets.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Customer Accounts Receivable. Accounts receivable on our Condensed Consolidated Balance Sheets (unaudited) includes both billed and unbilled amounts, as well as certain amounts that are not related to customer revenues. Unbilled amounts of accounts receivable relate to a portion of a customer's consumption of gas or electricity from the date of the last cycle billing through the last day of the month (balance sheet date). Factors taken into consideration when estimating unbilled revenue include historical usage, customer rates, and weather. A significant portion of our operations are subject to seasonal fluctuations in sales. During the heating season, primarily from November through March, revenues and receivables from gas sales are more significant than in other months. The opening and closing balances of customer receivables for the six months ended June 30, 2024 are presented in the table below. We had no significant contract assets or liabilities during the period. Additionally, we have not incurred any significant costs to obtain or fulfill contracts.

<i>(in millions)</i>	Customer Accounts Receivable, Billed (less reserve)	Customer Accounts Receivable, Unbilled (less reserve)
Balance as of December 31, 2023	\$ 479.4	\$ 337.6
Balance as of June 30, 2024	381.7	208.7

Utility revenues are billed to customers monthly on a cycle basis. We expect that substantially all customer accounts receivable will be collected following customer billing, as this revenue consists primarily of periodic, tariff-based billings for service and usage. We maintain common utility credit risk mitigation practices, including requiring deposits and actively pursuing collection of past due amounts. Our regulated operations also utilize certain regulatory mechanisms that facilitate recovery of bad debt costs within tariff-based rates, which provides further evidence of collectibility. It is probable that substantially all of the consideration to which we are entitled from customers will be collected upon satisfaction of performance obligations.

Allowance for Credit Losses. To evaluate for expected credit losses, customer account receivables are pooled based on similar risk characteristics, such as customer type, geography, payment terms, and related macro-economic risks. Expected credit losses are established using a model that considers historical collections experience, current information, and reasonable and supportable forecasts. Internal and external inputs are used in our credit model including, but not limited to, energy consumption trends, revenue projections, actual charge-offs data, recoveries data, shut-offs, customer delinquencies, final bill data, and inflation. We continuously evaluate available information relevant to assessing collectability of current and future receivables. We evaluate creditworthiness of specific customers periodically or following changes in facts and circumstances. When we become aware of a specific commercial or industrial customer's inability to pay, an allowance for expected credit losses is recorded for the relevant amount. We also monitor other circumstances that could affect our overall expected credit losses including, but not limited to, creditworthiness of overall population in service territories, adverse conditions impacting an industry sector, and current economic conditions.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

At each reporting period, we record expected credit losses to an allowance for credit losses account. When deemed to be uncollectible, customer accounts are written-off. A rollforward of our allowance for credit losses as of June 30, 2024 and December 31, 2023 are presented in the table below:

<i>(in millions)</i>	Columbia Operations	NIPSCO Operations	Corporate and Other	Total
Balance as of January 1, 2024	\$ 10.2	\$ 11.9	\$ 0.8	\$ 22.9
Current period provisions	15.2	6.2	—	21.4
Write-offs charged against allowance	(19.0)	(5.3)	(0.8)	(25.1)
Recoveries of amounts previously written off	6.6	0.4	—	7.0
Balance as of June 30, 2024	\$ 13.0	\$ 13.2	\$ —	\$ 26.2

<i>(in millions)</i>	Columbia Operations	NIPSCO Operations	Corporate and Other	Total
Balance as of January 1, 2023	\$ 11.1	\$ 12.0	\$ 0.8	\$ 23.9
Current period provisions	28.3	11.5	—	39.8
Write-offs charged against allowance	(49.2)	(12.4)	—	(61.6)
Recoveries of amounts previously written off	20.0	0.8	—	20.8
Balance as of December 31, 2023	\$ 10.2	\$ 11.9	\$ 0.8	\$ 22.9

4. Noncontrolling Interests

Variable Interest Entities. A VIE is an entity in which the controlling interest is determined through means other than a majority voting interest. NIPSCO is a member of JVs that own and operate two wind facilities, Rosewater and Indiana Crossroads Wind, which have 102 MW and 302 MW of nameplate capacity, respectively. NIPSCO is also a member of JVs that own two solar facilities, Indiana Crossroads Solar and Dunns Bridge I, which have a nameplate capacity of 200 MW and 265 MW, respectively. We have determined that these JVs are VIEs. We control decisions that are significant to these entities' ongoing operations and economic results. Therefore, we have concluded that NIPSCO is the primary beneficiary and have consolidated all four entities.

Members of each respective JV include NIPSCO (who is the managing member) and a tax equity partner. Earnings, tax attributes and cash flows are allocated to both NIPSCO and the tax equity partner in varying percentages by category and over the life of the partnership. NIPSCO and each tax equity partner contributed cash to each JV. Once the tax equity partner has earned their negotiated rate of return and have reached a stated contractual date, NIPSCO has the option to purchase the remaining interest in the respective JV, at fair market value, from the tax equity partner. NIPSCO has an obligation to purchase 100% of the electricity generated by our commercially operational JVs.

We did not provide any financial or other support during the quarter that was not previously contractually required.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Our Condensed Consolidated Balance Sheets (unaudited) included the following assets and liabilities associated with VIEs.

<i>(in millions)</i>	June 30, 2024	December 31, 2023
Net Property, Plant and Equipment	\$ 1,346.8	\$ 1,369.8
Current assets	62.8	63.6
Total assets ⁽¹⁾	1,409.6	1,433.4
Current liabilities	55.3	68.3
Asset retirement obligations	57.0	55.7
Total liabilities ⁽¹⁾⁽²⁾	\$ 112.3	\$ 124.0

⁽¹⁾The assets of each consolidated VIE can only be used to settle obligations of the respective consolidated VIE. The creditors of the liabilities of the VIEs do not have recourse to the general credit of the primary beneficiary.

⁽²⁾In addition to the amounts disclosed above there is a de minimis amount of other noncurrent assets and liabilities at Rosewater as of June 30, 2024.

Voting Interest Entities. In December 31, 2023, we consummated the NIPSCO Minority Interest Transaction for a capital contribution of \$2.16 billion in cash. The difference between the \$2.16 billion consideration received and the \$1.36 billion carrying value of the noncontrolling interest claim on net assets was recorded to additional paid-in capital, net of \$54.7 million in transaction costs and a \$63.5 million income tax benefit. We retain a controlling financial interest in NIPSCO Holdings II and its subsidiaries and consolidate their financial results. During the second quarter of 2024, we received \$59.7 million of contributions and we made \$20.2 million of distributions to our NIPSCO minority interest holders based on their relative ownership percentages.

5. Earnings Per Share

The calculations of basic and diluted EPS are based on the weighted average number of shares of common stock and potential common stock outstanding during the period. For the three and six months ended June 30, 2024, the weighted-average shares outstanding for diluted EPS includes the incremental effects of the various long-term incentive compensation plans and ATM forward agreements under the Treasury Stock Method when the impact would be dilutive (See Note 6, "Equity,"). For the purposes of determining diluted EPS, for the three and six months ended June 30, 2023, the shares underlying the purchase contracts included within the Equity Units were included in the calculation of potential common stock outstanding using the if-converted method under US GAAP and we assumed share settlement of the remaining purchase contract payment balance from our Equity Units based on the average share price during the period. A numerator adjustment was reflected in the calculation of diluted EPS for interest expense incurred in the three and six months ended June 30, 2023, net of tax, related to the purchase contracts. The purchase contracts were settled on December 1, 2023.

We began using the two-class method of computing earnings per share in 2023 because we have participating securities in the form of non-vested restricted stock units with a non-forfeitable right to dividend equivalents, for which vesting is predicated solely on the passage of time. The calculation of earnings per share using the two-class method excludes income attributable to these participating securities from the numerator and excludes the dilutive impact of those shares from the denominator.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

The following table presents the calculation of our basic and diluted EPS:

(in millions, except per share amounts)	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Numerator:				
Net Income Available to Common Shareholders	\$ 85.8	\$ 39.9	\$ 430.1	\$ 359.1
Less: Income allocated to participating securities	0.4	—	0.7	0.2
Net Income Available to Common Shareholders - Basic	85.4	39.9	429.4	358.9
Add: Dilutive effect of Equity Units	—	0.4	—	0.8
Net Income Available to Common Shareholders - Diluted	\$ 85.4	\$ 40.3	\$ 429.4	\$ 359.7
Denominator:				
Average common shares outstanding - Basic	448.5	413.3	448.2	413.1
Dilutive potential common shares:				
Equity Units purchase contracts	—	31.3	—	31.2
Equity Units purchase contract payment balance	—	1.2	—	1.5
Shares contingently issuable under employee stock plans	0.7	0.6	0.8	0.7
Shares restricted under employee stock plans	0.3	0.4	0.3	0.4
ATM forward agreements	0.7	—	0.5	—
Average Common Shares - Diluted	450.2	446.8	449.8	446.9
Earnings per common share:				
Basic	\$ 0.19	\$ 0.10	0.96	0.87
Diluted	\$ 0.19	\$ 0.09	0.95	0.80

6. Equity

ATM Program. In February, 2024, we entered into eight separate equity distribution agreements pursuant to which we are able to sell up to an aggregate of \$900.0 million of our common stock.

Also in February, 2024, under the ATM program, we executed a forward sale agreement, which allows us to issue a fixed number of shares at a price to be settled in the future. The forward purchaser under our forward sale agreement borrowed 7,757,951 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$25.78 per share. We may settle the forward sale agreement in shares, cash or net shares by December 20, 2024. Had we settled all the shares under the forward sale agreement at June 30, 2024, we would have received approximately \$200.0 million, based on a net price of \$25.78 per share.

In May, 2024, under the ATM program, we executed a forward sale agreement, which allows us to issue a fixed number of shares at a price to be settled in the future. The forward purchaser under our forward sale agreement borrowed 10,390,000 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$28.87 per share. We may settle the forward sale agreement in shares, cash or net shares by December 20, 2024. Had we settled all the shares under the forward sale agreement at June 30, 2024, we would have received approximately \$299.1 million, based on a net price of \$28.79 per share.

As of June 30, 2024, the ATM program (inclusive of the forward sale agreements) had approximately \$400.0 million of equity available for issuance. The program expires on December 31, 2025.

Series A Preferred Stock. There were no dividends declared per share for the Series A Preferred Stock during the three months ended June 30, 2024 and 2023. Dividends declared per share for the Series A Preferred Stock were zero and \$28.25 during the six months ended June 30, 2024 and 2023, respectively.

On June 15, 2023, we redeemed all 400,000 outstanding shares of Series A Preferred Stock for a redemption price of \$1,000 per share or \$400.0 million in total.

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)**

Series B and B-1 Preferred Stock. Dividends declared per share for the Series B Preferred Stock were zero and \$406.25 during the three months ended June 30, 2024 and 2023, respectively. Dividends declared per share for the Series B Preferred Stock were \$406.25 and \$1,218.75 during the six months ended June 30, 2024 and 2023, respectively.

On March 15, 2024, we redeemed all 20,000 outstanding shares of Series B Preferred Stock for a redemption price of \$25,000 per share and all 20,000 outstanding shares of Series B-1 Preferred Stock for a redemption price of \$0.01 per share or \$500.0 million in total. Following the redemption, dividends ceased to accrue on the shares of Series B Preferred Stock, shares of the Series B Preferred Stock and Series B-1 Preferred Stock were no longer deemed outstanding and all rights of the holders of such shares of Series B Preferred Stock and Series B-1 Preferred Stock terminated. In conjunction with the redemption, we recorded a \$14.0 million preferred stock redemption premium, calculated as the difference between the carrying value on the redemption date of the Series B Preferred Stock and Series B-1 Preferred Stock and the total amount of consideration paid to redeem, which was recorded as a reduction to retained earnings during the first quarter of 2024. We have not recognized an excise tax liability under the IRA in connection with this redemption as we expect to issue common stock in 2024 in excess of the fair value of the Series B Preferred Stock and Series B-1 Preferred Stock redeemed.

In March 2024, we filed a Certificate of Elimination to our Amended and Restated Certificate of Incorporation with the Secretary of State of Delaware to eliminate from the Amended and Restated Certificate of Incorporation all matters set forth in the Certificate of Designations with respect to the Series B Preferred Stock and the Certificate of Designations with respect to the Series B-1 Preferred Stock. As a result, the 20,000 shares that were previously designated as Series B Preferred Stock and the 20,000 shares that were previously designated as Series B-1 Preferred Stock were returned to the status of authorized but unissued shares of preferred stock, par value \$0.01 per share, without designation as to series. The Certificate of Elimination does not change the total number of authorized shares of capital stock of NiSource or the total number of authorized shares of preferred stock. We voluntarily delisted the preferred stock from the New York Stock Exchange.

Equity Units. On December 1, 2023, we issued 33,898,837 shares of our common stock under the purchase contract component of the Corporate Units. As of December 1, 2023, each holder of Corporate Units was deemed to have automatically delivered to us the related Series C Mandatory Convertible Preferred Stock that were components of the Corporate Units in full satisfaction of such holder's obligations under the related purchase contract, and all shares of Series C Mandatory Convertible Preferred Stock were returned to the status of authorized but unissued preferred stock, par value of \$0.01 per share, without designation as to series. We voluntarily delisted the Corporate Units from the New York Stock Exchange.

Refer to Note 5, "Earnings Per Share," for additional information regarding our treatment of the Equity Units for diluted EPS during 2023.

7. Short-Term Borrowings

We generate short-term borrowings from our revolving credit facility, commercial paper program, accounts receivable transfer programs, and term credit agreements. Each of these borrowing sources is described further below.

Revolving Credit Facility. We maintain a revolving credit facility to fund ongoing working capital requirements, including the provision of liquidity support for our commercial paper program, provide for issuance of letters of credit and also for general corporate purposes. Our revolving credit facility has a program limit of \$1.85 billion and is comprised of a syndicate of banks. We had no outstanding borrowings under this facility as of June 30, 2024 and December 31, 2023.

Commercial Paper Program. On February 9, 2024 we increased our commercial paper program limit from \$1.50 billion to \$1.85 billion. We had \$644.0 million and \$1,061.0 million of commercial paper outstanding with weighted-average interest rates of 5.58% and 5.65% as of June 30, 2024 and December 31, 2023, respectively.

Accounts Receivable Transfer Programs. Columbia of Ohio, NIPSCO, and Columbia of Pennsylvania each maintain a receivables agreement whereby they transfer their customer accounts receivables to third-party financial institutions through consolidated special purpose entities. The three agreements expire between August 2024 and May 2025 and may be further extended if mutually agreed to by the parties thereto.

All receivables transferred to third parties are valued at face value, which approximates fair value due to their short-term nature. The amount of the undivided percentage ownership interest in the accounts receivables transferred is determined in part by required loss reserves under the agreements.

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)**

Transfers of accounts receivable are accounted for as secured borrowings resulting in the recognition of short-term borrowings on the Condensed Consolidated Balance Sheets (unaudited). As of June 30, 2024, the maximum amount of debt that could be borrowed related to our accounts receivable programs was \$280.3 million.

We had zero and \$337.6 million of short-term borrowings related to the securitization transactions as of June 30, 2024 and December 31, 2023, respectively.

For the six months ended June 30, 2024 and 2023, \$337.6 million and \$347.2 million, respectively were recorded as cash flows used for financing activities related to the change in short-term borrowings due to securitization transactions. For the accounts receivable transfer programs, we pay used facility fees for amounts borrowed, unused commitment fees for amounts not borrowed, and upfront renewal fees. Fees associated with the securitization transactions were \$0.4 million and \$0.7 million for the three months ended June 30, 2024 and 2023, and \$0.9 million and \$1.6 million for the six months ended June 30, 2024 and 2023, respectively. Columbia of Ohio, NIPSCO and Columbia of Pennsylvania remain responsible for collecting on the receivables securitized, and the receivables cannot be transferred to another party.

Term Credit Agreements. At December 31, 2023, we had \$1.0 billion, and \$650.0 million outstanding under term credit agreements with interest rates of 6.41% and 6.50%, respectively. On January 3, 2024, we terminated and repaid in full our \$1.0 billion term credit agreement and our \$650.0 million term credit agreement with proceeds from the NIPSCO Minority Interest Transaction.

Items listed above, excluding the term credit agreements, are presented net in the Condensed Statements of Consolidated Cash Flows (unaudited) as their maturities are less than 90 days.

8. Long-Term Debt

On March 14, 2024, we completed the issuance and sale of \$650.0 million of 5.35% senior unsecured notes maturing in 2034, which resulted in approximately \$642.6 million of net proceeds after discount and debt issuance costs.

On May 16, 2024, we completed the issuance and sale of \$500.0 million of 6.95% fixed-to-fixed reset rate junior subordinated notes maturing in 2054, which resulted in approximately \$493.4 million of net proceeds after debt issuance costs. The subordinated notes bear interest (i) from and including May 16, 2024 to, but excluding, November 30, 2029 at a rate of 6.95% per annum and (ii) from and including November 30, 2029, during each five-year reset period at a rate per annum equal to the five-year U.S. treasury rate (determined as described in the prospectus supplement filed with the SEC) as of the then most recent reset interest determination date plus a spread of 2.45%, to be reset on each reset date. At our option, we may redeem some or all of the subordinated notes during specified periods, and upon the occurrence of certain ratings or tax events, all as described in the prospectus supplement. In accordance with terms of the subordinated notes, we have the right, from time to time, to defer the payment of interest on the outstanding subordinated notes on one or more occasions for up to ten consecutive years. In the event that we were to exercise such right to defer interest on the subordinated notes, we would not be able to pay cash dividends on the common stock during the periods in which such payments were deferred. The subordinated notes were issued pursuant to a Subordinated Indenture, dated as of May 16, 2024, between us and The Bank of New York Mellon, as trustee, as supplemented by the First Supplemental Indenture thereto, dated as of May 16, 2024.

On June 24, 2024, we completed the issuance and sale of \$600.0 million of 5.20% senior unsecured notes maturing in 2029, which resulted in approximately \$593.7 million of net proceeds after discount and debt issuance costs.

9. Gas in Storage

We use both the LIFO inventory methodology and the weighted-average cost methodology to value natural gas in storage. Natural gas storage injections are priced at the average of the costs of natural gas supply purchased during the year. For interim periods, the difference in the cost of replacing the current portion of stored gas inventory compared to the amount stated on a LIFO basis is recorded within the Condensed Consolidated Balance Sheets (unaudited). Due to seasonality requirements, we expect interim variances in LIFO layers to be replenished by year end. The LIFO basis exceeded the cost of replacing the current portion of stored gas by \$11.4 million and zero respectively, for the periods ended June 30, 2024 and December 31, 2023, for certain gas distribution companies recorded within "Prepayments and other" on the Condensed Consolidated Balance Sheets (unaudited).

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

10. Regulatory Matters

Renewable generation filings

In March 2024, NIPSCO filed a petition with the IURC to, after notice and hearing, issue an order modifying its November 22, 2023 order to approve direct ownership of the Gibson Project. A hearing was held in June 2024 with a final order expected in August 2024. In March 2024, NIPSCO also filed a petition with the IURC to, after notice and hearing, issue an order modifying its June 29, 2021 order to approve direct ownership of the Fairbanks Project. A hearing was held in July 2024 with a final order expected in August 2024.

WAM system filing

In March 2024, NIPSCO filed a petition with the IURC for authority to defer, as a regulatory asset, certain costs, including depreciation and amortization incurred in connection with improvements to its information technology systems through the design, development, and implementation of a new WAM program for the scheduling, dispatch, and execution of work and the management of underlying assets. These improvements are part of our enterprise-wide transformation roadmap which seeks to optimize our field work and reduce enterprise risk. The petition also included the confirmation that the WAM program assets, including the requested regulatory assets, will be included in NIPSCO's rate base for ratemaking purposes in rate cases after the WAM assets have been placed in service. The hearing is scheduled for August 2024 with a final order expected in October 2024.

NIPSCO Gas Peaker filing

In September 2023, NIPSCO filed a request for issuance of a certificate of public convenience and necessity for an approximately 400 MW natural gas peaking generation facility with the IURC, which was supplemented in January 2024 based on updates on availability of certain key equipment. A hearing was held in July 2024 with a final order expected November 2024.

Columbia of Virginia CARE Plan

On May 22, 2024, Columbia Gas of Virginia filed an application for approval to amend and extend its Conservation and Ratemaking Efficiency ("CARE") Plan. The application proposed an extension for an additional three-year period, from January 1, 2025 through December 31, 2027.

Regulatory deferral related to renewable energy investments

In accordance with the accounting principles of ASC 980, we recognize a regulatory liability or asset for amounts representing the timing difference between the profit earned from the JVs and the amount included in regulated rates to recover our approved investments in consolidated JVs. The amounts recorded in income will ultimately reflect the amount allowed in regulated rates to recover our investments over the useful life of the projects. The offset to the regulatory liability or asset associated with our renewable investments included in regulated rates is recorded in "Depreciation and amortization" on the Condensed Statements of Consolidated Income (unaudited). NiSource recorded depreciation expense of \$13.1 million and \$16.6 million for the three and six months ended June 30, 2024, and \$13.7 million and \$9.3 million for the three and six months ended June 30, 2023, respectively. Following the implementation of the electric base rate case, we began recognizing amounts to recover our investments of projects that have been placed in service. Refer to Note 4, "Noncontrolling Interests," for additional information.

11. Risk Management Activities

We are exposed to certain risks relating to our ongoing business operations; namely commodity price risk and interest rate risk. We recognize that the prudent and selective use of derivatives may help to lower our cost of debt capital, manage our interest rate exposure and limit volatility in the price of natural gas.

ITEM 1. FINANCIAL STATEMENTS (continued)
NiSource Inc.
Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Risk management assets and liabilities on our derivatives are presented on the Condensed Consolidated Balance Sheets (unaudited) as shown below:

	June 30, 2024		December 31, 2023	
<i>(in millions)</i>	Assets	Liabilities	Assets	Liabilities
Current⁽¹⁾				
Derivatives not designated as hedging instruments	\$ 5.2	\$ 5.1	\$ 1.1	\$ 7.5
Total	\$ 5.2	\$ 5.1	\$ 1.1	\$ 7.5
Noncurrent⁽²⁾				
Derivatives not designated as hedging instruments	\$ 21.3	\$ 2.9	\$ 22.2	\$ 1.9
Total	\$ 21.3	\$ 2.9	\$ 22.2	\$ 1.9

⁽¹⁾Current assets and liabilities are presented in "Prepayments and other" and "Other accruals", respectively, on the Condensed Consolidated Balance Sheets (unaudited).

⁽²⁾Noncurrent assets and liabilities are presented in "Deferred charges and other" and "Other noncurrent liabilities and deferred credits", respectively, on the Condensed Consolidated Balance Sheets (unaudited).

Our derivative instruments are subject to enforceable master netting arrangements or similar agreements. No collateral was either received or posted related to our outstanding derivative positions at June 30, 2024. If the above gross asset and liability positions were presented net of amounts owed or receivable from counterparties, we would report a net asset position of \$18.5 million and \$13.9 million at June 30, 2024 and December 31, 2023, respectively.

All gains and losses on derivative contracts are deferred as regulatory liabilities or assets and are remitted to or collected from customers through NIPSCO's and Columbia of Pennsylvania's quarterly GCA mechanisms.

Derivatives Not Designated as Hedging Instruments

Commodity price risk management. We, along with our utility customers, are exposed to variability in cash flows associated with natural gas purchases and volatility in natural gas prices. We purchase natural gas for sale and delivery to our retail, commercial and industrial customers, and for most customers the variability in the market price of gas is passed through in their rates. Some of our utility subsidiaries offer programs whereby variability in the market price of gas is assumed by the respective utility. The objective of our commodity price risk programs is to mitigate the gas cost variability on behalf of our customers, associated with natural gas purchases or sales by economically hedging the various gas cost components using a combination of futures, options, forwards or other derivative contracts. At June 30, 2024 and December 31, 2023, we had 84.4 MMDth and 76.1 MMDth, respectively, of net energy derivative volumes outstanding related to our natural gas hedges.

NIPSCO has received IURC approval to lock in a fixed price for its natural gas customers using long-term forward purchase instruments and is limited to 20% of NIPSCO's average annual GCA purchase volume. As of June 30, 2024, the remaining terms of these instruments range from one to three years. Likewise, Columbia of Pennsylvania has received approval for a 24-month rolling hedge program. The hedging program was executed in December 2023, with an effective date of April 1, 2024 and will continue in perpetuity. The program is designed to financially hedge approximately 20% of the customer's annual demand. All gains and losses on these derivative contracts are deferred as regulatory liabilities or assets and are remitted to or collected from customers through the relevant cost recovery mechanism.

The following table summarizes the gains and losses associated with the commodity price risk programs deferred as regulatory assets and liabilities:

<i>(in millions)</i>	June 30, 2024	December 31, 2023
Regulatory Assets		
Losses on commodity price risk programs	\$ 11.8	\$ 24.4
Regulatory Liabilities		
Gains on commodity price risk programs	26.8	23.3

Our derivative instruments measured at fair value as of June 30, 2024 and December 31, 2023 do not contain any credit-risk-related contingent features.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Derivatives Designated as Hedging Instruments

Interest rate risk management. As of June 30, 2024 and December 31, 2023 we had no active interest rate swap positions. The overall net gain related to our multiple settled interest rate swaps is recorded in AOCI. We amortize the net gain over the life of the debt associated with these swaps as we recognize interest expense. These amounts are immaterial for the three and six months ended June 30, 2024 and 2023 and are recorded in "Interest expense, net" on the Condensed Statements of Consolidated Income (unaudited). Amounts expected to be reclassified to earnings during the next twelve months are immaterial. See Note 17, "Accumulated Other Comprehensive Loss," for additional information.

12. Fair Value

A. Fair Value Measurements

Recurring Fair Value Measurements

The following tables present financial assets and liabilities measured and recorded at fair value on our Condensed Consolidated Balance Sheets (unaudited) on a recurring basis and their level within the fair value hierarchy as of June 30, 2024 and December 31, 2023:

Recurring Fair Value Measurements June 30, 2024 (in millions)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of June 30, 2024
Assets				
Risk management assets	\$ —	\$ 26.5	\$ —	\$ 26.5
Available-for-sale debt securities	—	145.5	—	145.5
Total	\$ —	\$ 172.0	\$ —	\$ 172.0
Liabilities				
Risk management liabilities	\$ —	\$ 8.0	\$ —	\$ 8.0
Total	\$ —	\$ 8.0	\$ —	\$ 8.0

Recurring Fair Value Measurements December 31, 2023 (in millions)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of December 31, 2023
Assets				
Risk management assets	\$ —	\$ 23.3	\$ —	\$ 23.3
Available-for-sale debt securities	—	159.1	—	159.1
Total	\$ —	\$ 182.4	\$ —	\$ 182.4
Liabilities				
Risk management liabilities	\$ —	\$ 9.4	\$ —	\$ 9.4
Total	\$ —	\$ 9.4	\$ —	\$ 9.4

Risk Management Assets and Liabilities. Risk management assets and liabilities include exchange-traded NYMEX futures and NYMEX options and non-exchange-based forward purchase contracts.

Level 1- When utilized, exchange-traded derivative contracts are based on unadjusted quoted prices in active markets and are classified within Level 1. These financial assets and liabilities are secured with cash on deposit with the exchange; therefore, nonperformance risk has not been incorporated into these valuations. These financial assets and liabilities are deemed to be cleared and settled daily by NYMEX as the related cash collateral is posted with the exchange. As a result of this exchange rule, NYMEX derivatives are considered to have no fair value at the balance sheet date for financial reporting purposes, and are presented in Level 1 net of posted cash; however, the derivatives remain outstanding and are subject to future commodity price fluctuations until they are settled in accordance with their contractual terms.

Level 2- Certain non-exchange-traded derivatives are valued using broker or over-the-counter, on-line exchanges. In such cases, these non-exchange-traded derivatives are classified within Level 2. Non-exchange-based derivative instruments include swaps,

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)**

forwards, and options. In certain instances, these instruments may utilize models to measure fair value. We use a similar model to value similar instruments. Valuation models utilize various inputs that include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, other observable inputs for the asset or liability and market-corroborated inputs, (i.e., inputs derived principally from or corroborated by observable market data by correlation or other means). Where observable inputs are available for substantially the full term of the asset or liability, the instrument is categorized within Level 2.

Level 3- Certain derivatives trade in less active markets with a lower availability of pricing information and models may be utilized in the valuation. When such inputs have a significant impact on the measurement of fair value, the instrument is categorized within Level 3.

Credit risk is considered in the fair value calculation of derivative instruments that are not exchange-traded. Credit exposures are adjusted to reflect collateral agreements that reduce exposures. As of June 30, 2024 and December 31, 2023, there were no material transfers between fair value hierarchies. Additionally, there were no changes in the method or significant assumptions used to estimate the fair value of our financial instruments.

NIPSCO and Columbia of Pennsylvania have entered into long-term forward natural gas purchase instruments to lock in a fixed price for natural gas customers. We value these contracts using a pricing model that incorporates market-based information when available, as these instruments trade less frequently and are classified within Level 2 of the fair value hierarchy. For additional information, see Note 11, "Risk Management Activities."

Available-for-Sale Debt Securities. Available-for-sale debt securities are investments pledged as collateral for trust accounts related to our wholly owned insurance company. We value U.S. Treasury, corporate debt and mortgage-backed securities using a matrix pricing model that incorporates market-based information. These securities trade less frequently and are classified within Level 2.

Our available-for-sale debt securities impairments are recognized periodically using an allowance approach. At each reporting date, we utilize a quantitative and qualitative review process to assess the impairment of available-for-sale debt securities at the individual security level. For securities in a loss position, we evaluate our intent to sell or whether it is more-likely-than-not that we will be required to sell the security prior to the recovery of its amortized cost. If either criteria is met, the loss is recognized in earnings immediately, with the offsetting entry to the carrying value of the security. If both criteria are not met, we perform an analysis to determine whether the unrealized loss is related to credit factors. The analysis focuses on a variety of factors that include, but are not limited to, downgrade on ratings of the security, defaults in the current reporting period or projected defaults in the future, the security's yield spread over treasuries, and other relevant market data. If the unrealized loss is not related to credit factors, it is included in other comprehensive income. If the unrealized loss is related to credit factors, the loss is recognized as credit loss expense in earnings during the period, with an offsetting entry to the allowance for credit losses. The amount of the credit loss recorded to the allowance account is limited by the amount at which the security's fair value is less than its amortized cost basis. If certain amounts recorded in the allowance for credit losses are deemed uncollectible, the allowance on the uncollectible portion will be charged off, with an offsetting entry to the carrying value of the security. Subsequent improvements to the estimated credit losses of available-for-sale debt securities will be recognized immediately in earnings. As of June 30, 2024 and December 31, 2023, we have \$0.3 million and \$0.6 million, respectively, recorded as an allowance for credit losses on available-for-sale debt securities as a result of the analysis described above. Continuous credit monitoring and portfolio credit balancing mitigates our risk of credit losses on our available-for-sale debt securities.

The amortized cost, gross unrealized gains and losses, allowance for credit losses, and fair value of available-for-sale securities at June 30, 2024 and December 31, 2023 were:

June 30, 2024 <i>(in millions)</i>	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses ⁽¹⁾	Allowance for Credit Losses	Fair Value
Available-for-sale debt securities					
U.S. Treasury debt securities	\$ 60.5	\$ —	\$ (3.4)	\$ —	\$ 57.1
Corporate/Other debt securities	95.0	0.5	(6.8)	(0.3)	88.4
Total	\$ 155.5	\$ 0.5	\$ (10.2)	\$ (0.3)	\$ 145.5
December 31, 2023 <i>(in millions)</i>	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses ⁽²⁾	Allowance for Credit Losses	Fair Value
Available-for-sale debt securities					
U.S. Treasury debt securities	\$ 63.8	\$ —	\$ (3.2)	\$ —	\$ 60.6
Corporate/Other debt securities	105.2	0.8	(6.9)	(0.6)	98.5
Total	\$ 169.0	\$ 0.8	\$ (10.1)	\$ (0.6)	\$ 159.1

⁽¹⁾Fair value of U.S. Treasury debt securities and Corporate/Other debt securities in an unrealized loss position without an allowance for credit losses is \$57.1 million and \$70.9 million, respectively, at June 30, 2024.

⁽²⁾Fair value of U.S. Treasury debt securities and Corporate/Other debt securities in an unrealized loss position without an allowance for credit losses is \$58.7 million and \$74.8 million, respectively, at December 31, 2023.

The cost of maturities sold is based upon specific identification. Net realized gains and losses on available-for-sale securities were \$0.1 million and \$0.5 million for the three and six months ended June 30, 2024, and immaterial for the three and six months ended June 30, 2023.

Non-recurring Fair Value Measurements

We measure the fair value of certain assets, primarily goodwill, on a non-recurring basis, typically when events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable.

B. Other Fair Value Disclosures for Financial Instruments. The carrying amount of cash and cash equivalents, restricted cash, notes receivable, customer deposits and short-term borrowings is a reasonable estimate of fair value due to their liquid or short-term nature. Our long-term borrowings are recorded at historical amounts.

The following method and assumptions were used to estimate the fair value of each class of financial instruments.

Long-term Debt. The fair value of outstanding long-term debt is estimated based on the quoted market prices for the same or similar securities. Certain premium costs associated with the early settlement of long-term debt are not taken into consideration in determining fair value. These fair value measurements are classified within Level 2 of the fair value hierarchy. As of June 30, 2024, there was no change in the method or significant assumptions used to estimate the fair value of long-term debt.

The carrying amount and estimated fair values of these financial instruments were as follows:

<i>(in millions)</i>	Carrying Amount as of June 30, 2024	Estimated Fair Value as of June 30, 2024	Carrying Amount as of Dec. 31, 2023	Estimated Fair Value as of Dec. 31, 2023
Long-term debt (including current portion)	\$ 12,833.0	\$ 11,762.2	\$ 11,079.3	\$ 10,370.9

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)****13. Goodwill**

The following presents our goodwill balance allocated by segment as of June 30, 2024:

<i>(in millions)</i>	Columbia Operations		NIPSCO Operations		Corporate and Other		Total
Goodwill	\$	1,468.1	\$	17.8	\$	—	\$ 1,485.9

For our annual goodwill impairment analysis performed as of May 1, 2024, we completed a quantitative "step 1" fair value measurement of our reporting units with a goodwill balance. This analysis incorporated the latest available income statement and cash flow projections. We also incorporated other significant inputs to our fair value calculations, including discount rate and market multiples, to reflect current market conditions. The step 1 analysis performed indicated that the fair value of each reporting unit that is allocated goodwill exceeded its carrying value. As a result, no impairment charge was recorded as of the May 1, 2024 test date.

While our annual goodwill impairment test was performed with a valuation date of May 1, 2024, we continue to monitor events and circumstances that could indicate that it is more likely than not that the fair value of our reporting units is less than the reporting unit carrying value. At June 30, 2024, we assessed events including, but not limited to, general economic conditions, access to capital, developments in the equity and credit markets, the impact on NiSource's share price, the availability and cost of materials and labor, the impact on revenue and cash flow, and regulatory and political activity. The results of this assessment indicated that it was not more likely than not that the fair values of our reporting units were less than their respective carrying values at June 30, 2024.

14. Income Taxes

Our interim effective tax rates reflect the estimated annual effective tax rates for 2024 and 2023 applied to year-to-date pretax income, adjusted for tax expense associated with certain discrete items. The effective tax rates for the three months ended June 30, 2024 and 2023 were 14.6% and 23.3%, respectively. The effective tax rates for the six months ended June 30, 2024 and 2023 were 15.7% and 20.6%, respectively. These effective tax rates differ from the federal statutory tax rate of 21% primarily due to renewable partnership income, amortization of excess deferred federal income tax liabilities, as specified in the TCJA, tax credits, state flow through, and other permanent book-to-tax differences.

The decrease in the three month effective tax rate of 8.7% in 2024 compared to 2023 is primarily attributed to the lower renewable partnership income, jurisdictional mix of pre-tax book income, and decrease of non-deductible permanent differences offset by lower amortization of excess deferred federal income tax liabilities.

The decrease in the six month effective tax rate of 4.9% in 2024 compared to 2023 is primarily attributed to the lower renewable partnership income, jurisdictional mix of pre-tax book income, offset by lower amortization of excess deferred federal income tax liabilities.

As of June 30, 2024, there have been no material changes to our unrecognized tax benefits or possible changes that could reasonably be expected to occur during the next twelve months. See Note 15 to the Company's Consolidated Financial Statements in the Annual Report on Form 10-K for the year ended December 31, 2023, for a discussion of these unrecognized tax benefits.

15. Pension and Other Postemployment Benefits

We provide defined contribution plans and noncontributory defined benefit retirement plans that cover certain of our employees. Benefits under the defined benefit retirement plans reflect the employees' compensation, years of service and age at retirement. Additionally, we provide health care and life insurance benefits for certain retired employees. The majority of employees may become eligible for these benefits if they reach retirement age while working for us. The expected cost of such benefits is accrued during the employees' years of service. We determined that, for certain rate-regulated subsidiaries, the future recovery of postretirement benefit costs is probable, and we record regulatory assets and liabilities for amounts that would otherwise have been recorded to expense or accumulated other comprehensive loss. Current rates of rate-regulated companies include postretirement benefit costs, including amortization of the regulatory assets and liabilities that arose prior to inclusion of these costs in rates. For most plans, cash contributions are remitted to grantor trusts.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

For the six months ended June 30, 2024 and 2023, we contributed \$1.3 million and \$2.0 million, respectively to our pension plans and \$10.7 million and \$11.2 million, respectively to our OPEB plans.

The following table provides the components of the plans' actuarially determined net periodic benefit cost for the three and six months ended June 30, 2024 and 2023:

Three Months Ended June 30, (in millions)	Pension Benefits		OPEB	
	2024	2023	2024	2023
Components of Net Periodic Benefit Cost⁽¹⁾				
Service cost	\$ 5.5	\$ 5.1	\$ 1.3	\$ 1.3
Interest cost	16.3	17.1	5.5	5.5
Expected return on assets	(23.8)	(23.6)	(4.0)	(3.8)
Amortization of prior service credit	—	—	(0.4)	(0.5)
Recognized actuarial loss	7.2	8.4	0.8	0.8
Settlement loss	—	0.1	—	—
Total Net Periodic Benefit Cost	\$ 5.2	\$ 7.1	\$ 3.2	\$ 3.3

⁽¹⁾The service cost component and all non-service cost components of net periodic benefit (income) cost are presented in "Operation and maintenance" and "Other, net," respectively, on the Condensed Statements of Consolidated Income (unaudited).

Six Months Ended June 30, (in millions)	Pension Benefits		OPEB	
	2024	2023	2024	2023
Components of Net Periodic Benefit Cost⁽¹⁾				
Service cost	\$ 10.9	\$ 10.2	\$ 2.6	\$ 2.6
Interest cost	32.6	34.2	10.9	10.9
Expected return on assets	(47.6)	(47.2)	(8.0)	(7.6)
Amortization of prior service credit	—	—	(0.8)	(1.0)
Recognized actuarial loss	14.4	16.8	1.6	1.6
Settlement loss	—	0.1	—	—
Total Net Periodic Benefit Cost	\$ 10.3	\$ 14.1	\$ 6.3	\$ 6.5

⁽¹⁾The service cost component and all non-service cost components of net periodic benefit (income) cost are presented in "Operation and maintenance" and "Other, net," respectively, on the Condensed Statements of Consolidated Income (unaudited).

16. Other Commitments and Contingencies

A. Guarantees and Indemnities. We and certain of our subsidiaries enter into various agreements providing financial or performance assurance to third parties on behalf of certain subsidiaries as a part of normal business. Such agreements include guarantees and stand-by letters of credit. These agreements are entered into primarily to support or enhance the creditworthiness otherwise attributed to a subsidiary on a stand-alone basis, thereby facilitating the extension of sufficient credit to accomplish the subsidiaries' intended commercial purposes. As of June 30, 2024 and December 31, 2023, we had issued stand-by letters of credit of \$9.9 million for the benefit of third parties.

We provide guarantees related to our future performance under BTAs for our renewable generation projects. At June 30, 2024 and December 31, 2023, our guarantees for multiple BTAs totaled \$921.1 million and \$646.1 million, respectively. The amount of each guaranty will decrease upon the substantial completion of the construction of the facilities. See "- D. Other Matters - Generation Transition," below for more information.

B. Legal Proceedings. From time to time, various legal and regulatory claims and proceedings are pending or threatened against the Company and its subsidiaries. While the amounts claimed may be substantial, the Company is unable to predict with certainty the ultimate outcome of such claims and proceedings. The Company establishes reserves whenever it believes it to be appropriate for pending litigation matters. However, the actual results of resolving the pending litigation matters may be

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)**

substantially higher than the amounts reserved. If one or more matters were decided against us, the effects could be material to our results of operations in the period in which we would be required to record or adjust the related liability and could also be material to our cash flows in the periods that we would be required to pay such liability. Due to the inherent uncertainty of litigation, there can be no assurance that the resolution of any particular claim, proceeding or investigation would not have a material adverse effect on our results of operations, financial position or liquidity.

Other Claims and Proceedings. We are also party to other claims, regulatory and legal proceedings arising in the ordinary course of business in each state in which we have operations, and based upon an investigation of these matters and discussion with legal counsel, we believe the ultimate outcome of such other legal proceedings to be individually, or in aggregate, not material at this time.

C. Environmental Matters. Our operations are subject to environmental statutes and regulations related to air quality, water quality, hazardous waste and solid waste. We believe that we are in substantial compliance with the environmental regulations currently applicable to our operations.

It is management's continued intent to address environmental issues in cooperation with regulatory authorities in such a manner as to achieve mutually acceptable compliance plans. However, there can be no assurance that fines and penalties will not be incurred. Management expects a majority of environmental assessment and remediation costs and asset retirement costs, further described below, to be recoverable through rates.

As of June 30, 2024 and December 31, 2023, we had recorded a liability of \$87.3 million and \$80.0 million, respectively, to cover environmental remediation at various sites. This liability is included in "Other accruals" and "Other noncurrent liabilities and deferred credits" in the Condensed Consolidated Balance Sheets (unaudited). We recognize costs associated with environmental remediation obligations when the incurrence of such costs is probable and the amounts can be reasonably estimated. The original estimates for remediation activities may differ materially from the amount ultimately expended. The actual future expenditures depend on many factors, including laws and regulations, the nature and extent of impact and the method of remediation. These expenditures are not currently estimable at some sites. We periodically adjust our liability as information is collected and estimates become more refined.

CERCLA. Our subsidiaries are potentially responsible parties at waste disposal sites under CERCLA and similar state laws. Under CERCLA, each potentially responsible party can be held jointly, severally and strictly liable for the remediation costs as the EPA, or state, can allow the parties to pay for remedial action or perform remedial action themselves and request reimbursement from the potentially responsible parties. Our affiliates have retained CERCLA environmental liabilities, including remediation liabilities, associated with certain current and former operations. At this time, we cannot estimate the full cost of remediating properties that have not yet been investigated, but it is possible that the future costs could be material to the Condensed Consolidated Financial Statements (unaudited).

MGP. We maintain a program to identify and investigate former MGP sites where our subsidiaries or predecessors may have liability. The program has identified 53 such sites where liability is probable. Remedial actions at many of these sites are being overseen by state or federal environmental agencies through consent agreements or voluntary remediation agreements.

We utilize a probabilistic model to estimate our future remediation costs related to MGP sites. The model was prepared with the assistance of a third party and incorporates our experience and general industry experience with remediating MGP sites. We completed an annual refresh of the model in the second quarter. We recorded a \$11.2 million increase to the estimated future remediation costs as a result of the refresh completed as of June 30, 2024. Our total estimated liability related to the facilities subject to remediation was \$82.3 million and \$73.7 million at June 30, 2024 and December 31, 2023, respectively. The liability represents our best estimate of the probable cost to remediate the MGP sites. Our model indicates that it is reasonably possible that remediation costs could vary by as much as \$16.4 million in addition to the costs noted above. Remediation costs are estimated based on the best available information, applicable remediation standards at the balance sheet date and experience with similar facilities.

CCRs. NIPSCO continues to meet the compliance requirements established by the EPA for the regulation of CCRs. The CCR rule requirements currently in effect required revisions to previously recorded legal obligations associated with the retirement of certain NIPSCO facilities. The actual asset retirement costs related to the CCR rule may vary substantially from the estimates used to record the increased asset retirement obligation due to the uncertainty about the requirements that will be established by environmental authorities, compliance strategies that will be used and the preliminary nature of available data used to estimate costs. As allowed by the rule, NIPSCO will continue to collect data over time to determine the specific compliance solutions and associated costs and, as a result, the actual costs may vary. On May 8, 2024 the EPA finalized changes to the current CCR

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)**

regulations which address inactive surface impoundments at inactive facilities, referred to as legacy impoundments, and CCR management units ("CCRMUs") at inactive and active facilities. The rule largely requires these newly regulated units to conform to existing requirements. Specifically, the EPA will now require NIPSCO to conduct groundwater monitoring, close, and perform corrective action on these units. As of June 30, 2024 we accrued an immaterial amount to cover newly required applicability determinations and facility evaluations, internal labor, groundwater well installations and sampling, and initial field compliance activities. Applicability determinations for legacy impoundments are due when the rule becomes effective on November 8, 2024. Facility evaluations for CCRMUs are required by February 2026 and 2027. NIPSCO continues to assess whether existing legal obligations associated with the retirement of certain facilities must be revised and to estimate probable additional required asset retirement costs. NIPSCO expects to receive recovery of any such costs through existing and future depreciation rates.

D. Other Matters.

Generation Transition. NIPSCO has also executed several BTAs with developers to construct renewable generation facilities. NIPSCO has received IURC approval for all of its BTAs and PPAs. In addition to IURC approval, NIPSCO's purchase obligation under the BTAs is dependent on timely completion of construction. Certain agreements require NIPSCO to make partial payments upon the developer's completion of significant construction milestones. With respect to BTAs for which tax equity partnerships are utilized, NIPSCO and the tax equity partner are obligated to make cash contributions to the JV that acquires the project at the date construction is substantially complete. Once the tax equity partner has earned its negotiated rate of return and we have reached the agreed upon contractual date, NIPSCO has the option to purchase at fair market value the remaining interest in the JV from the tax equity partner. On January 17, 2024, the IURC approved the full ownership of Cavalry and Dunns Bridge II, which will allow those BTAs to be executed through direct ownership. In March 2024, NIPSCO filed with the IURC to modify the ownership structure for Gibson and Fairbanks solar projects to become fully owned projects and to modify the cost of the Fairbanks project as contemplated in the contractual actions. In March 2024, Cavalry achieved mechanical completion, resulting in NIPSCO making a \$110.6 million payment to the developer. In May 2024, Cavalry achieved substantial completion and commencement of commercial operations, resulting in NIPSCO making a \$114.9 million payment to the developer.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

17. Accumulated Other Comprehensive Loss

The following tables display the components of Accumulated Other Comprehensive Loss, net of tax:

<i>(in millions)</i>	Gains and Losses on Securities ⁽¹⁾	Gains and Losses on Cash Flow Hedges ⁽¹⁾	Pension and OPEB Items ⁽¹⁾	Accumulated Other Comprehensive Loss ⁽¹⁾
Balance as of April 1, 2024	\$ (7.6)	\$ (12.9)	\$ (13.3)	\$ (33.8)
Other comprehensive income (loss) before reclassifications	(0.1)	(0.2)	—	(0.3)
Amounts reclassified from accumulated other comprehensive loss	0.1	0.1	0.3	0.5
Net current-period other comprehensive income (loss)	—	(0.1)	0.3	0.2
Balance as of June 30, 2024	\$ (7.6)	\$ (13.0)	\$ (13.0)	\$ (33.6)

⁽¹⁾All amounts are net of tax. Amounts in parentheses indicate debits.

<i>(in millions)</i>	Gains and Losses on Securities ⁽¹⁾	Gains and Losses on Cash Flow Hedges ⁽¹⁾	Pension and OPEB Items ⁽¹⁾	Accumulated Other Comprehensive Loss ⁽¹⁾
Balance as of January 1, 2024	\$ (7.3)	\$ (12.8)	\$ (13.5)	\$ (33.6)
Other comprehensive income (loss) before reclassifications	(0.7)	(0.4)	—	(1.1)
Amounts reclassified from accumulated other comprehensive loss	0.4	0.2	0.5	1.1
Net current-period other comprehensive income (loss)	(0.3)	(0.2)	0.5	—
Balance as of June 30, 2024	\$ (7.6)	\$ (13.0)	\$ (13.0)	\$ (33.6)

⁽¹⁾All amounts are net of tax. Amounts in parentheses indicate debits.

<i>(in millions)</i>	Gains and Losses on Securities ⁽¹⁾	Gains and Losses on Cash Flow Hedges ⁽¹⁾	Pension and OPEB Items ⁽¹⁾	Accumulated Other Comprehensive Loss ⁽¹⁾
Balance as of April 1, 2023	\$ (9.2)	\$ (12.5)	\$ (13.0)	\$ (34.7)
Other comprehensive income (loss) before reclassifications	(1.4)	(0.3)	—	(1.7)
Amounts reclassified from accumulated other comprehensive loss	0.2	0.1	0.3	0.6
Net current-period other comprehensive income (loss)	(1.2)	(0.2)	0.3	(1.1)
Balance as of June 30, 2023	\$ (10.4)	\$ (12.7)	\$ (12.7)	\$ (35.8)

⁽¹⁾All amounts are net of tax. Amounts in parentheses indicate debits.

<i>(in millions)</i>	Gains and Losses on Securities ⁽¹⁾	Gains and Losses on Cash Flow Hedges ⁽¹⁾	Pension and OPEB Items ⁽¹⁾	Accumulated Other Comprehensive Loss ⁽¹⁾
Balance as of January 1, 2023	\$ (11.2)	\$ (12.6)	\$ (13.3)	\$ (37.1)
Other comprehensive income (loss) before reclassifications	0.3	(0.3)	—	—
Amounts reclassified from accumulated other comprehensive loss	0.5	0.2	0.6	1.3
Net current-period other comprehensive income (loss)	0.8	(0.1)	0.6	1.3
Balance as of June 30, 2023	\$ (10.4)	\$ (12.7)	\$ (12.7)	\$ (35.8)

⁽¹⁾All amounts are net of tax. Amounts in parentheses indicate debits.

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)****18. Business Segment Information**

Our reportable segments reflect the manner in which our business is managed and our resources are allocated. Following the consummation of the NIPSCO Minority Interest Transaction, we revised how we evaluate results and allocate resources across our business with an increased focus on operating performance at the state level. Refer to Note 4, "Noncontrolling Interests," for additional information on the NIPSCO Minority Interest Transaction. Our operations are now evaluated through two primary reportable segments, Columbia Operations and NIPSCO Operations. Columbia Operations aggregates the results of the fully regulated and wholly owned subsidiaries of NiSource Gas Distribution Group, Inc. (a holding company that owns Columbia of Kentucky, Columbia of Maryland, Columbia of Ohio, Columbia of Pennsylvania, and Columbia of Virginia). Each Columbia distribution company is an operating segment which we aggregate to form the Columbia Operations reportable segment. NIPSCO Operations includes the results of NIPSCO Holdings I and its majority-owned subsidiaries, including NIPSCO, which has fully regulated gas and electric operations in Northwest Indiana.

The remainder of our operations, which are not significant enough on a stand-alone basis to warrant treatment as a reportable segment, are presented as "Corporate and Other" and primarily are comprised of interest expense on holding company debt, and unallocated corporate costs and activities. Refer to Note 3, "Revenue Recognition," for additional information on our segments and their sources of revenues. The following table provides information about our reportable segments. Our CODM uses operating income as the primary measurement for each of the reported segments and makes decisions on financing, dividends, and taxes at the corporate level on a consolidated basis. Segment revenues include intersegment sales to affiliated subsidiaries, which are eliminated in consolidation. Affiliated sales are recognized on the basis of prevailing market, regulated prices or at levels provided for under contractual agreements. Operating income is derived from revenues and expenses directly associated with each segment.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

(in millions)	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Operating Revenues				
Columbia Operations				
Unaffiliated	\$ 487.4	\$ 521.6	\$ 1,441.1	\$ 1,570.5
Intersegment	3.1	3.1	6.3	6.1
Total	490.5	524.7	1,447.4	1,576.6
NIPSCO Operations				
Unaffiliated	597.2	568.2	1,349.6	1,485.1
Intersegment	0.2	0.1	0.5	0.4
Total	597.4	568.3	1,350.1	1,485.5
Corporate and Other				
Unaffiliated	0.1	0.2	0.3	0.4
Intersegment	139.0	122.8	278.9	239.5
Total	139.1	123.0	279.2	239.9
Eliminations	(142.3)	(126.0)	(285.7)	(246.0)
Consolidated Operating Revenues	\$ 1,084.7	\$ 1,090.0	\$ 2,791.0	\$ 3,056.0
Operating Income				
Columbia Operations	\$ 96.6	\$ 101.1	\$ 458.6	\$ 452.9
NIPSCO Operations	142.3	63.8	358.7	240.8
Corporate and Other	(1.9)	4.0	3.1	6.2
Consolidated Operating Income	\$ 237.0	\$ 168.9	\$ 820.4	\$ 699.9

The following table provides information about the assets of our reportable segments included in the Condensed Consolidated Balance Sheet (unaudited):

(in millions)	June 30, 2024	December 31, 2023
Assets		
Columbia Operations	\$ 13,863.5	\$ 13,664.5
NIPSCO Operations	14,785.5	13,962.6
Corporate and Other	1,248.6	3,450.1
Consolidated Assets	\$ 29,897.6	\$ 31,077.2

Information about our reportable segments for the six months ended June 30, 2023, as well as for the period ended December 31, 2023 has been recast to align with the current year's presentation.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

19. Other, Net

The following table displays the components of Other, Net included on the Condensed Statements of Consolidated Income (unaudited):

(in millions)	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Interest income	\$ 1.9	\$ 1.8	\$ 4.4	\$ 3.6
AFUDC equity	13.3	4.4	24.6	9.2
Pension and other postretirement non-service cost	(2.1)	(4.9)	(4.3)	(8.4)
Miscellaneous	(0.1)	0.7	(2.5)	(0.9)
Total Other, net	\$ 13.0	\$ 2.0	\$ 22.2	\$ 3.5

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

NiSource Inc.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

EXECUTIVE SUMMARY

This Management's Discussion and Analysis of Financial Condition and Results of Operations ("Management's Discussion") includes management's analysis of past financial results and certain potential factors that may affect future results, potential future risks and approaches that may be used to manage those risks. See "Note regarding forward-looking statements" at the beginning of this report for a list of factors that may cause results to differ materially.

Management's Discussion is designed to provide an understanding of our operations and financial performance and should be read in conjunction with our Annual Report on Form 10-K for the fiscal year ended December 31, 2023.

We are an energy holding company under the Public Utility Holding Company Act of 2005 whose utility subsidiaries are fully regulated natural gas and electric utility companies serving customers in six states. We generate substantially all of our operating income through these rate-regulated businesses, which are summarized for financial reporting purposes into two primary reportable segments: Columbia Operations and NIPSCO Operations. Refer to "Note 18, "Business Segment Information," for further discussion of our business segments.

Our goal is to develop strategies that benefit all stakeholders as we (i) focus on long-term infrastructure investment and safety programs to better serve our customers, (ii) align our tariff structures with our cost structure, and (iii) address changing customer energy demand. These strategies focus on improving safety and reliability, enhancing customer experience, pursuing regulatory and legislative initiatives to increase accessibility for customers currently not on our gas and electric service, ensuring customer affordability and reducing emissions while generating sustainable returns. The safety of our customers, communities and employees remains our focus. Serving as a guiding practice for our SMS, NiSource is certified in conformance to the American Petroleum Institute Recommended Practice 1173, which is the foundation to our journey towards operational excellence. We also made advancements in key strategic initiatives, described in further detail below.

Energy Transition: We continue to advance our energy transition strategy, primarily through the continuation and enhancement of existing programs, such as retiring and replacing remaining coal-fired electric generation by 2028 with a balanced mix of low- or zero-emission electric generation, ongoing pipe replacement and modernization programs, and deployment of advanced leak detection and repair. Our electric generation transition, initiated through the NIPSCO 2018 Integrated Resource Plan ("2018 Plan") is well underway, and we are continually adjusting to the dynamic energy landscape. As of June 30, 2024, we have executed and received IURC approval for BTAs and PPAs for wind, solar and solar plus storage projects, with a combined nameplate capacity of 1,950 MW and 1,400 MW, respectively, under the 2018 Plan. On January 17, 2024, the IURC approved full ownership of the Cavalry and Dunns Bridge II projects, allowing NIPSCO to leverage provisions of the IRA, to monetize renewable tax credits more effectively. Full ownership of these projects provide enhanced benefits to customers as compared to the previous tax equity partnership structure approved by the IURC. In March 2024, we filed with the IURC to modify the ownership structure for Gibson and Fairbanks solar projects to become fully owned projects and to modify the cost of the Fairbanks project as contemplated in the contractual actions referenced above. In May 2024, the Cavalry project was placed in service. We remain on track to retire R.M. Schahfer's remaining two coal units by the end of 2025. For additional information, see "Results and Discussion of Segment Operations - NIPSCO Operations," in this Management's Discussion.

In 2021, we announced and filed with the IURC the Preferred Energy Resource Plan associated with our 2021 Integrated Resource Plan ("2021 Plan"). The 2021 Plan affirms plans to retire the coal unit at the Michigan City Generating Station by the end of 2028. The 2021 Plan calls for the replacement of the retiring units with a diverse portfolio of resources including demand side management resources, incremental solar, stand-alone energy storage and upgrades to existing facilities at the Sugar Creek Generating Station, among other steps. In the first half of 2024, Sugar Creek completed an Advanced Gas Path Tech upgrade that enhanced its overall production capabilities by an estimated 68 MW. Additionally, the 2021 Plan calls for a new natural gas peaking facility to replace existing vintage gas peaking facilities at the R.M. Schahfer Generating Station to support system reliability and resiliency, and upgrades to the electric transmission system. In September of 2023, we filed a request for issuance of a certificate of public convenience and necessity for an approximately 400 MW natural gas peaking generation facility with the IURC. The planned retirement of the two vintage gas peaking facilities at the R.M. Schahfer Generating Station is also expected to occur by the end of 2028. Final retirement dates for these units, as well as Michigan City, will be subject to MISO approval.

NIPSCO's 2024 Integrated Resource Plan ("2024 Plan") is currently in-progress and formal stakeholder engagement began in the second quarter. The 2024 Plan will inform future generation investments needed to ensure reliability for NIPSCO's customers and will incorporate factors such as anticipated load growth from data centers and other economic development

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

opportunities, new EPA emissions rules, and evolving MISO resource accreditation rules. The 2024 Plan will be submitted to the IURC in November 2024 and will include an updated Preferred Energy Resource Plan. We have seen an acceleration of customer interest in our northern Indiana service territory in the form of data center development. We believe data center development can enhance our local tax base, diversify the employment base across the state of Indiana, and provide greater value to existing customers and shareholders. We are evaluating the potential for data center development in our service territory and will move as quickly as possible while maintaining the integrity of our commercial, planning, regulatory, procurement and operational execution processes.

We continue to enhance safety and reduce methane emissions on our gas systems through modernization programs and utilization of advanced leak detection and repair. In addition, we plan to advance other low- or zero-emission energy resources and technologies, such as hydrogen and renewable natural gas.

NIPSCO Minority Interest Transaction: On December 31, 2023, contemporaneously with the closing of the NIPSCO Minority Interest Transaction, Blackstone, NIPSCO Holdings I, NIPSCO Holdings II, and NiSource entered into an Amended and Restated Limited Liability Company Agreement (the "LLC Agreement") of NIPSCO Holdings II. On January 31, 2024, BIP transferred a 4.5% equity interest in NIPSCO Holdings II to BIP Blue Buyer VCOC L.L.C., a Delaware limited liability company and also an affiliate of Blackstone. Effective upon the closing of this transfer, the members of NIPSCO Holdings II entered into a Second Amended and Restated Limited Liability Company Operating Agreement of NIPSCO Holdings II (the "Amended LLC Agreement"). The two affiliates of Blackstone must vote their equity holdings under the Amended LLC Agreement as one investor. Refer to Note 4, "Noncontrolling Interests," for more information on this transaction.

Transformation: Our enterprise-wide transformation roadmap focuses on operational excellence, safety, operation and maintenance management, and unlocking efficiencies. We are committed to identifying and implementing initiatives that will enable us to streamline work and improve logistics company-wide. These efforts include investments in proven technologies backed with standardized processes that will change the way we plan, schedule, and execute work in the field and how we engage and provide service to our customers. Taken together, all of our optimization initiatives will prioritize safety and continue to optimize our long-term growth profile. We are making progress towards our transformation goals with a successful completion of the first phase of our WAM program, an enterprise resource planning system that will optimize the scheduling, dispatch, and execution of our field operations. This phase of the program implemented the solution within our electric distribution operations, while our second phase for gas distribution operations is anticipated to be completed by the third quarter of 2025.

Economic Environment: We continue to monitor risks related to increasing order and delivery lead times for construction and other materials, potential unavailability of materials due to global shortages in raw materials, and decreased construction labor productivity in the event of disruptions in the availability of materials. We continue to see increasing prices associated with environmental remediation services and certain materials and supplies. To the extent that work delays occur or our costs increase, our business operations, results of operations, cash flows, and financial condition could be materially adversely affected.

We are faced with increased competition for employee and contractor talent in the current labor market which has resulted in increased costs to attract and retain talent. We are ensuring that we use all internal human capital programs (development, leadership enablement programs, succession, performance management) to promote retention of our current employees along with having a competitive and attractive employee value proposition for potential recruits. With a focus on workforce planning, we are evaluating our future talent footprint by creating flexible work arrangements where possible to ensure we have the right people, in the right role, and at the right time.

We continue to evaluate our financing plan to manage interest expense and exposure to rates. For more information on interest rate risk, see "Market Risk Disclosures".

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

Summary of Consolidated Financial Results

A summary of our consolidated financial results for the three and six months ended June 30, 2024 and 2023 are presented below:

(in millions, except per share amounts)	Three Months Ended June 30,			Six Months Ended June 30,		
	2024	2023	Favorable (Unfavorable)	2024	2023	Favorable (Unfavorable)
Operating Revenues	\$ 1,084.7	\$ 1,090.0	\$ (5.3)	\$ 2,791.0	\$ 3,056.0	\$ (265.0)
Operating Expenses						
Cost of energy	164.7	251.9	87.2	589.7	1,017.0	427.3
Other Operating Expenses	683.0	669.2	(13.8)	1,380.9	1,339.1	(41.8)
Total Operating Expenses	847.7	921.1	73.4	1,970.6	2,356.1	385.5
Operating Income	237.0	168.9	68.1	820.4	699.9	120.5
Total Other Deductions, Net	(116.3)	(108.5)	(7.8)	(223.4)	(215.9)	(7.5)
Income Taxes	17.6	14.1	(3.5)	93.6	99.9	6.3
Net Income	103.1	46.3	56.8	503.4	384.1	119.3
Net income (loss) attributable to noncontrolling interest	17.3	(12.5)	(29.8)	52.6	(7.7)	(60.3)
Net Income Attributable to NiSource	85.8	58.8	27.0	450.8	391.8	59.0
Preferred dividends and redemption premium	—	(18.9)	18.9	(20.7)	(32.7)	12.0
Net Income Available to Common Shareholders	85.8	39.9	45.9	430.1	359.1	71.0
Earnings Per Share						
Basic Earnings Per Share	\$ 0.19	\$ 0.10	\$ 0.09	\$ 0.96	\$ 0.87	\$ 0.09
Diluted Earnings Per Share	\$ 0.19	\$ 0.09	\$ 0.10	\$ 0.95	\$ 0.80	\$ 0.15

The majority of the cost of energy in the Columbia Operations and NIPSCO Operations segments are tracked costs that are passed through directly to the customer, resulting in an equal and offsetting amount reflected in operating revenues.

The increase in net income available to common shareholders for the three and six months ended June 30, 2024 was primarily due to higher revenues, net of cost of energy, driven by rate increases from regulatory outcomes. Additionally, net income available to common shareholders increased due to the elimination of the preferred stock dividends following the redemption of both the Series A and B preferred stock. Higher net income available to common shareholders is primarily offset by increased net income attributable to noncontrolling interest following the consummation of the NIPSCO Minority Interest Transaction. See Note 6, "Equity," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information.

For additional information on operating income variance drivers see "Results and Discussion of Segment Operations" for Columbia Operations and NIPSCO Operations in this Management's Discussion.

Income Taxes

Refer to Note 14, "Income Taxes," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on income taxes and the change in the effective tax rates for the periods presented.

We continue to monitor and evaluate the impacts of final or proposed income tax regulations issued on provisions of the IRA including but not limited to renewable energy tax credits.

RESULTS AND DISCUSSION OF SEGMENT OPERATIONS

Presentation of Segment Information

In response to the NIPSCO Minority Interest Transaction, our operations are now evaluated through two primary reportable segments, Columbia Operations and NIPSCO Operations. Our historical segment disclosures have been recast to be consistent with the current presentation. Columbia Operations aggregates the results of the fully regulated and wholly owned subsidiaries of NiSource Gas Distribution Group, Inc. (a holding company that owns Columbia of Kentucky, Columbia of Maryland, Columbia of Ohio, Columbia of Pennsylvania, and Columbia of Virginia). Each Columbia distribution company is an operating segment which we aggregate to form the Columbia Operations reportable segment. NIPSCO Operations aggregates the results of NIPSCO Holdings I, and its majority-owned subsidiaries, including NIPSCO, which has both fully regulated gas and electric operations in Northwest Indiana. The remainder of our operations, which are not significant enough on a stand-alone basis to warrant treatment as a reportable segment, are presented as "Corporate and Other" within the Notes to the Condensed Consolidated Financial Statements (unaudited) and primarily are comprised of interest expense on holding company debt, and unallocated corporate costs and activities.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
**NiSource Inc.
Columbia Operations**

Financial and operational data for the Columbia Operations segment for the three and six months ended June 30, 2024 and 2023 are presented below.

(in millions)	Three Months Ended June 30,			Six Months Ended June 30,		
	2024	2023	Favorable (Unfavorable)	2024	2023	Favorable (Unfavorable)
Operating Revenues	\$ 490.5	\$ 524.7	\$ (34.2)	\$ 1,447.4	\$ 1,576.6	\$ (129.2)
Operating Expenses						
Cost of energy	56.3	94.3	38.0	285.1	432.6	147.5
Operation and maintenance	191.3	187.3	(4.0)	402.0	407.8	5.8
Depreciation and amortization	99.4	92.2	(7.2)	197.6	179.9	(17.7)
Other taxes	46.9	49.8	2.9	104.1	103.4	(0.7)
Total Operating Expenses	393.9	423.6	29.7	988.8	1,123.7	134.9
Operating Income	\$ 96.6	\$ 101.1	\$ (4.5)	\$ 458.6	\$ 452.9	\$ 5.7
Revenues						
Residential	\$ 338.4	\$ 344.8	\$ (6.4)	\$ 1,004.2	\$ 1,067.7	\$ (63.5)
Commercial	97.9	109.5	(11.6)	323.2	362.7	(39.5)
Industrial	33.3	32.5	0.8	73.7	73.0	0.7
Off-System	10.6	22.9	(12.3)	23.3	40.1	(16.8)
Other	10.3	15.0	(4.7)	23.0	33.1	(10.1)
Total	\$ 490.5	\$ 524.7	\$ (34.2)	\$ 1,447.4	\$ 1,576.6	\$ (129.2)
Sales and Transportation (MMDth)						
Residential	16.7	21.0	(4.3)	93.7	95.4	(1.7)
Commercial	18.5	20.6	(2.1)	72.8	71.3	1.5
Industrial	68.5	62.7	5.8	137.0	124.3	12.7
Off-System	5.9	11.2	(5.3)	13.2	18.6	(5.4)
Other	—	—	—	0.2	0.2	—
Total	109.6	115.5	(5.9)	316.9	309.8	7.1
Heating Degree Days⁽¹⁾	347	492	(145)	2,631	2,721	(90)
Normal Heating Degree Days⁽¹⁾	518	510	8	3,257	3,239	18
% Warmer than Normal	(33)%	(4)%		(19)%	(16)%	
% Warmer than prior year	(29)%			(3)%		
Columbia Operations Customers						
Residential	2,208,280	2,197,051	11,229			
Commercial	187,308	187,012	296			
Industrial	1,968	1,966	2			
Other	5	3	2			
Total	2,397,561	2,386,032	11,529			

⁽¹⁾ Heating degree figures represent averages of the five jurisdictions served by Columbia Operations.

Comparability of operation and maintenance expenses, depreciation and amortization, and other taxes may be impacted by regulatory, depreciation, and tax trackers that allow for the recovery in rates of certain costs.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
**NiSource Inc.
Columbia Operations**

The underlying reasons for changes in our operating revenues for the three and six months ended June 30, 2024 compared to the same period in 2023 are presented below.

Changes in Operating Revenues (in millions)	Favorable (Unfavorable)	
	Three Months Ended June 30, 2024 vs 2023	Six Months Ended June 30, 2024 vs 2023
New rates from base rate proceedings and regulatory capital programs	\$ 17.3	\$ 52.2
Increased customer usage	1.3	9.4
The effects of customer growth	1.4	3.6
The effects of weather in 2024 compared to 2023	(6.9)	(5.3)
Other	(0.5)	(3.4)
Change in operating revenues (before cost of energy and other tracked items)	\$ 12.6	\$ 56.5
Operating revenues offset in operating expense		
Lower cost of energy billed to customers	(38.1)	(147.5)
Lower tracker deferrals within operation and maintenance, depreciation, and tax	(8.7)	(38.2)
Total change in operating revenues	\$ (34.2)	\$ (129.2)

Weather

In general, we calculate the weather-related revenue variance based on changing customer demand driven by weather variance from normal heating degree days, net of weather normalization mechanisms. Our composite heating degree days reported do not directly correlate to the weather-related dollar impact on the results of Columbia Operations. Heating degree days experienced during different times of the year or in different operating locations may have more or less impact on volume and dollars depending on when and where they occur. When the detailed results are combined for reporting, there may be weather-related dollar impacts on operations when there is not an apparent or significant change in our aggregated composite heating degree day comparison.

Throughput

The decrease in total volumes for the three months ended June 30, 2024, compared to the same period in 2023, is primarily attributable to the effects of warmer weather offset by industrial usage.

The increase in total volumes for the six months ended June 30, 2024, compared to the same period in 2023, is primarily attributable to increased industrial usage offset by off-system sales.

Commodity Price Impact

Cost of energy for the Columbia Operations segment is principally comprised of the cost of natural gas used while providing transportation and distribution services to customers. All Columbia Operations companies have state-approved recovery mechanisms that provide a means for full recovery of prudently incurred gas costs. These are tracked costs that are passed through directly to the customer, and the gas costs included in revenues are matched with the gas cost expense recorded in the period. The difference is recorded on the Condensed Consolidated Balance Sheets (unaudited) as under-recovered or over-recovered gas cost to be included in future customer billings. Therefore, increases in these tracked operating expenses are offset by increases in operating revenues and have essentially no impact on net income.

Certain of the Columbia Operations companies continue to offer choice opportunities, where customers can choose to purchase gas from a third-party supplier, through regulatory initiatives in their respective jurisdictions.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)**NiSource Inc.**
Columbia Operations

The underlying reasons for changes in our operating expenses for the three and six months ended June 30, 2024 compared to the same period in 2023 are presented below.

Changes in Operating Expenses <i>(in millions)</i>	Favorable (Unfavorable)	
	Three Months Ended June 30, 2024 vs 2023	Six Months Ended June 30, 2024 vs 2023
Higher employee and administrative related expenses	\$ (4.3)	\$ (18.0)
Higher depreciation and amortization expense	(7.1)	(17.7)
Higher property tax	—	(2.6)
Other	(5.7)	(12.5)
Change in operating expenses (before cost of energy and other tracked items)	\$ (17.1)	\$ (50.8)
Operating expenses offset in operating revenue		
Lower cost of energy billed to customers	38.1	147.5
Lower tracker deferrals within operation and maintenance, depreciation, and tax	8.7	38.2
Total change in operating expense	\$ 29.7	\$ 134.9

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
**NiSource Inc.
NIPSCO Operations**

Financial and operational data for the NIPSCO Operations segment, which services both gas and electric customers, for the three and six months ended June 30, 2024 and 2023 are presented below.

<i>(in millions)</i>	Three Months Ended June 30,			Six Months Ended June 30,		
	2024	2023	Favorable (Unfavorable)	2024	2023	Favorable (Unfavorable)
NIPSCO Operations						
Operating Revenues	\$ 597.4	\$ 568.3	\$ 29.1	\$ 1,350.1	\$ 1,485.5	\$ (135.4)
Operating Expenses						
Cost of energy	108.4	157.7	49.3	304.6	584.5	279.9
Operation and maintenance	187.5	203.0	15.5	378.8	393.5	14.7
Depreciation and amortization	143.0	130.1	(12.9)	275.7	238.4	(37.3)
Gain on sale of assets	(0.1)	(0.1)	—	(0.1)	(0.1)	—
Other taxes	16.3	13.8	(2.5)	32.4	28.4	(4.0)
Total Operating Expenses	455.1	504.5	49.4	991.4	1,244.7	253.3
Operating Income	\$ 142.3	\$ 63.8	\$ 78.5	\$ 358.7	\$ 240.8	\$ 117.9

<i>(in millions)</i>	Three Months Ended June 30,			Six Months Ended June 30,		
	2024	2023	Favorable (Unfavorable)	2024	2023	Favorable (Unfavorable)
NIPSCO Electric						
Revenues						
Residential	\$ 156.9	\$ 122.8	\$ 34.1	\$ 300.7	\$ 273.2	\$ 27.5
Commercial	154.4	130.1	24.3	297.3	281.0	16.3
Industrial	119.9	112.9	7.0	236.0	247.3	(11.3)
Wholesale	11.1	7.5	3.6	17.5	10.1	7.4
Other	26.9	23.8	3.1	51.7	50.2	1.5
Total	\$ 469.2	\$ 397.1	\$ 72.1	\$ 903.2	\$ 861.8	\$ 41.4
Sales (GWh)						
Residential	828.8	739.8	89.0	1,593.7	1,505.9	87.8
Commercial	926.9	876.5	50.4	1,805.6	1,732.7	72.9
Industrial	1,945.1	1,993.9	(48.8)	3,777.8	3,931.6	(153.8)
Wholesale	298.1	142.7	155.4	447.3	142.7	304.6
Other	19.7	17.8	1.9	43.1	40.6	2.5
Total	4,018.6	3,770.7	247.9	7,667.5	7,353.5	314.0
Cooling Degree Days	326	206	120	326	206	120
Normal Cooling Degree Days	248	247	1	248	247	1
% Warmer (Colder) than Normal	31 %	(17)%		31 %	(17)%	
% Warmer than prior year	58 %			58 %		
NIPSCO Electric Customers						
Residential				428,348	425,404	2,944
Commercial				58,979	58,490	489
Industrial				2,118	2,129	(11)
Wholesale				707	708	(1)
Other				3	3	—
Total				490,155	486,734	3,421

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
**NiSource Inc.
NIPSCO Operations**

<i>(in millions)</i>	Three Months Ended June 30,			Six Months Ended June 30,		
	2024	2023	Favorable (Unfavorable)	2024	2023	Favorable (Unfavorable)
NIPSCO Gas						
Revenues						
Residential	\$ 78.6	\$ 105.9	\$ (27.3)	\$ 290.7	\$ 408.3	\$ (117.6)
Commercial	30.8	43.0	(12.2)	105.5	155.7	(50.2)
Industrial	16.1	18.8	(2.7)	39.9	50.3	(10.4)
Other	2.7	3.5	(0.8)	10.8	9.4	1.4
Total	\$ 128.2	\$ 171.2	\$ (43.0)	\$ 446.9	\$ 623.7	\$ (176.8)
Sales and Transportation Volumes (MMDth)						
Residential	7.0	8.6	(1.6)	35.6	37.8	(2.2)
Commercial	6.6	7.3	(0.7)	24.3	25.0	(0.7)
Industrial	61.6	62.7	(1.1)	131.8	133.7	(1.9)
Total	75.2	78.6	(3.4)	191.7	196.5	(4.8)
Heating Degree Days	451	595	(144)	3,094	3,254	(160)
Normal Heating Degree Days	640	638	2	3,781	3,738	43
% Warmer than Normal	(30)%	(7)%		(18)%	(13)%	
% Warmer than prior year	(24)%			(5)%		
NIPSCO Gas Customers						
Residential				796,779	790,324	6,455
Commercial				66,276	65,892	384
Industrial				2,749	2,832	(83)
Total				865,804	859,048	6,756

Comparability of operation and maintenance expenses and depreciation and amortization may be impacted by regulatory and depreciation trackers that allow for the recovery in rates of certain costs.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc. NIPSCO Operations

The underlying reasons for changes in our operating revenues for the three and six months ended June 30, 2024 compared to the same period in 2023 are presented below.

Changes in Operating Revenues <i>(in millions)</i>	Favorable (Unfavorable)	
	Three Months Ended June 30, 2024 vs 2023	Six Months Ended June 30, 2024 vs 2023
New rates from base rate proceedings, regulatory capital and DSM programs	\$ 78.7	\$ 144.3
Renewable JV revenue, fully offset by JV operating expense	6.6	10.6
Increased customer usage	3.6	7.5
Increased customer count	2.3	5.0
The effects of weather in 2024 compared to 2023	0.5	(5.2)
Other	5.0	2.7
Change in operating revenues (before cost of energy and other tracked items)	\$ 96.7	\$ 164.9
Operating revenues offset in operating expense		
Lower cost of energy billed to customers	(49.2)	(279.9)
Lower tracker deferrals within operation and maintenance, depreciation and tax	(18.4)	(20.4)
Total change in operating revenues	\$ 29.1	\$ (135.4)

Weather

The results of operations for the NIPSCO Operations segment include income from both electric and gas service lines. In general, we calculate the weather-related revenue variance based on changing customer demand driven by weather variance from normal cooling degree days and normal heating degree days, net of weather normalization mechanisms. Our composite cooling and heating degree days reported do not directly correlate to the weather-related dollar impact on the results of NIPSCO Operations. Cooling and heating degree days experienced during different times of the year or in different operating locations may have more or less impact on volume and dollars depending on when they occur. When the detailed results are combined for reporting, there may be weather-related dollar impacts on operations when there is not an apparent or significant change in our aggregated composite cooling and heating degree day comparison.

Sales

The increase in total volumes sold to electric customers for the three and six months ended June 30, 2024 compared to the same period in 2023 was primarily attributable to increased usage by residential and wholesale customers offset by industrial customers.

The decrease in total volumes sold to gas customers for the three and six months ended June 30, 2024 compared to the same period in 2023 was primarily attributable to decreased usage by industrial and residential customers.

Commodity Price Impact

Cost of energy for the NIPSCO Operations segment's electric activities is principally comprised of the cost of coal, natural gas purchased for internal generation of electricity, and the cost of power purchased from generators of electricity for its generation and transmission activities. For its gas distribution activities, NIPSCO Operations' cost of energy is principally comprised of the cost of natural gas used while providing transportation and distribution services to customers. NIPSCO Operations has state-approved recovery mechanisms that provide a means for full recovery of prudently incurred costs of energy. The majority of these costs of energy are passed through directly to the customer, and the costs of energy included in operating revenues are matched with the cost of energy expense recorded in the period. The difference is recorded on the Condensed Consolidated Balance Sheets (unaudited) as under-recovered or over-recovered fuel and gas costs to be included in future customer billings. Therefore, increases in these tracked operating expenses are offset by increases in operating revenues and have essentially no impact on net income.

The underlying reasons for changes in our operating expenses for the three and six months ended June 30, 2024 compared to the same period in 2023 are presented below.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc. NIPSCO Operations

	Favorable (Unfavorable)	
	Three Months Ended June 30, 2024 vs 2023	Six Months Ended June 30, 2024 vs 2023
Changes in Operating Expenses (in millions)		
Higher depreciation and amortization expense driven by new base rates	\$ (10.5)	\$ (30.5)
Renewable JV operating expenses, partially offset by JV operating revenues	(6.9)	(16.2)
Higher employee and administrative expenses	(3.4)	(12.9)
Effects of environmental obligations	(5.2)	(4.4)
Lower materials and supplies costs	5.5	9.9
Lower outside services expenses primarily related to lower generation-related maintenance	5.5	7.5
Other	(3.2)	(0.4)
Change in operating expenses (before cost of energy and other tracked items)	\$ (18.2)	\$ (47.0)
Operating expenses offset in operating revenue		
Lower cost of energy billed to customers	49.2	279.9
Lower tracker deferrals within operation and maintenance, depreciation and tax	18.4	20.4
Total change in operating expense	\$ 49.4	\$ 253.3

Electric Supply and Generation Transition

NIPSCO continues to execute on an electric generation transition consistent with the 2018 Plan and 2021 Plan, which outlines the path to retire the remaining two coal units at R.M. Schahfer by the end of 2025 and the remaining coal-fired generation at Michigan City by the end of 2028, to be replaced by lower-cost, reliable and cleaner options.

NIPSCO continues to work with the EPA to obtain an administrative approval associated with the operation of R.M. Schahfer's remaining two coal units until 2025. In the event that the approval is not obtained, future operations could be impacted. We cannot estimate the financial impact on us if this approval is not obtained. Refer to Item 1A. Risk Factors, "Operational Risks," of the 2023 Annual Report on Form 10-K for further detail.

The current replacement plan is aligned with the Preferred Energy Resource Plan outlined in the 2021 Plan and primarily includes renewable sources of energy, including wind, solar, battery storage, and flexible natural gas resources to be obtained through a combination of NIPSCO ownership and PPAs. NIPSCO has sold, and may in the future sell, renewable energy credits from its renewable generation to third parties to offset customer costs. NIPSCO has executed several PPAs to purchase 100% of the output from renewable generation facilities at a fixed price per MWh. Each facility supplying the energy will have an associated nameplate capacity, and payments under the PPAs will not begin until the associated generation facility is constructed by the owner/seller. NIPSCO has also executed several BTAs with developers to construct renewable generation facilities.

Since 2020, two wind PPA projects, two wind BTA projects and three solar BTA projects have been placed into service, totaling 1,665 MW of nameplate capacity plus additional battery energy storage system capacity at Cavalry. NIPSCO has executed commercial agreements for each of the seven remaining identified projects. Dunns Bridge II, Fairbanks, Gibson, GreenRiver, Appleseed, Carpenter and Templeton have received IURC approval. NIPSCO has filed for a new gas peaking facility to be located at R.M. Schahfer Generating Station. On January 17, 2024 the IURC approved increases to the project costs as well as the full ownership of Cavalry and Dunns Bridge II, allowing NIPSCO to leverage provisions of the IRA to monetize tax credits for the benefit of customers in lieu of utilizing tax equity partnerships. See "Executive Summary - Energy Transition" in this Management's Discussion for additional information. We expect the majority of our remaining BTA and PPA projects to be placed in service in 2024 and 2025.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)**NiSource Inc.****NIPSCO Operations**

Remaining Renewables Projects	Transaction Type	Technology	Nameplate Capacity (MW)	Storage Capacity (MW)
Dunns Bridge II	BTA	Solar & Storage	435	75
Fairbanks	BTA	Solar	250	—
Gibson	BTA	Solar	200	—
Green River	20 year PPA	Solar	200	—
Appleseed	20 year PPA	Solar	200	—
Templeton	20 year PPA	Wind	200	—
Carpenter	20 year PPA	Wind	200	—

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

Liquidity and Capital Resources

We continually evaluate the availability of adequate financing to fund our ongoing business operations, working capital and core safety and infrastructure investment programs. Our financing is sourced through cash flow from operations and the issuance of debt and/or equity. External debt financing is provided primarily through the issuance of long-term debt, accounts receivable securitization programs and our \$1.85 billion commercial paper program, which is backstopped by our committed revolving credit facility with a total availability from third-party lenders of \$1.85 billion. Sources of financing activities for the current year are as follows:

- On December 31, 2023, we consummated the NIPSCO Minority Interest Transaction in exchange for a capital contribution of \$2.16 billion in cash.
- On January 3, 2024, we applied the proceeds from the NIPSCO Minority Interest Transaction and repaid in full our \$1.0 billion term credit agreement and our \$650.0 million term credit agreement.
- On February 22, 2024, we entered into an ATM equity program that provides an opportunity to issue and sell shares of our common stock up to an aggregate issuance of \$900.0 million through December 31, 2025. As of June 30, 2024, the ATM program (including the impact of the forward sale agreements) had approximately \$400.0 million of equity available for issuance.
- On March 14, 2024 we completed the issuance and sale of \$650.0 million of 5.35% senior unsecured notes maturing in 2034, which resulted in approximately \$642.6 million of net proceeds after discount and debt issuance costs.
- On March 15, 2024, we redeemed all 20,000 outstanding shares of Series B Preferred Stock for a redemption price of \$25,000 per share and all 20,000 outstanding shares of Series B-1 Preferred Stock for a redemption price of \$0.01 per share or \$500.0 million in total.
- On May 16, 2024, we completed the issuance and sale of \$500.0 million of 6.95% fixed-to-fixed reset rate junior subordinated notes maturing in 2054, which resulted in approximately \$493.4 million of net proceeds after debt issuance costs.
- On June 24, 2024, we completed the issuance and sale of \$600.0 million of 5.20% senior unsecured notes maturing in 2029, which resulted in approximately \$593.7 million of net proceeds after discount and debt issuance costs.

We believe these sources provide adequate capital to fund our operating activities and capital expenditures in 2024 and beyond. See Note 4, "Noncontrolling Interests," Note 6, "Equity," Note 7, "Short-Term Borrowings," and Note 8, "Long-Term Debt," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for more information on our financing activities.

The following table summarizes our cash flow activities:

(in millions)	Six Months Ended June 30,		
	2024	2023	Change in 2024 vs 2023
Cash from (used for):			
Operating Activities	\$ 901.7	\$ 1,191.0	\$ (289.3)
Investing Activities	(1,594.0)	(1,375.6)	(218.4)
Financing Activities	(1,452.9)	300.3	(1,753.2)

Operating Activities

The decrease in cash from operating activities was primarily driven by year over year change in accounts receivable collections, inventory and exchange gas receivables due to the impact of lower gas prices, partially offset by higher accounts payables and net income.

Investing Activities

Year over year increase in investing activities was primarily comprised of capital expenditures related to system growth and reliability and milestone payments to renewable generation asset developers for certain of our BTA projects.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

We remain on track to make capital investments totaling \$3.3 billion to \$3.5 billion during the 2024 period. We also expect to invest approximately \$16.4 billion during the 2024-2028 period, including capital investments to support our generation transition strategy. These forecasted capital investments are subject to continuing review and adjustment. Actual capital expenditures may vary from these estimates.

Regulatory Capital Programs. We are in the process of upgrading and modernizing our electric system to enhance safety and reliability by addressing aged infrastructure and deploying advanced grid technologies. We are also upgrading and modernizing our gas infrastructure to enhance safety and reliability by reducing leaks. An ancillary benefit of these programs is the reduction of GHG emissions. In 2024, we continue to move forward on core infrastructure and environmental investment programs supported by complementary regulatory and customer initiatives across all six states of our operating area.

The following table describes the most recent vintage of our regulatory programs to recover infrastructure replacement and other federally mandated compliance investments:

(in millions)

Company	Program	Capital Investment	Investment Period	Filing Date	Costs Covered ⁽¹⁾
Approved					
Columbia of Pennsylvania	DSIC - Q3 2024	\$ 67.5	2/24-5/24	6/21/2024	Eligible project costs including piping, couplings, gas service lines, excess flow valves, risers, meter bars, meters, and other related capitalized cost to improve the distribution system.
Columbia of Ohio	IRP - 2024	\$ 753.5	4/21-12/23	2/26/2024	Replacement of hazardous service lines, cast iron, wrought iron, uncoated steel, and bare steel pipe.
Columbia of Ohio	PHMSA IRP - 2024	\$ 14.6	1/23-12/23	2/28/2024	Investments necessary to comply with the PHMSA Mega Rule.
Columbia of Ohio	CEP - 2023	\$ 482.1	4/21-12/22	2/24/2023	Assets not included in the IRP.
NIPSCO - Gas	TDSIC - 7	\$ 444.9	1/23-8/23	10/31/2023	New or replacement projects undertaken for the purpose of safety, reliability, system modernization or economic development.
NIPSCO - Gas	FMCA - 2	\$ 49.0	1/23-9/23	11/29/2023	Project costs to comply with federal mandates.
Columbia of Virginia	SAVE - 2024	\$ 166.5	10/22-12/24	8/15/2023	Replacement projects that (1) enhance system safety or reliability, or (2) reduce, or potentially reduce, greenhouse gas emissions. Includes costs associated with Advanced Leak Detection and Repair.
Columbia of Kentucky	SMRP - 2024	\$ 81.9	1/23-12/24	10/13/2023	Replacement of mains and inclusion of system safety investments.
NIPSCO - Electric	TDSIC - 3	\$ 70.7	7/22-1/23	3/28/2023	New or replacement projects undertaken for the purpose of safety, reliability, system modernization or economic development.
Pending Commission Approval					
NIPSCO - Gas	TDSIC - 8	\$ 514.1	1/23-2/24	4/30/2024	New or replacement projects undertaken for the purpose of safety, reliability, system modernization or economic development.
NIPSCO - Electric	TDSIC - 5	\$ 346.9	7/22-3/24	5/28/2024	New or replacement projects undertaken for the purpose of safety, reliability, system modernization or economic development.
Columbia of Ohio	CEP - 2024	\$ 767.0	4/21-12/23	2/26/2024	Assets not included in the IRP or PHMSA IRP.

⁽¹⁾Programs do not include any costs already included in base rates.

Financing Activities

Common Stock and Preferred Stock. Refer to Note 6, "Equity," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on common and preferred stock.

Long-Term Debt. Refer to Note 8, "Long-Term Debt," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on long-term debt activity.

Short-Term Debt. Refer to Note 7, "Short-Term Borrowings," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on short-term debt activity.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
NiSource Inc.

Noncontrolling Interest. We received \$2.16 billion upon closing the NIPSCO Minority Interest Transaction. Proceeds from the closing of the NIPSCO Minority Interest Transaction were used to repay short-term debt, including our credit agreements. Under the terms of the LLC Agreement, BIP is obligated to provide up to \$250 million in additional capital contributions over a three-year period after the Closing. The obligation is backed by an Equity Commitment Letter from Blackstone. BIP may contribute additional capital above \$250 million as necessary to maintain its percentage ownership interest. Refer to Note 4, "Noncontrolling Interests," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on contributions and distributions from noncontrolling interests.

Sources of Liquidity

The following table displays our liquidity position as of June 30, 2024 and December 31, 2023:

<i>(in millions)</i>	June 30, 2024	December 31, 2023
Current Liquidity		
Revolving Credit Facility	\$ 1,850.0	\$ 1,850.0
Accounts Receivable Programs ⁽¹⁾	280.3	383.9
Less:		
Commercial Paper	644.0	1,061.0
Accounts Receivable Programs Utilized	—	337.6
Letters of Credit Outstanding Under Credit Facility	9.9	9.9
Add:		
Cash and Cash Equivalents	101.2	2,245.4
Net Available Liquidity	\$ 1,577.6	\$ 3,070.8

⁽¹⁾Represents the lesser of the seasonal limit or maximum borrowings supportable by the underlying receivables.

Debt Covenants. We are subject to a financial covenant under our revolving credit facility, which require us to maintain a debt to capitalization ratio that does not exceed 70.0%. As of June 30, 2024, the ratio was 57.8%.

Credit Ratings. The credit rating agencies periodically review our ratings, taking into account factors such as our capital structure and earnings profile. The following table includes our and NIPSCO's credit ratings and ratings outlook as of June 30, 2024. There were no changes to the below credit ratings or outlooks since February 2020.

A credit rating is not a recommendation to buy, sell, or hold securities, and may be subject to revision or withdrawal at any time by the assigning rating organization.

	S&P		Moody's		Fitch	
	Rating	Outlook	Rating	Outlook	Rating	Outlook
NiSource	BBB+	Stable	Baa2	Stable	BBB	Stable
NIPSCO	BBB+	Stable	Baa1	Stable	BBB	Stable
Commercial Paper	A-2	Stable	P-2	Stable	F2	Stable

Certain of our subsidiaries have agreements that contain "ratings triggers" that require increased collateral if our credit rating or the credit ratings of certain of our subsidiaries are below investment grade. These agreements are primarily for insurance purposes and for the physical purchase or sale of power. As of June 30, 2024, the collateral requirement that would be required in the event of a downgrade below the ratings trigger levels would amount to approximately \$110.4 million. In addition to agreements with ratings triggers, there are other agreements that contain "adequate assurance" or "material adverse change" provisions that could necessitate additional credit support such as letters of credit and cash collateral to transact business.

Equity. Our authorized capital stock consists of 770,000,000 shares, \$0.01 par value, of which 750,000,000 are common stock and 20,000,000 are preferred stock. As of June 30, 2024, 448,398,632 shares of common stock were outstanding.

Contractual Obligations. A summary of contractual obligations is included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023. Except for our 2024 debt issuances, there were no additional material changes from year-

NiSource Inc.

end during the six months ended June 30, 2024. Refer to Note 8, "Long-Term Debt," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information regarding the debt issuances.

Guarantees, Indemnities and Other Off Balance Sheet Arrangements. We and certain of our subsidiaries enter into various agreements providing financial or performance assurance to third parties on behalf of certain subsidiaries as a part of normal business. Such agreements include guarantees and stand-by letters of credit. Refer to Note 16, "Other Commitments and Contingencies," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information about such arrangements.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

Regulatory, Environmental and Safety Matters

Cost Recovery and Trackers

Comparability of our line item operating results is impacted by regulatory trackers that allow for the recovery in rates of certain costs such as those described below. Increases in the costs that are subject to approved regulatory tracker mechanisms generally lead to increased regulatory assets, which ultimately result in a corresponding increases in operating revenues and expenses and, therefore, have essentially no impact on total operating income results. Certain approved regulatory tracker mechanisms allow for abbreviated regulatory proceedings in order for the operating companies to quickly implement revised rates and recover associated costs.

A portion of the Columbia Operations and NIPSCO Operations revenue is related to the recovery of gas costs, the review and recovery of which occurs through standard regulatory proceedings. All states in our operating area require periodic review of actual gas procurement activity to determine prudence and to confirm the recovery of prudently incurred energy commodity costs supplied to customers.

We recognize that energy efficiency reduces emissions, conserves natural resources and saves our customers money. Our gas distribution companies offer programs such as energy efficiency upgrades, home checkups and weatherization services. The increased efficiency of natural gas appliances and improvements in home building codes and standards contributes to a long-term trend of declining average use per customer. While we are looking to expand offerings so the energy efficiency programs can benefit as many customers as possible, our Columbia Operations and NIPSCO Operations have pursued changes in rate design to more effectively match recoveries with costs incurred. Columbia of Ohio has adopted a straight fixed variable rate design for residential customers that closely links the recovery of fixed costs with fixed charges. Columbia of Maryland and Columbia of Virginia have regulatory approval for weather and revenue normalization adjustments for certain customer classes, which adjust monthly revenues that exceed or fall short of approved levels. Columbia of Pennsylvania continues to operate its pilot residential weather normalization adjustment and also has a fixed customer charge. This weather normalization adjustment only adjusts revenues when actual weather compared to normal varies by more than 3% during the winter heating season. Columbia of Kentucky incorporates a weather normalization adjustment for certain customer classes and also has a fixed customer charge.

A portion of the NIPSCO Operations revenue is related to the recovery of fuel costs to generate power and the fuel costs related to purchased power. These costs are recovered through a FAC, which is updated quarterly to reflect actual costs incurred to supply electricity to customers.

While increased efficiency of electric appliances and improvements in home building codes and standards has impacted the average use per electric customer in recent years, NIPSCO Operations expects future growth in residential and commercial customer usage as a result of increasing electric applications, such as electric vehicles becoming more prevalent. These ongoing changes in use of electricity will likely lead to development of innovative rate designs, and NIPSCO Operations will continue efforts to design rates that increase the certainty of recovery of fixed costs.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

Regulatory, Environmental and Safety Matters

Rate Case Actions

The following table describes current rate case actions as applicable in each of our jurisdictions net of tracker impacts:

(in millions)

Company	Approved ROE	Requested Incremental Revenue	Approved Incremental Revenue	Filing Date	Rates Effective
Approved Rate Cases					
Columbia of Pennsylvania ⁽¹⁾	None specified	\$ 82.2	\$ 44.5	March 18, 2022	December 2022
Columbia of Maryland ⁽¹⁾	None specified	\$ 6.5	\$ 3.9	May 12, 2023	December 2023
Columbia of Kentucky ⁽²⁾	9.35 %	\$ 26.7	\$ 18.3	May 28, 2021	January 2022
Columbia of Virginia ⁽³⁾	None specified	\$ 40.5	\$ 25.8	April 29, 2022	October 2022
Columbia of Ohio	9.60 %	\$ 221.4	\$ 68.3	June 30, 2021	March 2023
NIPSCO - Gas ⁽⁴⁾	9.75 %	\$ 161.9	\$ 120.9	October 25, 2023	September 2024
NIPSCO - Electric ⁽⁵⁾	9.80 %	\$ 291.8	\$ 261.9	September 19, 2022	August 2023
Pending Rate Cases					
Columbia of Kentucky	In process	\$ 23.8	In process	May 16, 2024	January 2025
Columbia of Pennsylvania	In process	\$ 124.1	In process	March 15, 2024	December 2024
Columbia of Virginia ⁽⁶⁾	In process	\$ 37.2	In process	April 29, 2024	October 2024

⁽¹⁾No approved ROE is identified for this matter since the approved revenue increase is the result of a black box settlement under which parties agree upon the amount of increase.

⁽²⁾The approved ROE for natural gas capital riders (e.g., SMRP) is 9.275%.

⁽³⁾Columbia of Virginia's rate case resulted in a black box settlement, representing a settlement to a specific revenue increase but not a specified ROE. The settlement provides use of a 9.70% ROE for future SAVE and filings.

⁽⁴⁾New rates will be implemented in 2 steps, with implementation of Step 1 rates to be effective no later than September 2024 and Step 2 rates no later than March 2025.

⁽⁵⁾New rates were implemented in 2 steps, with implementation of Step 1 rates in August 2023 and Step 2 rates effective in March 2024.

⁽⁶⁾Rates to be effective on an interim basis and subject to refund.

PHMSA Regulations

We are committed to reducing the environmental impact of our business and promoting sustained environmental stewardship. We seek proactive opportunities for improved environmental performance and are committed to complying with environmental laws and regulations. To fulfill our vision of being a trusted energy provider, we follow safety practices recommended by leading industry organizations. These practices help us identify and address potential risks, resulting in improvements to our operational and environmental safety.

PHMSA Legislation and Regulations

Under the Protecting Our Infrastructure of Pipelines and Enhancing Safety (PIPES) Act of 2020, PHMSA has revised, and continues to revise, the pipeline safety regulations to require operators to update, as needed, their existing distribution integrity management plans, emergency response plans, and operation and maintenance plans. PHMSA has also adopted new requirements for managing records and updating, as necessary, existing district regulator stations to eliminate common modes of failure that can lead to over-pressurization.

In May 2023, PHMSA proposed numerous regulatory revisions under the PIPES Act of 2020 to minimize methane emissions and improve public safety. Under these proposed revisions, our subsidiaries would be required to detect and repair an increased number of gas leaks, reduce the time to repair leaks, increase leak survey frequency, and expand our existing advanced leak detection program. We continue to evaluate the proposed rule for additional impacts on our business.

In September 2023, PHMSA proposed additional regulatory revisions under the PIPES Act of 2020 to enhance distribution system safety through equipment and procedural expectations. Operators will be required to incorporate additional protections for low pressure distribution systems that prevent over-pressurization, amend construction procedures designed to minimize the risk of incidents caused by system over-pressurization, and update distribution integrity management programs to cover and prepare for over-pressurization incidents.

On November 30, 2023, the House Transportation & Infrastructure Committee introduced new pipeline safety reauthorization legislation known as the PIPES Act of 2023 to reauthorize PHMSA's safety programs for the next four years. The proposed legislation includes several priorities for our company, including excavation damage prevention grants to improve states'

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

Regulatory, Environmental and Safety Matters

damage prevention programs, a PHMSA study on blending hydrogen in distribution pipelines, new criminal penalties for intentionally damaging pipeline facilities, and creation of a Voluntary Information Sharing System to allow for industry participants to share learnings and best practices in a protected manner across the pipeline industry.

Climate Change Issues

Physical Climate Risks. Increased frequency of severe and extreme weather events associated with climate change could materially impact our facilities, energy sales, and results of operations. We are unable to predict these events. However, we perform ongoing assessments of physical risk, including physical climate risk, to our business. More extreme and volatile temperatures, increased storm intensity and flooding, and more volatile precipitation leading to changes in lake and river levels are among the weather events that are most likely to impact our business. Efforts to mitigate these physical risks continue to be implemented on an ongoing basis.

Transition Climate Risks. We actively engage with and monitor the impact that proposed legislative and regulatory programs related to GHG emissions, at both the federal and state levels, would have on our business.

Regarding federal policies, we continue to monitor the implementation of any final and proposed climate change-related legislation and regulations, including the Infrastructure Investment and Jobs Act ("IIJA"), IRA, EPA's final methane regulations for the oil and natural gas industry, and EPA's proposed Waste Emissions Charge for Petroleum and Natural Gas Systems. We have identified potential opportunities associated with the IIJA and the IRA and are evaluating how they may align with our strategy going forward. The energy-related provisions of the IIJA include new federal funding for power grid infrastructure and resiliency investments, new and existing energy efficiency and weatherization programs, electric vehicle infrastructure for public chargers and additional LIHEAP funding. The IRA contains climate and energy provisions, including funding to decarbonize the electric sector.

The United States is a party to the Paris Agreement, an international treaty through which parties set nationally determined contributions to reduce GHG emissions, build resilience, and adapt to the impacts of climate change. The Biden Administration has set a target for the United States to achieve a 50%-52% GHG reduction from 2005 levels by 2030, which supports the President's goals to create a carbon-free power sector by 2035 and net zero emissions economy no later than 2050. There are many potential pathways to reach these goals.

In December 2023, the U.S. Department of Energy ("DOE") amended the congressionally-mandated efficiency standards for residential home furnaces manufactured after December 2028. We are assessing the potential impacts associated with these new standards.

The DOE has selected two hydrogen hubs in our territories as recipients of funding designated in the IIJA to support the development of regional clean hydrogen hubs. The two hubs are the Midwest Alliance for Clean Hydrogen Hub (MachH2), with potential projects across Illinois, Indiana, Kentucky, Michigan, Missouri, and Wisconsin; and the Appalachian Regional Clean Hydrogen Hub (ARCH2), with potential investments across West Virginia, Ohio, Kentucky, and Pennsylvania. Work is underway to determine what roles our companies may have with these hydrogen hubs.

In May 2024, the EPA published final greenhouse gas standards and guidelines for fossil fuel-fired power plants. The rules are not expected to impact NIPSCO's existing electric generation, but, depending on the outcome of ongoing litigation, may impose certain operational limitations on other existing and new electric generation. We are assessing the potential impacts of these rules through the current 2024 Plan process.

We also continue to monitor the implementation of any final and proposed state policy. The Virginia Energy Innovation Act, enacted into law in April 2022, and effective July 1, 2022, allows natural gas utilities to supply alternative forms of gas that meet certain standards and reduce emissions intensity. The Act also provides that the costs of enhanced leak detection and repair may be added to a utility's plan to identify proposed eligible infrastructure replacement projects and related cost recovery mechanisms, known as the SAVE Plan. Furthermore, under the Act, utilities can recover eligible biogas supply infrastructure costs on an ongoing basis. The provisions of these laws may provide opportunities for Columbia of Virginia as it participates in the transition to a lower carbon future.

The Climate Solutions Now Act of 2022 requires Maryland to reduce GHG emissions by 60% by 2031 (from 2006 levels), and it requires the state to reach net zero emissions by 2045. The Maryland Department of the Environment ("MDE") adopted a plan to achieve its 2031 goal and is required to adopt a plan for its 2045 net zero goal by 2030. In June 2024, Governor Moore

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)**NiSource Inc.****Regulatory, Environmental and Safety Matters**

signed an executive order to advance Maryland's Pollution Reduction Plan, which directs the MDE to propose a zero-emission heating equipment standard regulation and a clean heat standard regulation. The Act also enacts a state policy to move to broader electrification of both existing buildings and new construction, and requires the Public Service Commission ("PSC") to complete a study assessing the capacity of gas and electric distribution systems to successfully serve customers under a transition to a highly electrified building sector. The PSC released their report on December 29, 2023, and concluded that high levels of electrification can be handled by Maryland's electric systems through 2031. The Maryland Department of the Environment issued draft proposed Building Energy Performance Standards (BEPS), which would require net zero direct greenhouse gas emissions from large buildings by 2040 with interim targets, or an alternative compliance fee. Columbia of Maryland is advocating for compliance pathways that use RNG, hydrogen, and emissions offsets. Separately, the PSC has also initiated a proceeding related to Near-Term, Priority Actions and Comprehensive, Long-Term Planning for Maryland's Gas Companies. Columbia of Maryland will continue to monitor these matters, but we cannot predict their final impact on our business at this time.

NIPSCO Gas, Columbia of Maryland, Columbia of Pennsylvania, Columbia of Virginia and Columbia of Kentucky have each filed petitions to implement the Green Path Rider, which is a voluntary rider allowing customers to opt in and offset either 50% or 100% of their natural gas related emissions. To reduce the emissions, the utilities will purchase RNG attributes and carbon offsets to match the usage for customers opting into the program. After reaching settlement with other parties in September 2022, NIPSCO agreed to add a third tier to offset 25% of customer usage. The program was approved by the IURC at NIPSCO in November 2022 with a January 2023 start date. Columbia of Virginia received a final order in May 2023, approving the Green Path Rider and began enrolling customers in September 2023. The petitions filed by Columbia of Maryland, Columbia of Pennsylvania, and Columbia of Kentucky were rejected and have not been implemented as of June 30, 2024. Additionally, NIPSCO Electric has a voluntary Green Power Rider program in place that allows customers to designate a portion or all their monthly electric usage to come from power generated by renewable energy sources.

Net Zero Goal. In November 2022, we announced a goal of net zero greenhouse gas emissions by 2040 covering both Scope 1 and Scope 2 GHG emissions ("Net Zero Goal"). Our Net Zero Goal builds on greenhouse gas emission reductions achieved to-date and demonstrates that continued execution of our long-term business plan will drive further greenhouse gas emission reductions. We remain on track to achieve previously announced interim greenhouse gas emission reduction targets by reducing fugitive methane emissions from main and service lines by 50% from 2005 levels by 2025 and reducing Scope 1 GHG emissions from company-wide operations by 90% from 2005 levels by 2030. We plan to achieve our Net Zero Goal primarily through continuation and enhancement of existing programs, such as retiring and replacing coal-fired electric generation with low- or zero-emission electric generation, ongoing pipe replacement and modernization programs, and deployment of advanced leak-detection technologies. In addition, we plan to advance other low- and zero-emission energy resources and technologies, which may include hydrogen, renewable natural gas, long-duration storage, and/or deployment of carbon capture and utilization technologies, if and when these become technologically and economically feasible. Carbon offsets and renewable energy credits may also be used to support achievement of our Net Zero Goal. As of the end of 2023, we had reduced Scope 1 GHG emissions by approximately 72% from 2005 levels.

Our greenhouse gas emissions projections, including achieving a Net Zero Goal, are subject to various assumptions that involve risks and uncertainties. Achievement of our Net Zero Goal by 2040 will require supportive regulatory and legislative policies, favorable stakeholder environments and advancement of technologies that are not currently economical to deploy. Should such regulatory and legislative policies, stakeholder environments or technologies fail to materialize, our actual results or ability to achieve our Net Zero Goal, including by 2040, may differ materially.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)**NiSource Inc.****Market Risk Disclosures**

Risk is an inherent part of our businesses. The extent to which we properly and effectively identify, assess, monitor and manage each of the various types of risk involved in our businesses is critical to our profitability. We seek to identify, assess, monitor and manage, in accordance with defined policies and procedures, the following principal market risks that are involved in our businesses: commodity price risk, interest rate risk and credit risk. We manage risk through a multi-faceted process with oversight by the Risk Management Committee that requires constant communication, judgment and knowledge of specialized products and markets. Our senior management takes an active role in the risk management process and has developed policies and procedures that require specific administrative and business functions to assist in the identification, assessment and control of various risks. These may include, but are not limited to market, operational, financial, compliance and strategic risk types. In recognition of the increasingly varied and complex nature of the energy business, our risk management process, policies and procedures continue to evolve and are subject to ongoing review and modification.

Commodity Price Risk

Our gas and electric subsidiaries have commodity price risk primarily related to the purchases of natural gas and power. To manage this market risk, our subsidiaries use derivatives, including commodity futures contracts, swaps, forwards and options. We do not participate in speculative energy trading activity.

Commodity price risk resulting from derivative activities at our rate-regulated subsidiaries is limited and does not bear significant exposure to earnings risk, since our current regulatory mechanisms allow recovery of prudently incurred purchased power, fuel and gas costs through the rate-making process, including gains or losses on these derivative instruments. These changes are included in the GCA and FAC regulatory rate-recovery mechanisms. If these mechanisms were to be adjusted or eliminated, these subsidiaries may begin providing services without the benefit of the traditional rate-making process and may be more exposed to commodity price risk. For additional information, see "Results and Discussion of Segment Operations" in this Management's Discussion.

Our subsidiaries are required to make cash margin deposits with their brokers to cover actual and potential losses in the value of outstanding exchange traded derivative contracts. The amount of these deposits, some of which are reflected in our restricted cash balance, may fluctuate significantly during periods of high volatility in the energy commodity markets.

Refer to Note 11, "Risk Management Activities," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for further information on our commodity price risk assets and liabilities as of June 30, 2024 and December 31, 2023.

Interest Rate Risk

We are exposed to interest rate risk as a result of changes in interest rates on borrowings under our revolving credit agreement, commercial paper program, and accounts receivable programs, which have interest rates that are indexed to short-term market interest rates. Based upon average borrowings and debt obligations subject to fluctuations in short-term market interest rates, an increase (or decrease) in short-term interest rates of 100 basis points (1%) would have increased (or decreased) interest expense by \$2.6 million and \$5.2 million for the three and six months ended June 30, 2024 and \$3.1 million and \$7.6 million for the three and six months ended June 30, 2023, respectively. We are also exposed to interest rate risk as a result of changes in benchmark rates that can influence the interest rates of future long-term debt issuances. From time to time we may enter into forward interest rate instruments to lock in long term interest costs and/ or rates.

Credit Risk

Due to the nature of the industry, credit risk is embedded in many of our business activities. Our extension of credit is governed by a Corporate Credit Risk Management Policy which establishes guidelines for documenting management approval levels for credit limits, evaluating creditworthiness, and credit risk mitigation efforts. Exposures to credit risks are monitored by the risk management function, which is independent of commercial operations. Credit risk arises due to the possibility that a customer, supplier or counterparty will not be able or willing to fulfill its obligations on a transaction on or before the settlement date. For derivative-related contracts, credit risk arises when counterparties are obligated to deliver or purchase defined commodity units of gas or power to us at a future date per execution of contractual terms and conditions. Exposure to credit risk is measured in terms of both current obligations and the market value of forward positions net of any posted collateral such as cash and letters of credit.

We evaluate the financial status of our banking partners through the use of market-based metrics such as credit default swap pricing levels, and also through traditional credit ratings provided by major credit rating agencies.

Other Information

Critical Accounting Estimates

A summary of our critical accounting estimates is included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023. There were no material changes made as of June 30, 2024.

Recently Issued Accounting Pronouncements

Refer to Note 2, "Recent Accounting Pronouncements," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information about recently issued and adopted accounting pronouncements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Quantitative and qualitative disclosures about market risk are reported in Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations - Market Risk Disclosures."

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our chief executive officer and our chief financial officer are responsible for evaluating the effectiveness of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)). Our disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed by us in reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure and is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. Based upon that evaluation, our chief executive officer and chief financial officer concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were effective to provide reasonable assurance that financial information was processed, recorded and reported accurately.

Changes in Internal Controls

There have been no changes in our internal control over financial reporting during the most recently completed quarter covered by this report that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II

ITEM 1. LEGAL PROCEEDINGS

For a description of our legal proceedings, see Note 16, "Other Commitments and Contingencies - B. Legal Proceedings," in the Notes to the Condensed Consolidated Financial Statements (unaudited).

ITEM 1A. RISK FACTORS

Please refer to the risk factors set forth in Part I, Item 1A of the Annual Report on Form 10-K for the year ended December 31, 2023. There have been no material changes to such risk factors.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

Director and Officer Trading Arrangements

During the three months ended June 30, 2024, no director or Section 16 officer of the Company adopted, terminated or modified a 'Rule 10b5-1 trading arrangement' or 'non-Rule 10b5-1 trading arrangement,' as each term is defined in Item 408(a) of Regulation S-K.

ITEM 6. EXHIBITS

NiSource Inc.

- (4.1) Form of 6.950% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2054 (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on May 16, 2024).
- (4.2) Subordinated Indenture, dated as of May 16, 2024, between NiSource Inc. and The Bank of New York Mellon, as trustee (incorporated by reference to [Exhibit 4.2 to the NiSource Form 8-K](#) filed on May 16, 2024).
- (4.3) First Supplemental Indenture, dated as of May 16, 2024, between NiSource Inc. and The Bank of New York Mellon, as trustee (incorporated by reference to [Exhibit 4.3 to the NiSource Form 8-K](#) filed on May 16, 2024).
- (4.4) Form of 5.200% Notes due 2029 (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on June 24, 2024).
- (31.1) [Certification of Chief Executive Officer pursuant to Rule 13a-14\(a\)/15d-14\(a\), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.](#)*
- (31.2) [Certification of Chief Financial Officer pursuant to Rule 13a-14\(a\)/15d-14\(a\), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.](#)*
- (32.1) [Certification of Chief Executive Officer pursuant to 18. U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 \(furnished herewith\).](#)*
- (32.2) [Certification of Chief Financial Officer pursuant to 18. U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 \(furnished herewith\).](#)*
- (101.INS) Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
- (101.SCH) Inline XBRL Schema Document
- (101.CAL) Inline XBRL Calculation Linkbase Document
- (101.LAB) Inline XBRL Labels Linkbase Document
- (101.PRE) Inline XBRL Presentation Linkbase Document
- (101.DEF) Inline XBRL Definition Linkbase Document
- (104) Cover page Interactive Data File (formatted as inline XBRL, and contained in Exhibit 101.)
- * Exhibit filed herewith.
- ** Schedules and similar attachments to this Exhibit have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company agrees to furnish supplementally a copy of any omitted schedule or exhibit to the U.S. Securities and Exchange Commission (the “SEC”) upon request

SIGNATURE

NiSource Inc.

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

NiSource Inc.

(Registrant)

Date: August 7, 2024

By:

/s/ Gunnar J. Gode

Gunnar J. Gode

Vice President, Chief Accounting Officer
(Principal Accounting Officer)

**Certification Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002**

I, Lloyd M. Yates, certify that:

1. I have reviewed this Quarterly Report of NiSource Inc. on Form 10-Q of NiSource Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2024

By:

/s/ Lloyd M. Yates

Lloyd M. Yates
President and Chief Executive Officer

**Certification Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002**

I, Shawn Anderson, certify that:

1. I have reviewed this Quarterly Report of NiSource Inc. on Form 10-Q for the quarter ended June 30, 2024;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2024

By: /s/ Shawn Anderson

Shawn Anderson
Executive Vice President and Chief Financial Officer

**Certification Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of NiSource Inc. (the “Company”) on Form 10-Q for the year ending June 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Lloyd M. Yates, Chief Executive Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Lloyd M. Yates

Lloyd M. Yates

President and Chief Executive Officer

Date: August 7, 2024

**Certification Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of NiSource Inc. (the “Company”) on Form 10-Q for the quarter ending June 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Shawn Anderson, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Shawn Anderson

Shawn Anderson
Executive Vice President and Chief Financial Officer

Date: August 7, 2024

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2024

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 001-16189

NiSource Inc.

(Exact name of registrant as specified in its charter)

DE

(State or other jurisdiction of
incorporation or organization)

801 East 86th Avenue
Merrillville, IN

(Address of principal executive offices)

35-2108964

(I.R.S. Employer
Identification No.)

46410

(Zip Code)

(877) 647-5990

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
	NI	NYSE
Common Stock, par value \$0.01 per share		

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files.)

Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Emerging growth company ☐ Non-accelerated filer ☐ Smaller reporting company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: Common Stock, \$0.01 Par Value: 466,778,943 shares outstanding at October 22, 2024.

NISOURCE INC.
FORM 10-Q QUARTERLY REPORT
FOR THE QUARTER ENDED SEPTEMBER 30, 2024

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DEFINED TERMS

The following is a list of frequently used abbreviations or acronyms that are found in this report:

NiSource Subsidiaries and Affiliates (not exhaustive)

Columbia of Kentucky	Columbia Gas of Kentucky, Inc.
Columbia of Maryland	Columbia Gas of Maryland, Inc.
Columbia of Ohio	Columbia Gas of Ohio, Inc.
Columbia of Pennsylvania	Columbia Gas of Pennsylvania, Inc.
Columbia of Virginia	Columbia Gas of Virginia, Inc.
NIPSCO	Northern Indiana Public Service Company LLC
NIPSCO Holdings I	NIPSCO Holdings I LLC
NIPSCO Holdings II	NIPSCO Holdings II LLC
NiSource ("we," "us" or "our")	NiSource Inc.
Rosewater	Rosewater Wind Generation LLC and its wholly owned subsidiary, Rosewater Wind Farm LLC
Indiana Crossroads Wind	Indiana Crossroads Wind Generation LLC and its wholly owned subsidiary, Indiana Crossroads Wind Farm LLC
Indiana Crossroads Solar	Indiana Crossroads Solar Generation LLC and its wholly owned subsidiary, Meadow Lake Solar Park LLC
Dunns Bridge I	Dunn's Bridge I Solar Generation LLC and its wholly owned subsidiary, Dunns Bridge Solar Center, LLC
Dunns Bridge II	Dunn's Bridge II Solar Generation LLC
Gibson	Gibson Solar Generation LLC
Fairbanks	Fairbanks Solar Generation LLC
Cavalry	Cavalry Solar Generation LLC

Abbreviations and Other

AFUDC	Allowance for funds used during construction
AOI	Accumulated Other Comprehensive Income (Loss)
ASC	Accounting Standards Codification
ASU	Accounting Standards Update
ATM	At-the-market
BIP	BIP Blue Buyer L.L.C
BIP Blue Buyer VCOC L.L.C	BIP Blue Buyer VCOC L.L.C., a Delaware limited liability company and also an affiliate of Blackstone
Blackstone	Blackstone Infrastructure Partners L.P
BTA	Build-transfer agreement
CCRs	Coal Combustion Residuals
CEP	Ohio Capital Expenditure Program
CERCLA	Comprehensive Environmental Response Compensation and Liability Act (also known as Superfund)
CODM	Chief Operating Decision Maker
Columbia Operations	Reportable segment comprised of the results of NiSource Gas Distribution company, including all of its Columbia Gas distribution companies and related subsidiaries
Corporate Units	Series A Corporate Units
DSIC	Distribution System Improvement Charge
DSM	Demand Side Management
EPA	United States Environmental Protection Agency

	<u>DEFINED TERMS</u>
EPS	Earnings per share
Equity Units	Series A Equity Units
FAC	Fuel adjustment clause
FASB	Financial Accounting Standards Board
FMCA	Indiana Federally Mandated Cost Adjustment mechanism
GAAP	Generally Accepted Accounting Principles
GCA	Gas cost adjustment
GHG	Greenhouse gases
GWh	Gigawatt hours
IRA	Inflation Reduction Act of 2022
IRP	Ohio Infrastructure Replacement Program
IURC	Indiana Utility Regulatory Commission
JV	Joint Venture
LIFO	Last In, First Out
LIHEAP	Low Income Heating Energy Assistance Program
MGP	Manufactured Gas Plant
MISO	Midcontinent Independent System Operator
MMDth	Million dekatherms
MW	Megawatts
MWh	Megawatt hours
NIPSCO Electric	The electric generation and transmission activities of the NIPSCO Operations reportable segment
NIPSCO Gas	The gas distribution activities of the NIPSCO Operations reportable segment
NIPSCO Minority Interest Transaction	A transaction between NiSource, NIPSCO Holdings II (sole owner of NIPSCO) and an affiliate of Blackstone pursuant to a purchase and sale agreement entered into on June 17, 2023, that offered equity interests in NIPSCO Holdings II in exchange for capital contributions by the parties.
NIPSCO Operations	Reportable segment comprised of the results of NIPSCO Holdings I, NIPSCO Holdings II, and NIPSCO and all related subsidiaries
NYMEX	New York Mercantile Exchange
OPEB	Other Postemployment Benefits
PHMSA	Pipeline and Hazardous Materials Safety Administration
PPA	Power Purchase Agreement
RNG	Renewable Natural Gas
SAVE	Steps to Advance Virginia's Energy Plan
Scope 1 GHG Emissions	Direct emissions from sources owned or controlled by us (e.g., emissions from our combustion of fuel, vehicles, and process emissions and fugitive emissions)
Scope 2 GHG Emissions	Indirect emissions from sources owned or controlled by us
SEC	Securities and Exchange Commission
SMRP	Kentucky Safety Modification and Replacement Program
SMS	Safety Management System
TCJA	An Act to provide for reconciliation pursuant to titles II and V of the concurrent resolution on the budget for fiscal year 2018 (commonly known as the Tax Cuts and Jobs Act of 2017)
TDSIC	Indiana Transmission, Distribution and Storage System Improvement Charge

VIE
WAM

DEFINED TERMS

Variable Interest Entity
Work and Asset Management enterprise resourcing system

Note regarding forward-looking statements

This Quarterly Report on Form 10-Q 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"). Forward-looking statements in this Quarterly Report on Form 10-Q 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 Quarterly Report on Form 10-Q include, among other things:

- our ability to execute our business plan or growth strategy, including utility infrastructure investments, or business opportunities, such as data center development and related generation sources and transmission capabilities to meet potential load growth;
- potential incidents and other operating risks associated with our business;
- our ability to work successfully with our third-party investors;
- our ability to adapt to, and manage costs related to, advances in technology, including alternative energy sources and changes in laws and regulations;
- our increased dependency on 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 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 demand;
- our ability to attract, retain or re-skill a qualified, diverse workforce and maintain good labor relations;
- our ability to manage new initiatives and organizational changes;
- the actions of activist stockholders;
- the performance and quality of third-party suppliers and service providers;
- potential cybersecurity attacks or security breaches;
- increased requirements and costs related to cybersecurity;
- any damage to our reputation;
- the impacts of natural disasters, potential terrorist attacks or other catastrophic events;
- the physical impacts of climate change and the transition to a lower carbon future;
- our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals, including our Net Zero Goal (as defined below), including any future associated impact from business opportunities such as data center development as those opportunities evolve;
- our debt obligations;
- any changes to our credit rating or the credit rating of certain of our subsidiaries;
- adverse economic and capital market conditions, including increases in inflation or interest rates, recession, or changes in investor sentiment;

- economic regulation and the impact of regulatory rate reviews;
- our ability to obtain expected financial or regulatory outcomes;
- 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;
- the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation;
- compliance with changes in, or new interpretations of applicable laws, regulations and tariffs;
- the cost of compliance with environmental laws and regulations and the costs of associated liabilities;
- changes in tax laws or the interpretation thereof;
- and other matters set forth in Item 1, "Business," Item 1A, "Risk Factors" section of our Annual Report on Form 10-K for the fiscal year ended December 31, 2023, and Part I, Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations," of this report, some 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.

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PART I

ITEM 1. FINANCIAL STATEMENTS

NiSource Inc.

Condensed Statements of Consolidated Income (unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
<i>(in millions, except per share amounts)</i>	2024	2023	2024	2023
Operating Revenues				
Customer revenues	\$ 1,046.1	\$ 1,002.6	\$ 3,743.2	\$ 3,965.9
Other revenues	30.2	24.8	124.1	117.5
Total Operating Revenues	1,076.3	1,027.4	3,867.3	4,083.4
Operating Expenses				
Cost of energy	165.9	181.3	755.6	1,198.3
Operation and maintenance	357.4	341.2	1,093.5	1,101.9
Depreciation and amortization	269.5	210.9	765.1	650.9
Loss on impairment of assets	—	—	2.9	—
Loss (gain) on sale of assets, net	(0.5)	(0.2)	1.1	(0.5)
Other taxes	65.7	61.2	210.4	199.9
Total Operating Expenses	858.0	794.4	2,828.6	3,150.5
Operating Income	218.3	233.0	1,038.7	932.9
Other Income (Deductions)				
Interest expense, net	(134.6)	(129.2)	(380.2)	(348.6)
Other, net	29.2	(1.6)	51.4	1.9
Total Other Deductions, Net	(105.4)	(130.8)	(328.8)	(346.7)
Income before Income Taxes	112.9	102.2	709.9	586.2
Income Taxes	15.9	3.8	109.5	103.7
Net Income	97.0	98.4	600.4	482.5
Net income attributable to noncontrolling interest	11.3	13.3	63.9	5.6
Net Income Attributable to NiSource	85.7	85.1	536.5	476.9
Preferred dividends	—	(8.1)	(6.7)	(34.6)
Preferred redemption premium	—	—	(14.0)	(6.2)
Net Income Available to Common Shareholders	\$ 85.7	\$ 77.0	\$ 515.8	\$ 436.1
Earnings Per Share				
Basic Earnings Per Share	\$ 0.19	\$ 0.19	\$ 1.15	\$ 1.05
Diluted Earnings Per Share	\$ 0.19	\$ 0.17	\$ 1.14	\$ 0.98
Basic Average Common Shares Outstanding	451.9	413.5	449.4	413.2
Diluted Average Common Shares	454.5	448.3	451.4	447.4

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Condensed Statements of Consolidated Comprehensive Income (unaudited)

<i>(in millions, net of taxes)</i>	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Net Income	\$ 97.0	\$ 98.4	\$ 600.4	\$ 482.5
Other comprehensive income:				
Net unrealized gain (loss) on available-for-sale debt securities ⁽¹⁾	3.5	(1.7)	3.2	(0.9)
Reclassification adjustment for cash flow hedges ⁽²⁾	(0.1)	(0.1)	(0.3)	(0.2)
Unrecognized pension and OPEB benefit ⁽³⁾	0.6	0.7	1.1	1.3
Total other comprehensive income (loss)	4.0	(1.1)	4.0	0.2
Comprehensive Income	\$ 101.0	\$ 97.3	\$ 604.4	\$ 482.7

⁽¹⁾Net unrealized gain (loss) on available-for-sale debt securities, net of \$0.9 million tax expense and \$0.4 million tax benefit in the third quarter of 2024 and 2023, respectively, and \$0.8 million of tax expense and \$0.2 million tax benefit for the nine months ended 2024 and 2023, respectively.

⁽²⁾Reclassification adjustment for cash flow hedges, net of \$0.1 million tax benefit and \$0.0 million tax expense in the third quarter of 2024 and 2023, respectively, and \$0.1 million of tax benefit and \$0.1 million tax benefit for the nine months ended 2024 and 2023, respectively.

⁽³⁾Unrecognized pension and OPEB benefit, net of \$0.2 million of tax expense and \$0.3 million tax expense in the third quarter of 2024 and 2023, respectively, and \$0.4 million of tax expense and \$0.5 million tax expense for the nine months ended 2024 and 2023, respectively.

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Condensed Consolidated Balance Sheets (unaudited)

<i>(in millions)</i>	September 30, 2024	December 31, 2023
ASSETS		
Property, Plant and Equipment		
Plant	\$ 33,453.8	\$ 30,482.1
Accumulated depreciation and amortization	(8,572.4)	(8,207.2)
Net Property, Plant and Equipment ⁽¹⁾	24,881.4	22,274.9
Investments and Other Assets		
Unconsolidated affiliates	6.5	5.3
Available-for-sale debt securities (amortized cost of \$143.5 and \$169.0, allowance for credit losses of \$0.2 and \$0.6, respectively)	137.9	159.1
Other investments	89.0	82.7
Total Investments and Other Assets	233.4	247.1
Current Assets		
Cash and cash equivalents	126.2	2,245.4
Restricted cash	32.6	35.7
Accounts receivable	589.7	884.9
Allowance for credit losses	(17.7)	(22.9)
Accounts receivable, net	572.0	862.0
Gas storage	189.3	265.8
Materials and supplies, at average cost	167.1	172.1
Electric production fuel, at average cost	34.9	65.3
Exchange gas receivable	22.5	66.0
Regulatory assets	329.7	214.3
Deposits to renewable generation asset developer	—	454.2
Prepayments and other	141.7	118.6
Total Current Assets ⁽¹⁾	1,616.0	4,499.4
Other Assets		
Regulatory assets	2,208.3	2,245.9
Goodwill	1,485.9	1,485.9
Deferred charges and other	403.1	324.0
Total Other Assets	4,097.3	4,055.8
Total Assets	\$ 30,828.1	\$ 31,077.2

⁽¹⁾Includes \$1,335.3 million and \$1,369.8 million at September 30, 2024 and December 31, 2023, respectively, of net property, plant and equipment assets and \$52.9 million and \$63.6 million at September 30, 2024 and December 31, 2023, respectively, of current assets of consolidated VIEs that may be used only to settle obligations of the consolidated VIEs. Refer to Note 4, "Noncontrolling Interests," for additional information.

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)
**NiSource Inc.
Condensed Consolidated Balance Sheets (unaudited) (continued)**

<i>(in millions, except share amounts)</i>	September 30, 2024	December 31, 2023
CAPITALIZATION AND LIABILITIES		
Capitalization		
Stockholders' Equity		
Common stock - \$0.01 par value, 750,000,000 shares authorized; 466,707,452 and 447,381,671 shares outstanding, respectively	\$ 4.7	\$ 4.5
Preferred stock - \$0.01 par value, 20,000,000 shares authorized; 0 and 40,000 shares outstanding, respectively	—	486.1
Treasury stock	(99.9)	(99.9)
Additional paid-in capital	9,404.7	8,879.5
Retained deficit	(934.9)	(967.0)
Accumulated other comprehensive loss	(29.6)	(33.6)
Total NiSource Stockholders' Equity	8,345.0	8,269.6
Noncontrolling interest in consolidated subsidiaries	1,983.8	1,866.7
Total Stockholders' Equity	10,328.8	10,136.3
Long-term debt, excluding amounts due within one year	12,086.3	11,055.5
Total Capitalization	22,415.1	21,191.8
Current Liabilities		
Current portion of long-term debt	1,271.2	23.8
Short-term borrowings	257.0	3,048.6
Accounts payable	614.6	749.4
Dividends payable - common stock	125.3	—
Customer deposits and credits	261.6	294.4
Taxes accrued	134.7	166.2
Interest accrued	147.4	136.1
Exchange gas payable	56.1	50.5
Regulatory liabilities	151.7	278.6
Asset retirement obligations	74.9	72.5
Accrued compensation and employee benefits	239.3	227.6
Other accruals	151.7	217.4
Total Current Liabilities ⁽¹⁾	3,485.5	5,265.1
Other Liabilities		
Deferred income taxes	2,206.7	2,080.4
Accrued liability for postretirement and postemployment benefits	238.4	250.1
Regulatory liabilities	1,437.6	1,510.7
Asset retirement obligations	733.0	480.5
Other noncurrent liabilities and deferred credits	311.8	298.6
Total Other Liabilities ⁽¹⁾	4,927.5	4,620.3
Commitments and Contingencies (Refer to Note 15, "Other Commitments and Contingencies")		
Total Capitalization and Liabilities	\$ 30,828.1	\$ 31,077.2

⁽¹⁾Includes \$50.5 million and \$68.3 million at September 30, 2024 and December 31, 2023, respectively, of current liabilities and \$57.7 million and \$55.7 million at September 30, 2024 and December 31, 2023, respectively, of other liabilities of consolidated VIEs that creditors do not have recourse to our general credit. Refer to Note 4, "Noncontrolling Interests," for additional information.

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)
NiSource Inc.
Condensed Statements of Consolidated Cash Flows (unaudited)

Nine Months Ended September 30, <i>(in millions)</i>	2024	2023
Operating Activities		
Net Income	\$ 600.4	\$ 482.5
Adjustments to Reconcile Net Income to Net Cash from Operating Activities:		
Depreciation and amortization	765.1	650.9
Deferred income taxes and investment tax credits	109.1	102.1
Loss (gain) on sale of assets	1.1	(0.5)
Payments for asset retirement obligations	(55.0)	(25.0)
Other adjustments	(14.9)	12.0
Changes in Assets and Liabilities:		
Components of working capital	(85.8)	323.6
Regulatory assets/liabilities	(35.6)	15.1
Deferred charges and other noncurrent assets	(45.1)	(11.8)
Other noncurrent liabilities and deferred credits	2.4	(13.0)
Net Cash Flows from Operating Activities	1,241.7	1,535.9
Investing Activities		
Capital expenditures	(1,854.0)	(1,885.6)
Cost of removal	(108.9)	(118.7)
Milestone payments to renewable generation asset developer	(478.8)	(486.7)
Other investing activities	27.2	(12.3)
Net Cash Flows used for Investing Activities	(2,414.5)	(2,503.3)
Financing Activities		
Proceeds from issuance of long-term debt	2,229.6	1,488.7
Repayments of finance lease obligations	(20.4)	(24.1)
Repayment of short term credit agreements	(1,650.0)	—
Net change in commercial paper and other short-term borrowings	(1,141.6)	457.8
Issuance of common stock, net of issuance costs	507.9	9.6
Redemption of preferred stock	(486.1)	(393.9)
Preferred stock redemption premium	(14.0)	(6.2)
Equity costs, premiums and other debt related costs	(62.9)	(19.3)
Contributions from NIPSCO minority interest holders	99.5	—
Distribution to NIPSCO minority interest holders	(32.0)	—
Contributions from tax equity partners	—	240.9
Distributions to tax equity partners	(14.3)	(12.0)
Dividends paid - common stock	(357.0)	(310.1)
Dividends paid - preferred stock	(8.2)	(35.7)
Contract liability payment	—	(49.9)
Payment of obligation to renewable generation asset developer	—	(347.2)
Net Cash Flows (used for) from Financing Activities	(949.5)	998.6
Change in cash, cash equivalents and restricted cash	(2,122.3)	31.2
Cash, cash equivalents and restricted cash at beginning of period	2,281.1	75.4
Cash, Cash Equivalents and Restricted Cash at End of Period	\$ 158.8	\$ 106.6

Reconciliation to Balance Sheet

Nine Months Ended September 30, <i>(in millions)</i>	2024
Cash and cash equivalents	126.2
Restricted Cash	32.6
Total Cash, Cash Equivalents and Restricted Cash	158.8

ITEM 1. FINANCIAL STATEMENTS (continued)

Supplemental Disclosures of Cash Flow Information

Nine Months Ended September 30, <i>(in millions)</i>	2024	2023
Non-cash transactions:		
Capital expenditures included in current liabilities	\$ 348.0	\$ 389.0
Dividends declared but not paid	125.3	111.9
Purchase contract liability	—	16.4

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Condensed Statements of Consolidated Equity (unaudited)

<i>(in millions)</i>	Common Stock	Preferred Stock	Treasury Stock	Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest in Consolidated Subsidiaries	Total
Balance as of July 1, 2024	\$ 4.5	\$ —	\$ (99.9)	\$ 8,894.2	\$ (896.2)	\$ (33.6)	\$ 1,950.6	\$ 9,819.6
Comprehensive Income:								
Net income	—	—	—	—	85.7	—	11.3	97.0
Other comprehensive income, net of tax	—	—	—	—	—	4.0	—	4.0
Dividends:								
Common stock (\$0.265 per share)	—	—	—	—	(124.4)	—	—	(124.4)
Noncontrolling Interests:								
Contributions from noncontrolling interests	—	—	—	—	—	—	39.8	39.8
Distributions to noncontrolling interests	—	—	—	—	—	—	(17.9)	(17.9)
Stock issuances:								
Employee stock purchase plan	—	—	—	1.7	—	—	—	1.7
Long-term incentive plan	—	—	—	8.0	—	—	—	8.0
401(k) and profit sharing	—	—	—	2.2	—	—	—	2.2
ATM program	0.2	—	—	498.6	—	—	—	498.8
Balance as of September 30, 2024	\$ 4.7	\$ —	\$ (99.9)	\$ 9,404.7	\$ (934.9)	\$ (29.6)	\$ 1,983.8	\$ 10,328.8

<i>(in millions)</i>	Common Stock	Preferred Stock	Treasury Stock	Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest in Consolidated Subsidiaries	Total
Balance as of January 1, 2024	\$ 4.5	\$ 486.1	\$ (99.9)	\$ 8,879.5	\$ (967.0)	\$ (33.6)	\$ 1,866.7	\$ 10,136.3
Comprehensive Income:								
Net income	—	—	—	—	536.5	—	63.9	600.4
Other comprehensive income, net of tax	—	—	—	—	—	4.0	—	4.0
Dividends:								
Common stock (\$1.06 per share)	—	—	—	—	(482.3)	—	—	(482.3)
Preferred stock (See Note 6)	—	—	—	—	(8.1)	—	—	(8.1)
Noncontrolling Interests:								
Contributions from noncontrolling interests	—	—	—	—	—	—	99.5	99.5
Distributions to noncontrolling interests	—	—	—	—	—	—	(46.3)	(46.3)
Stock issuances (redemptions):								
Series B and B-1 Preferred Stock Redemption	—	(486.1)	—	—	—	—	—	(486.1)
Series B and B-1 Preferred stock redemption premium	—	—	—	—	(14.0)	—	—	(14.0)
Employee stock purchase plan	—	—	—	4.7	—	—	—	4.7
Long-term incentive plan	—	—	—	14.9	—	—	—	14.9
401(k) and profit sharing	—	—	—	7.0	—	—	—	7.0
ATM program	0.2	—	—	498.6	—	—	—	498.8
Balance as of September 30, 2024	\$ 4.7	\$ —	\$ (99.9)	\$ 9,404.7	\$ (934.9)	\$ (29.6)	\$ 1,983.8	\$ 10,328.8

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ITEM 1. FINANCIAL STATEMENTS (continued)

<i>(in millions)</i>	Common Stock	Preferred Stock	Treasury Stock	Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest in Consolidated Subsidiaries	Total
Balance as of July 1, 2023	\$ 4.2	\$ 1,152.6	\$ (99.9)	\$ 7,383.1	\$ (1,173.8)	\$ (35.8)	\$ 341.0	\$ 7,571.4
Comprehensive Income:								
Net income	—	—	—	—	85.1	—	13.3	98.4
Other comprehensive loss, net of tax	—	—	—	—	—	(1.1)	—	(1.1)
Dividends:								
Common stock (\$0.25 per share)	—	—	—	—	(103.8)	—	—	(103.8)
Preferred stock (See Note 6)	—	—	—	—	(8.1)	—	—	(8.1)
Noncontrolling Interests:								
Contributions from noncontrolling interests ⁽¹⁾	—	—	—	—	—	—	204.6	204.6
Distributions to noncontrolling interest	—	—	—	—	—	—	(2.0)	(2.0)
Stock issuances:								
Employee stock purchase plan	—	—	—	1.5	—	—	—	1.5
Long-term incentive plan	—	—	—	6.0	—	—	—	6.0
401(k) and profit sharing	—	—	—	2.4	—	—	—	2.4
Balance as of September 30, 2023	\$ 4.2	\$ 1,152.6	\$ (99.9)	\$ 7,393.0	\$ (1,200.6)	\$ (36.9)	\$ 556.9	\$ 7,769.3

⁽¹⁾ Contributions from noncontrolling interest is net of transaction costs.

<i>(in millions)</i>	Common Stock	Preferred Stock	Treasury Stock	Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest in Consolidated Subsidiaries	Total
Balance as of January 1, 2023	\$ 4.2	\$ 1,546.5	\$ (99.9)	\$ 7,375.3	\$ (1,213.6)	\$ (37.1)	\$ 326.4	\$ 7,901.8
Comprehensive Income:								
Net income	—	—	—	—	476.9	—	5.6	482.5
Other comprehensive income, net of tax	—	—	—	—	—	0.2	—	0.2
Dividends:								
Common stock (\$1.00 per share)	—	—	—	—	(413.9)	—	—	(413.9)
Preferred stock (See Note 6)	—	—	—	—	(43.8)	—	—	(43.8)
Noncontrolling Interests:								
Contributions from noncontrolling interests ⁽¹⁾	—	—	—	—	—	—	236.9	236.9
Distributions to noncontrolling interest	—	—	—	—	—	—	(12.0)	(12.0)
Stock issuances (redemptions):								
Series A Preferred stock redemption	—	(393.9)	—	—	—	—	—	(393.9)
Series A Preferred stock redemption premium	—	—	—	—	(6.2)	—	—	(6.2)
Employee stock purchase plan	—	—	—	4.3	—	—	—	4.3
Long-term incentive plan	—	—	—	5.9	—	—	—	5.9
401(k) and profit sharing	—	—	—	7.5	—	—	—	7.5
Balance as of September 30, 2023	\$ 4.2	\$ 1,152.6	\$ (99.9)	\$ 7,393.0	\$ (1,200.6)	\$ (36.9)	\$ 556.9	\$ 7,769.3

⁽¹⁾ Contributions from noncontrolling interest is net of transaction costs.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc. Condensed Statements of Consolidated Equity (unaudited) (continued)

Shares (in thousands)	Preferred	Common		
	Shares	Shares	Treasury	Outstanding
Balance as of July 1, 2024	—	452,362	(3,963)	448,399
Issued:				
Employee stock purchase plan	—	59	—	59
Long-term incentive plan	—	32	—	32
401(k) and profit sharing	—	69	—	69
ATM program	—	18,148	—	18,148
Balance as of September 30, 2024	—	470,670	(3,963)	466,707

Shares (in thousands)	Preferred	Common		
	Shares	Shares	Treasury	Outstanding
Balance as of January 1, 2024	40	451,345	(3,963)	447,382
Issued:				
Employee stock purchase plan	—	170	—	170
Long-term incentive plan	—	761	—	761
401(k) and profit sharing	—	246	—	246
ATM program	—	18,148	—	18,148
Redeemed:				
Series B and B-1 Preferred Stock	(40)	—	—	—
Balance as of September 30, 2024	—	470,670	(3,963)	466,707

Shares (in thousands)	Preferred	Common		
	Shares	Shares	Treasury	Outstanding
Balance as of July 1, 2023	903	417,112	(3,963)	413,149
Issued:				
Employee stock purchase plan	—	54	—	54
Long-term incentive plan	—	33	—	33
401(k) and profit sharing	—	89	—	89
Balance as of September 30, 2023	903	417,288	(3,963)	413,325

Shares (in thousands)	Preferred	Common		
	Shares	Shares	Treasury	Outstanding
Balance as of January 1, 2023	1,303	416,106	(3,963)	412,143
Issued:				
Equity Units	—	—	—	—
Employee stock purchase plan	—	155	—	155
Long-term incentive plan	—	754	—	754
401(k) and profit sharing	—	273	—	273
Redeemed:				
Series A Preferred Stock	(400)	—	—	—
Balance as of September 30, 2023	903	417,288	(3,963)	413,325

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)****1. Basis of Accounting Presentation**

Our accompanying Condensed Consolidated Financial Statements (unaudited) reflect all normal recurring adjustments that are necessary, in the opinion of management, to present fairly the results of operations in accordance with GAAP in the United States of America. The accompanying financial statements include the accounts of us, our majority-owned subsidiaries, and VIEs of which we are the primary beneficiary after the elimination of all intercompany accounts and transactions.

The accompanying financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023. Income for interim periods may not be indicative of results for the calendar year due to weather variations and other factors.

The Condensed Consolidated Financial Statements (unaudited) have been prepared pursuant to the rules and regulations of the SEC. Certain information and note disclosures normally included in annual financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to those rules and regulations, although we believe that the disclosures made in this Quarterly Report on Form 10-Q are adequate to make the information herein not misleading.

2. Recent Accounting Pronouncements**Recently Issued Accounting Pronouncements**

In November 2023, the FASB issued ASU 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures. This pronouncement enhances annual and interim disclosure requirements over reportable segments, primarily through enhanced disclosures about significant segment expenses that are regularly provided to or easily computed from information regularly provided to the chief operating decision maker ("CODM") and included within each reported measure of segment profit or loss. The pronouncement also allows for more than one measure of segment profit if the CODM uses more than one measure in assessing segment performance. The pronouncement is effective for annual periods beginning after December 15, 2023 and interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted. We will implement and provide the required disclosures beginning in the 2024 Annual Report on Form 10-K.

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures. This pronouncement enhances required income tax disclosures. The pronouncement will require disclosure of specific categories and reconciling items included in the rate reconciliation, disaggregation between federal, state and local income taxes paid, and disclosure of income taxes paid by jurisdictions over a certain threshold. Additionally, the pronouncement eliminates certain required disclosures related to unrecognized tax benefits. This ASU is effective for annual periods beginning after December 15, 2024, with early adoption permitted, and is to be applied on a prospective basis with retrospective application permitted. We will implement and provide the required disclosures beginning in 2025.

3. Revenue Recognition

Revenue Disaggregation and Reconciliation. We disaggregate revenue from contracts with customers based upon reportable segment, as well as by customer class. As of January 1, 2024, we have changed our reportable segments from Gas Distribution Operations and Electric Operations to Columbia Operations and NIPSCO Operations. Our historical segment disclosures have been recast to be consistent with the current presentation. For additional information see Note 17, "Business Segment Information."

The Columbia Operations segment provides regulated natural gas service and transportation for residential, commercial and industrial customers in Ohio, Pennsylvania, Virginia, Kentucky, and Maryland. The NIPSCO Operations segment provides regulated gas and electric service in the northern part of Indiana for residential, commercial and industrial customers.

The tables below reconcile revenue disaggregation by customer class to segment revenue, as well as to revenues reflected on the Condensed Statements of Consolidated Income (unaudited):

ITEM 1. FINANCIAL STATEMENTS (continued)
NiSource Inc.
Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Three months ended September 30, 2024
(in millions)

(in millions)

	Columbia Operations		NIPSCO Operations		Corporate and Other		Total
Gas Distribution							
Residential	\$	296.9	\$	66.8	\$	—	\$ 363.7
Commercial		78.3		28.6		—	106.9
Industrial		32.0		16.4		—	48.4
Off-system		7.1		—		—	7.1
Wholesale		0.1		—		—	0.1
Miscellaneous ⁽¹⁾		2.9		1.9		—	4.8
Subtotal	\$	417.3	\$	113.7	\$	—	\$ 531.0
Electric Generation and Power Delivery							
Residential	\$	—	\$	197.9	\$	—	\$ 197.9
Commercial		—		172.7		—	172.7
Industrial		—		124.8		—	124.8
Wholesale		—		15.0		—	15.0
Public Authority		—		2.0		—	2.0
Miscellaneous ⁽¹⁾		—		2.7		—	2.7
Subtotal	\$	—	\$	515.1	\$	—	\$ 515.1
Total Customer Revenues⁽²⁾		417.3		628.8		—	1,046.1
Other Revenues⁽³⁾		6.1		23.8		0.3	30.2
Total Operating Revenues	\$	423.4	\$	652.6	\$	0.3	\$ 1,076.3

⁽¹⁾Amounts included in Columbia Operations are primarily related to earnings share mechanisms and late fees. Amounts included in NIPSCO Operations are primarily related to revenue refunds, public repairs and property rentals. ⁽²⁾Customer revenue amounts exclude intersegment revenues. See Note 17, "Business Segment Information," for discussion of intersegment revenues.

⁽³⁾Amounts included in Columbia Operations primarily relate to weather normalization adjustment mechanisms. Amounts included in NIPSCO Operations primarily relate to MISO multi-value projects and revenue from non-jurisdictional transmission assets.

Three months ended September 30, 2023
(in millions)

Three months ended September 30, 2023
(in millions)

	Columbia Operations		NIPSCO Operations		Corporate and Other		Total
Gas Distribution							
Residential	\$	282.6	\$	69.1	\$	—	\$ 351.7
Commercial		78.5		30.0		—	108.5
Industrial		30.2		16.1		—	46.3
Off-system		9.8		—		—	9.8
Wholesale		0.1		—		—	0.1
Miscellaneous ⁽¹⁾		6.4		2.1		—	8.5
Subtotal	\$	407.6	\$	117.3	\$	—	\$ 524.9
Electric Generation and Power Delivery							
Residential	\$	—	\$	176.0	\$	—	\$ 176.0
Commercial		—		156.6		—	156.6
Industrial		—		115.9		—	115.9
Wholesale		—		15.2		—	15.2
Public Authority		—		1.6		—	1.6
Miscellaneous ⁽¹⁾		—		12.4		—	12.4
Subtotal	\$	—	\$	477.7	\$	—	\$ 477.7
Total Customer Revenues ⁽²⁾		407.6		595.0		—	1,002.6
Other Revenues ⁽³⁾		3.4		21.2		0.2	24.8
Total Operating Revenues	\$	411.0	\$	616.2	\$	0.2	\$ 1,027.4

⁽¹⁾Amounts included in Columbia Operations are primarily related to earnings share mechanisms and late fees. Amounts included in NIPSCO Operations, are primarily related to revenue refunds, public repairs and property rentals. ⁽²⁾Customer revenue amounts exclude intersegment revenues. See Note 17, "Business Segment Information," for discussion of intersegment revenues.

⁽³⁾Amounts included in Columbia Operations are primarily relate to weather normalization adjustment mechanisms. Amounts included in NIPSCO Operations primarily relate to MISO multi-value projects and revenue from non-jurisdictional transmission assets.

ITEM 1. FINANCIAL STATEMENTS (continued)
NiSource Inc.
Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Nine months ended September 30, 2024
(in millions)

	Columbia Operations	NIPSCO Operations	Corporate and Other	Total
Gas Distribution				
Residential	\$ 1,257.2	\$ 357.5	\$ —	\$ 1,614.7
Commercial	395.6	134.0	—	529.6
Industrial	105.1	56.3	—	161.4
Off-system	30.5	—	—	30.5
Wholesale	1.1	—	—	1.1
Miscellaneous ⁽¹⁾	15.4	12.5	—	27.9
Subtotal	\$ 1,804.9	\$ 560.3	\$ —	\$ 2,365.2
Electric Generation and Power Delivery				
Residential	\$ —	\$ 498.6	\$ —	\$ 498.6
Commercial	—	470.0	—	470.0
Industrial	—	360.4	—	360.4
Wholesale	—	32.4	—	32.4
Public Authority	—	6.0	—	6.0
Miscellaneous ⁽¹⁾	—	10.6	—	10.6
Subtotal	\$ —	\$ 1,378.0	\$ —	\$ 1,378.0
Total Customer Revenues⁽²⁾	1,804.9	1,938.3	—	3,743.2
Other Revenues⁽³⁾	59.6	63.9	0.6	124.1
Total Operating Revenues	\$ 1,864.5	\$ 2,002.2	\$ 0.6	\$ 3,867.3

⁽¹⁾Amounts included in Columbia Operations are primarily related to earnings share mechanisms and late fees. Amounts included in NIPSCO Operations are primarily related to revenue refunds, public repairs and property rentals. ⁽²⁾Customer revenue amounts exclude intersegment revenues. See Note 17, "Business Segment Information," for discussion of intersegment revenues.

⁽³⁾Amounts included in Columbia Operations primarily relate to weather normalization adjustment mechanisms. Amounts included in NIPSCO Operations primarily relate to MISO multi-value projects and revenue from non-jurisdictional transmission assets.

Nine months ended September 30, 2023
(in millions)

	Columbia Operations	NIPSCO Operations	Corporate and Other	Total
Gas Distribution				
Residential	\$ 1,311.9	\$ 477.4	\$ —	\$ 1,789.3
Commercial	435.5	185.7	—	621.2
Industrial	102.9	66.4	—	169.3
Off-system	49.9	—	—	49.9
Wholesale	1.5	—	—	1.5
Miscellaneous ⁽¹⁾	26.3	10.9	—	37.2
Subtotal	\$ 1,928.0	\$ 740.4	\$ —	\$ 2,668.4
Electric Generation and Power Delivery				
Residential	\$ —	\$ 449.2	\$ —	\$ 449.2
Commercial	—	437.6	—	437.6
Industrial	—	362.7	—	362.7
Wholesale	—	25.5	—	25.5
Public Authority	—	5.5	—	5.5
Miscellaneous ⁽¹⁾	—	17.0	—	17.0
Subtotal	\$ —	\$ 1,297.5	\$ —	\$ 1,297.5
Total Customer Revenues⁽²⁾	1,928.0	2,037.9	—	3,965.9
Other Revenues⁽³⁾	53.5	63.4	0.6	117.5
Total Operating Revenues	\$ 1,981.5	\$ 2,101.3	\$ 0.6	\$ 4,083.4

⁽¹⁾Amounts included in Columbia Operations are primarily related to earnings share mechanisms and late fees. Amounts included in NIPSCO Operations, are primarily related to revenue refunds, public repairs and property rentals. ⁽²⁾Customer revenue amounts exclude intersegment revenues. See Note 17, "Business Segment Information," for discussion of intersegment revenues.

⁽³⁾Amounts included in Columbia Operations are primarily relate to weather normalization adjustment mechanisms. Amounts included in NIPSCO Operations primarily relate to MISO multi-value projects and revenue from non-jurisdictional transmission assets.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Customer Accounts Receivable. Accounts receivable on our Condensed Consolidated Balance Sheets (unaudited) includes both billed and unbilled amounts, as well as certain amounts that are not related to customer revenues. Unbilled amounts of accounts receivable relate to a portion of a customer's consumption of gas or electricity from the date of the last cycle billing through the last day of the month (balance sheet date). Factors taken into consideration when estimating unbilled revenue include historical usage, customer rates, and weather. A significant portion of our operations are subject to seasonal fluctuations in sales. During the heating season, primarily from November through March, revenues and receivables from gas sales are more significant than in other months. The opening and closing balances of customer receivables for the nine months ended September 30, 2024 are presented in the table below. We had no significant contract assets or liabilities during the period. Additionally, we have not incurred any significant costs to obtain or fulfill contracts.

<i>(in millions)</i>	Customer Accounts Receivable, Billed (less reserve)	Customer Accounts Receivable, Unbilled (less reserve)
Balance as of December 31, 2023	\$ 479.4	\$ 337.6
Balance as of September 30, 2024	350.4	198.8

Utility revenues are billed to customers monthly on a cycle basis. We expect that substantially all customer accounts receivable will be collected following customer billing, as this revenue consists primarily of periodic, tariff-based billings for service and usage. We maintain common utility credit risk mitigation practices, including requiring deposits and actively pursuing collection of past due amounts. Our regulated operations also utilize certain regulatory mechanisms that facilitate recovery of bad debt costs within tariff-based rates, which provides further evidence of collectibility. It is probable that substantially all of the consideration to which we are entitled from customers will be collected upon satisfaction of performance obligations.

Allowance for Credit Losses. To evaluate for expected credit losses, customer account receivables are pooled based on similar risk characteristics, such as customer type, geography, payment terms, and related macro-economic risks. Expected credit losses are established using a model that considers historical collections experience, current information, and reasonable and supportable forecasts. Internal and external inputs are used in our credit model including, but not limited to, energy consumption trends, revenue projections, actual charge-offs data, recoveries data, shut-offs, customer delinquencies, final bill data, and inflation. We continuously evaluate available information relevant to assessing collectability of current and future receivables. We evaluate creditworthiness of specific customers periodically or following changes in facts and circumstances. When we become aware of a specific commercial or industrial customer's inability to pay, an allowance for expected credit losses is recorded for the relevant amount. We also monitor other circumstances that could affect our overall expected credit losses including, but not limited to, creditworthiness of overall population in service territories, adverse conditions impacting an industry sector, and current economic conditions.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

At each reporting period, we record expected credit losses to an allowance for credit losses account. When deemed to be uncollectible, customer accounts are written-off. A rollforward of our allowance for credit losses as of September 30, 2024 and December 31, 2023 are presented in the table below:

<i>(in millions)</i>	Columbia Operations	NIPSCO Operations	Corporate and Other	Total
Balance as of January 1, 2024	\$ 10.2	\$ 11.9	\$ 0.8	\$ 22.9
Current period provisions	18.9	9.3	—	28.2
Write-offs charged against allowance	(34.3)	(7.9)	(0.8)	(43.0)
Recoveries of amounts previously written off	8.9	0.7	—	9.6
Balance as of September 30, 2024	\$ 3.7	\$ 14.0	\$ —	\$ 17.7

<i>(in millions)</i>	Columbia Operations	NIPSCO Operations	Corporate and Other	Total
Balance as of January 1, 2023	\$ 11.1	\$ 12.0	\$ 0.8	\$ 23.9
Current period provisions	28.3	11.5	—	39.8
Write-offs charged against allowance	(49.2)	(12.4)	—	(61.6)
Recoveries of amounts previously written off	20.0	0.8	—	20.8
Balance as of December 31, 2023	\$ 10.2	\$ 11.9	\$ 0.8	\$ 22.9

4. Noncontrolling Interests

Variable Interest Entities. A VIE is an entity in which the controlling interest is determined through means other than a majority voting interest. NIPSCO is a member of JVs that own and operate two wind facilities, Rosewater and Indiana Crossroads Wind, which have 102 MW and 302 MW of nameplate capacity, respectively. NIPSCO is also a member of JVs that own two solar facilities, Indiana Crossroads Solar and Dunns Bridge I, which have a nameplate capacity of 200 MW and 265 MW, respectively. We have determined that these JVs are VIEs. NIPSCO controls the decisions that are significant to these entities' ongoing operations and economic results. Therefore, we have concluded that NIPSCO is the primary beneficiary and have consolidated all four entities.

Members of each respective JV include NIPSCO (who is the managing member) and a tax equity partner. Earnings, tax attributes and cash flows are allocated to both NIPSCO and the tax equity partner in varying percentages by category and over the life of the partnership. NIPSCO and each tax equity partner contributed cash to the respective JV. Once the tax equity partner has earned their negotiated rate of return and the JV has reached a stated contractual date, NIPSCO has the option to purchase the remaining interest in the respective JV from the tax equity partner. NIPSCO has an obligation to purchase 100% of the electricity generated by each commercially operational JV.

We did not provide any financial or other support during the quarter that was not previously contractually required.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Our Condensed Consolidated Balance Sheets (unaudited) included the following assets and liabilities associated with VIEs.

<i>(in millions)</i>	September 30, 2024	December 31, 2023
Net Property, Plant and Equipment	\$ 1,335.3	\$ 1,369.8
Current assets	52.9	63.6
Total assets ⁽¹⁾	1,388.2	1,433.4
Current liabilities	50.5	68.3
Asset retirement obligations	57.7	55.7
Total liabilities ⁽¹⁾⁽²⁾	\$ 108.2	\$ 124.0

⁽¹⁾The assets of each consolidated VIE can only be used to settle obligations of the respective consolidated VIE. The creditors of the liabilities of the VIEs do not have recourse to the general credit of the primary beneficiary.

⁽²⁾In addition to the amounts disclosed above there is a de minimis amount of other noncurrent assets and liabilities at Rosewater as of September 30, 2024.

Voting Interest Entities. On December 31, 2023, we consummated the NIPSCO Minority Interest Transaction for a capital contribution of \$2.16 billion in cash. The difference between the \$2.16 billion consideration received and the \$1.36 billion carrying value of the noncontrolling interest claim on net assets was recorded to additional paid-in capital, net of \$54.7 million in transaction costs and a \$63.5 million income tax benefit. We retain a controlling financial interest in NIPSCO Holdings II and its subsidiaries and consolidate their financial results. During the three and nine months ended September 30, 2024, we received \$39.8 million and \$99.5 million of contributions, respectively, and we made \$11.8 million and \$32.0 million of distributions, respectively, to our NIPSCO minority interest holders based on their relative ownership percentages.

5. Earnings Per Share

The calculations of basic and diluted EPS are based on the weighted average number of shares of common stock and potential common stock outstanding during the period. Diluted EPS includes the incremental effects of the various long-term incentive compensation plans and ATM forward sale agreements under the treasury stock method when the impact would be dilutive (See Note 6, "Equity,"). For the purposes of determining diluted EPS, for the three and nine months ended September 30, 2023, the shares underlying the purchase contracts included within the Equity Units were included in the calculation of potential common stock outstanding using the if-converted method under US GAAP and we assumed share settlement of the remaining purchase contract payment balance from our Equity Units based on the average share price during the period. A numerator adjustment was reflected in the calculation of diluted EPS for interest expense incurred in the three and nine months ended September 30, 2023, net of tax, related to the purchase contracts. The purchase contracts were settled on December 1, 2023.

We began using the two-class method of computing earnings per share in 2023 because we have participating securities in the form of non-vested restricted stock units with a non-forfeitable right to dividend equivalents, for which vesting is predicated solely on the passage of time. The calculation of earnings per share using the two-class method excludes income attributable to these participating securities from the numerator and excludes the dilutive impact of those shares from the denominator.

ITEM 1. FINANCIAL STATEMENTS (continued)
NiSource Inc.
Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

The following table presents the calculation of our basic and diluted EPS:

<i>(in millions, except per share amounts)</i>	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Numerator:				
Net Income Available to Common Shareholders	\$ 85.7	\$ 77.0	\$ 515.8	\$ 436.1
Less: Income allocated to participating securities	0.2	0.1	0.9	0.3
Net Income Available to Common Shareholders - Basic	85.5	76.9	514.9	435.8
Add: Dilutive effect of Equity Units	—	0.4	—	1.2
Net Income Available to Common Shareholders - Diluted	\$ 85.5	\$ 77.3	\$ 514.9	\$ 437.0
Denominator:				
Average common shares outstanding - Basic	451.9	413.5	449.4	413.2
Dilutive potential common shares:				
Equity Units purchase contracts	—	33.1	—	31.9
Equity Units purchase contract payment balance	—	0.6	—	1.2
Shares contingently issuable under employee stock plans	0.9	0.7	0.9	0.7
Shares restricted under employee stock plans	0.3	0.4	0.3	0.4
ATM forward sale agreements	1.4	—	0.8	—
Average Common Shares - Diluted	454.5	448.3	451.4	447.4
Earnings per common share:				
Basic	\$ 0.19	\$ 0.19	1.15	1.05
Diluted	\$ 0.19	\$ 0.17	1.14	0.98

6. Equity

ATM Program. In February 2024, we entered into eight separate equity distribution agreements pursuant to which we are able to sell up to an aggregate of \$900.0 million of our common stock.

In February 2024, under the ATM program, we executed a forward sale agreement, which allowed us to issue a fixed number of shares at a price to be settled in the future. The forward purchaser under our forward sale agreement borrowed 7,757,951 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$25.78 per share. On September 17, 2024 we settled all the shares under the forward sale agreement for \$199.9 million, based on a net price of \$25.77 per share.

In May 2024, under the ATM program, we executed a forward sale agreement, which allowed us to issue a fixed number of shares at a price to be settled in the future. The forward purchaser under our forward sale agreement borrowed 10,390,000 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$28.87 per share. On September 11, 2024 we settled all the shares under the forward sale agreement for \$299.1 million, based on a net price of \$28.79 per share.

In September 2024, under the ATM program, we executed a forward sale agreement, which allows us to issue a fixed number of shares at a price to be settled in the future. The forward purchaser under our forward sale agreement borrowed 1,495,949 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$34.01 per share. We may settle the forward sale agreement in shares, cash or net shares, by October 30, 2025. Had we settled all the shares under the forward sale agreement at September 30, 2024, we would have received approximately \$50.4 million, based on a net price of \$33.72 per share.

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)**

In September 2024, under the ATM program, we executed a second forward sale agreement, which allows us to issue a fixed number of shares at a price to be settled in the future. The forward purchasers under our forward sale agreement borrowed 1,500,000 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$34.32 per share. We may settle the forward sale agreement in shares, cash or net shares between October 1, 2024, and October 30, 2025. Had we settled all the shares under the forward sale agreement at October 1, 2024, we would have received approximately \$51.1 million, based on a net price of \$34.06 per share.

As of September 30, 2024, the ATM program (inclusive of open forward sale agreements) had approximately \$297.7 million of equity available for issuance. The program expires on December 31, 2025.

Series A Preferred Stock. There were no dividends declared per share for the Series A Preferred Stock during the three months ended September 30, 2024 and 2023. Dividends declared per share for the Series A Preferred Stock were zero and \$28.25 during the nine months ended September 30, 2024 and 2023, respectively.

On June 15, 2023, we redeemed all 400,000 outstanding shares of Series A Preferred Stock for a redemption price of \$1,000 per share or \$400.0 million in total.

Series B and B-1 Preferred Stock. Dividends declared per share for the Series B Preferred Stock were zero and \$406.25 during the three months ended September 30, 2024 and 2023, respectively. Dividends declared per share for the Series B Preferred Stock were \$406.25 and \$1,625.0 during the nine months ended September 30, 2024 and 2023, respectively.

On March 15, 2024, we redeemed all 20,000 outstanding shares of Series B Preferred Stock for a redemption price of \$25,000 per share and all 20,000 outstanding shares of Series B-1 Preferred Stock for a redemption price of \$0.01 per share or \$500.0 million in total. Following the redemption, dividends ceased to accrue on the shares of Series B Preferred Stock, shares of the Series B Preferred Stock and Series B-1 Preferred Stock were no longer deemed outstanding and all rights of the holders of such shares of Series B Preferred Stock and Series B-1 Preferred Stock terminated. In conjunction with the redemption, we recorded a \$14.0 million preferred stock redemption premium, calculated as the difference between the carrying value on the redemption date of the Series B Preferred Stock and Series B-1 Preferred Stock and the total amount of consideration paid to redeem, which was recorded as a reduction to retained earnings during the first quarter of 2024. We have not recognized an excise tax liability under the IRA in connection with this redemption as we issued common stock in 2024 in excess of the fair value of the Series B Preferred Stock and Series B-1 Preferred Stock redeemed.

In March 2024, we filed a Certificate of Elimination to our Amended and Restated Certificate of Incorporation with the Secretary of State of Delaware to eliminate from the Amended and Restated Certificate of Incorporation all matters set forth in the Certificate of Designations with respect to the Series B Preferred Stock and the Certificate of Designations with respect to the Series B-1 Preferred Stock. As a result, the 20,000 shares that were previously designated as Series B Preferred Stock and the 20,000 shares that were previously designated as Series B-1 Preferred Stock were returned to the status of authorized but unissued shares of preferred stock, par value \$0.01 per share, without designation as to series. The Certificate of Elimination does not change the total number of authorized shares of capital stock of NiSource or the total number of authorized shares of preferred stock. We voluntarily delisted the preferred stock from the New York Stock Exchange.

Equity Units. On December 1, 2023, we issued 33,898,837 shares of our common stock under the purchase contract component of the Corporate Units. As of December 1, 2023, each holder of Corporate Units was deemed to have automatically delivered to us the related Series C Mandatory Convertible Preferred Stock that were components of the Corporate Units in full satisfaction of such holder's obligations under the related purchase contract, and all 862,500 shares of Series C Mandatory Convertible Preferred Stock were returned to the status of authorized but unissued preferred stock, par value of \$0.01 per share, without designation as to series. We voluntarily delisted the Corporate Units from the New York Stock Exchange.

Refer to Note 5, "Earnings Per Share," for additional information regarding our treatment of the Equity Units for diluted EPS during 2023.

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)****7. Short-Term Borrowings**

We generate short-term borrowings from our revolving credit facility, commercial paper program, accounts receivable transfer programs, and term credit agreements. Each of these borrowing sources is described further below.

Revolving Credit Facility. We maintain a revolving credit facility to fund ongoing working capital requirements, including the provision of liquidity support for our commercial paper program, provide for issuance of letters of credit and also for general corporate purposes. Our revolving credit facility has a program limit of \$1.85 billion and is comprised of a syndicate of banks. We had no outstanding borrowings under this facility as of September 30, 2024 and December 31, 2023.

Commercial Paper Program. On February 9, 2024 we increased our commercial paper program limit from \$1.50 billion to \$1.85 billion. We had \$257.0 million and \$1,061.0 million of commercial paper outstanding with weighted-average interest rates of 4.95% and 5.65% as of September 30, 2024 and December 31, 2023, respectively.

Accounts Receivable Transfer Programs. Columbia of Ohio, NIPSCO, and Columbia of Pennsylvania each maintain a receivables agreement whereby they transfer their customer accounts receivables to third-party financial institutions through consolidated special purpose entities. The three agreements expire between May 2025 and October 2025 and may be further extended if mutually agreed to by the parties thereto.

All receivables transferred to third parties are valued at face value, which approximates fair value due to their short-term nature. The amount of the undivided percentage ownership interest in the accounts receivables transferred is determined in part by required loss reserves under the agreements.

Transfers of accounts receivable are accounted for as secured borrowings resulting in the recognition of short-term borrowings on the Condensed Consolidated Balance Sheets (unaudited). As of September 30, 2024, the maximum amount of debt that could be borrowed related to our accounts receivable programs was \$225.0 million.

We had zero and \$337.6 million of short-term borrowings related to the securitization transactions as of September 30, 2024 and December 31, 2023, respectively.

For the nine months ended September 30, 2024 and 2023, \$337.6 million and \$62.2 million, respectively were recorded as cash flows used for financing activities related to the change in short-term borrowings due to securitization transactions. For the accounts receivable transfer programs, we pay used facility fees for amounts borrowed, unused commitment fees for amounts not borrowed, and upfront renewal fees. Fees associated with the securitization transactions were \$0.4 million and \$0.5 million for the three months ended September 30, 2024 and 2023, and \$1.3 million and \$2.1 million for the nine months ended September 30, 2024 and 2023, respectively. Columbia of Ohio, NIPSCO and Columbia of Pennsylvania remain responsible for collecting on the receivables securitized, and the receivables cannot be transferred to another party.

Term Credit Agreements. At December 31, 2023, we had \$1.0 billion, and \$650.0 million outstanding under term credit agreements with interest rates of 6.41% and 6.50%, respectively. On January 3, 2024, we terminated and repaid in full our \$1.0 billion term credit agreement and our \$650.0 million term credit agreement with proceeds from the NIPSCO Minority Interest Transaction.

Items listed above, excluding the term credit agreements, are presented net in the Condensed Statements of Consolidated Cash Flows (unaudited) as their maturities are less than 90 days.

8. Long-Term Debt

On March 14, 2024, we completed the issuance and sale of \$650.0 million of 5.350% senior unsecured notes maturing in 2034, which resulted in approximately \$642.6 million of net proceeds after discount and debt issuance costs.

On May 16, 2024, we completed the issuance and sale of \$500.0 million of 6.950% fixed-to-fixed reset rate junior subordinated notes maturing in 2054, which resulted in approximately \$493.4 million of net proceeds after debt issuance costs. The subordinated notes bear interest (i) from and including May 16, 2024 to, but excluding, November 30, 2029 at a rate of 6.950% per annum and (ii) from and including November 30, 2029, during each five-year reset period at a rate per annum equal to the five-year U.S. treasury rate (determined as described in the prospectus supplement dated May 13, 2024, which was filed with the SEC on May 14, 2024) as of the then most recent reset interest determination date plus a spread of 2.451%, to be reset on each reset date. At our option, we may redeem some or all of the subordinated notes during specified periods, and upon the occurrence of certain ratings or tax events, all as described in the prospectus supplement. In accordance with terms of the subordinated notes, we have the right, from time to time, to defer the payment of interest on the outstanding subordinated notes

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

on one or more occasions for up to ten consecutive years. In the event that we were to exercise such right to defer interest on the subordinated notes, we would not be able to pay cash dividends on the common stock during the periods in which such payments were deferred. The subordinated notes were issued pursuant to a Subordinated Indenture, dated as of May 16, 2024, between us and The Bank of New York Mellon, as trustee, as supplemented by the First Supplemental Indenture thereto, dated as of May 16, 2024.

On June 24, 2024, we completed the issuance and sale of \$600.0 million of 5.200% senior unsecured notes maturing in 2029, which resulted in approximately \$593.7 million of net proceeds after discount and debt issuance costs.

On September 9, 2024, we completed the issuance and sale of \$500.0 million of 6.375% fixed-to-fixed reset rate junior subordinated notes maturing in 2055, which resulted in approximately \$493.6 million of net proceeds after debt issuance costs. The subordinated notes bear interest (i) from and including September 9, 2024 to, but excluding, March 31, 2035 at a rate of 6.375% per annum and (ii) from and including March 31, 2035, during each five-year reset period at a rate per annum equal to the five-year U.S. treasury rate (determined as described in the prospectus supplement dated September 3, 2024, which was filed with the SEC on September 4, 2024) as of the then most recent reset interest determination date plus a spread of 2.527%, to be reset on each reset date. At our option, we may redeem some or all of the subordinated notes during specified periods, and upon the occurrence of certain ratings or tax events, all as described in the prospectus supplement. In accordance with terms of the subordinated notes, we have the right, from time to time, to defer the payment of interest on the outstanding subordinated notes on one or more occasions for up to ten consecutive years. In the event that we were to exercise such right to defer interest on the subordinated notes, we would not be able to pay cash dividends on the common stock during the periods in which such payments were deferred. The subordinated notes were issued pursuant to a Subordinated Indenture, dated as of May 16, 2024, between us and The Bank of New York Mellon, as trustee, as supplemented by the Second Supplemental Indenture thereto, dated as of September 9, 2024.

9. Asset Retirement Obligations

During the third quarter of 2024, we continued to evaluate the applicability of revisions to the EPA rule for disposal of CCRs, which was announced in May 2024. As a result, we recorded an increase of \$164.6 million based on initial assessments of estimated costs to comply with the EPA rule for certain sites. Additional costs would be recorded when they become probable and estimable. These costs are expected to be recoverable through existing and future depreciation rates. See Note 15, "Other Commitments and Contingencies - C. Environmental Matters," for additional information on the legacy CCR rule.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

10. Regulatory Matters

Renewable generation filings

In March 2024, NIPSCO filed a petition with the IURC to issue an order modifying its November 22, 2023 order to approve direct ownership of the Gibson project. Also, in March 2024, NIPSCO filed a petition with the IURC to issue an order modifying its June 29, 2021 order to approve direct ownership of the Fairbanks project. Hearings for both the Gibson project and Fairbanks project were held in June 2024 and July 2024, respectively, with orders approving direct ownership of both projects received in August 2024.

WAM system filing

In March 2024, NIPSCO filed a petition with the IURC for authority to defer, as a regulatory asset, certain costs, including depreciation and amortization incurred in connection with improvements to its information technology systems through the design, development, and implementation of a new WAM program for the scheduling, dispatch, and execution of work and the management of underlying assets. These improvements are part of our enterprise-wide transformation roadmap which seeks to optimize our field work and reduce enterprise risk. The petition also included the confirmation that the WAM program assets, including the requested regulatory assets, will be included in NIPSCO's rate base for ratemaking purposes in rate cases after the WAM assets have been placed in service. The hearing was held in August 2024, and a final order approving NIPSCO's request was issued in September 2024 and NIPSCO recorded a deferral resulting in a regulatory asset of \$16.9 million.

NIPSCO Gas Peaker filing

In September 2023, NIPSCO filed a request for issuance of a certificate of public convenience and necessity for an approximately 400 MW natural gas peaking generation facility with the IURC, which was supplemented in January 2024 based on updates on availability of certain key equipment. A final order was received in October 2024 approving the request.

Columbia of Virginia CARE Plan

On May 22, 2024, Columbia Gas of Virginia filed an application for approval to amend and extend its Conservation and Ratemaking Efficiency ("CARE") Plan. In September 2024, the Virginia State Corporation Commission issued its final order determining that the CARE Plan meets the requirements and approved the plan with all proposed measures effective January 1, 2025 through December 31, 2027.

Regulatory deferral related to renewable energy investments

In accordance with the accounting principles of ASC 980, we recognize a regulatory liability or asset for amounts representing the timing difference between the profit earned from the JVs and the amount included in regulated rates to recover our approved investments in consolidated JVs. The amounts recorded in income will ultimately reflect the amount allowed in regulated rates to recover our investments over the useful life of the projects. The offset to the regulatory liability or asset associated with our renewable investments included in regulated rates is recorded in "Depreciation and amortization" on the Condensed Statements of Consolidated Income (unaudited). NiSource recorded depreciation expense of \$24.2 million and \$40.8 million for the three and nine months ended September 30, 2024, and a decrease to depreciation expense of \$19.0 million and \$9.7 million for the three and nine months ended September 30, 2023, respectively. Following the implementation of the NIPSCO electric base rate case implemented in August 2023, we began recognizing amounts to recover our investments of projects that have been placed in service. Refer to Note 4, "Noncontrolling Interests," for additional information.

11. Risk Management Activities

We are exposed to certain risks relating to our ongoing business operations; namely commodity price risk and interest rate risk. We recognize that the prudent and selective use of derivatives may help to lower our cost of debt capital, manage our interest rate exposure and limit volatility in the price of natural gas.

Derivatives Not Designated as Hedging Instruments

Commodity price risk management. We, along with our utility customers, are exposed to variability in cash flows associated with natural gas purchases and volatility in natural gas prices. We purchase natural gas for sale and delivery to our retail, commercial and industrial customers, and for most customers the variability in the market price of gas is passed through in their rates. Some of our utility subsidiaries offer programs whereby variability in the market price of gas is assumed by the respective utility. The objective of our commodity price risk programs is to mitigate the gas cost variability on behalf of our customers, associated with natural gas purchases or sales by economically hedging the various gas cost components using a combination of

ITEM 1. FINANCIAL STATEMENTS (continued)
NiSource Inc.
Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

futures, options, forwards or other derivative contracts. At September 30, 2024 and December 31, 2023, we had 64.4 MMDth and 76.1 MMDth, respectively, of net energy derivative volumes outstanding related to our natural gas hedges.

NIPSCO has received IURC approval to lock in a fixed price for its natural gas customers using long-term forward purchase instruments and is limited to 20% of NIPSCO's average annual GCA purchase volume. As of September 30, 2024, the remaining terms of these instruments range from one to three years. Likewise, Columbia of Pennsylvania has received approval for a 24-month rolling hedge program. The hedging program was executed in December 2023, with an effective date of April 1, 2024 and will continue in perpetuity. The program is designed to financially hedge approximately 20% of the customer's annual demand. All unrealized gains and losses on these derivative contracts are deferred as regulatory liabilities or assets and all realized gains and losses are remitted to or collected from customers through the relevant cost recovery mechanism.

Risk management assets and liabilities on our derivatives are presented on the Condensed Consolidated Balance Sheets (unaudited) as shown below:

(in millions)	September 30, 2024		December 31, 2023	
	Assets	Liabilities	Assets	Liabilities
Current⁽¹⁾				
Derivatives not designated as hedging instruments	\$ 4.1	\$ 3.7	\$ 1.1	\$ 7.5
Total	\$ 4.1	\$ 3.7	\$ 1.1	\$ 7.5
Noncurrent⁽²⁾				
Derivatives not designated as hedging instruments	\$ 14.8	\$ 3.0	\$ 22.2	\$ 1.9
Total	\$ 14.8	\$ 3.0	\$ 22.2	\$ 1.9

⁽¹⁾Current assets and liabilities are presented in "Prepayments and other" and "Other accruals", respectively, on the Condensed Consolidated Balance Sheets (unaudited).

⁽²⁾Noncurrent assets and liabilities are presented in "Deferred charges and other" and "Other noncurrent liabilities and deferred credits", respectively, on the Condensed Consolidated Balance Sheets (unaudited).

Our commodity price risk management derivative instruments are subject to enforceable master netting arrangements or similar agreements. No collateral was either received or posted related to our outstanding derivative positions at September 30, 2024. If the above gross asset and liability positions were presented net of amounts owed or receivable from counterparties, we would report a net asset position of \$12.2 million and \$13.9 million at September 30, 2024 and December 31, 2023, respectively.

The following table summarizes the gains and losses associated with the commodity price risk programs deferred as regulatory assets and liabilities:

(in millions)	September 30, 2024	December 31, 2023
Regulatory Assets		
Losses on commodity price risk programs	\$ 11.8	\$ 24.4
Regulatory Liabilities		
Gains on commodity price risk programs	19.2	23.3

Our derivative instruments measured at fair value as of September 30, 2024 and December 31, 2023 do not contain any credit-risk-related contingent features.

Derivatives Designated as Hedging Instruments

Interest rate risk management. As of September 30, 2024 and December 31, 2023 we had no active interest rate swap positions. The overall net loss related to settled interest rate swaps is recorded in AOCI. We amortize the net loss over the life of the debt associated with these swaps as we recognize interest expense. These amounts are immaterial for the three and nine months ended September 30, 2024 and 2023 and are recorded in "Interest expense, net" on the Condensed Statements of Consolidated Income (unaudited). Amounts expected to be reclassified to earnings during the next twelve months are immaterial. See Note 16, "Accumulated Other Comprehensive Loss," for additional information.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

12. Fair Value

A. Fair Value Measurements

Recurring Fair Value Measurements

The following tables present financial assets and liabilities measured and recorded at fair value on our Condensed Consolidated Balance Sheets (unaudited) on a recurring basis and their level within the fair value hierarchy as of September 30, 2024 and December 31, 2023:

Recurring Fair Value Measurements September 30, 2024 <i>(in millions)</i>	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of September 30, 2024
Assets				
Risk management assets	\$ —	\$ 18.9	\$ —	\$ 18.9
Available-for-sale debt securities	—	137.9	—	137.9
Total	\$ —	\$ 156.8	\$ —	\$ 156.8
Liabilities				
Risk management liabilities	\$ —	\$ 6.7	\$ —	\$ 6.7
Total	\$ —	\$ 6.7	\$ —	\$ 6.7
Recurring Fair Value Measurements December 31, 2023 <i>(in millions)</i>	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of December 31, 2023
Assets				
Risk management assets	\$ —	\$ 23.3	\$ —	\$ 23.3
Available-for-sale debt securities	—	159.1	—	159.1
Total	\$ —	\$ 182.4	\$ —	\$ 182.4
Liabilities				
Risk management liabilities	\$ —	\$ 9.4	\$ —	\$ 9.4
Total	\$ —	\$ 9.4	\$ —	\$ 9.4

Risk Management Assets and Liabilities. Risk management assets and liabilities include exchange-traded NYMEX futures and NYMEX options and non-exchange-based forward purchase contracts.

Level 1- When utilized, exchange-traded derivative contracts are based on unadjusted quoted prices in active markets and are classified within Level 1. These financial assets and liabilities are secured with cash on deposit with the exchange; therefore, nonperformance risk has not been incorporated into these valuations. These financial assets and liabilities are deemed to be cleared and settled daily by NYMEX as the related cash collateral is posted with the exchange. As a result of this exchange rule, NYMEX derivatives are considered to have no fair value at the balance sheet date for financial reporting purposes, and are presented in Level 1 net of posted cash; however, the derivatives remain outstanding and are subject to future commodity price fluctuations until they are settled in accordance with their contractual terms.

Level 2- Certain non-exchange-traded derivatives are valued using broker or over-the-counter, on-line exchanges. In such cases, these non-exchange-traded derivatives are classified within Level 2. Non-exchange-based derivative instruments include swaps, forwards, and options. In certain instances, these instruments may utilize models to measure fair value. We use a similar model to value similar instruments. Valuation models utilize various inputs that include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, other observable inputs for the asset or liability and market-corroborated inputs, (i.e., inputs derived principally from or corroborated by observable market data by correlation or other means). Where observable inputs are available for substantially the full term of the asset or liability, the instrument is categorized within Level 2.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Level 3- Certain derivatives trade in less active markets with a lower availability of pricing information and models may be utilized in the valuation. When such inputs have a significant impact on the measurement of fair value, the instrument is categorized within Level 3.

Credit risk is considered in the fair value calculation of derivative instruments that are not exchange-traded. Credit exposures are adjusted to reflect collateral agreements that reduce exposures. As of September 30, 2024 and December 31, 2023, there were no material transfers between fair value hierarchies. Additionally, there were no changes in the method or significant assumptions used to estimate the fair value of our financial instruments.

NIPSCO and Columbia of Pennsylvania have entered into long-term forward natural gas purchase instruments to lock in a fixed price for natural gas customers. We value these contracts using a pricing model that incorporates market-based information when available, as these instruments trade less frequently and are classified within Level 2 of the fair value hierarchy. For additional information, see Note 11, "Risk Management Activities."

Available-for-Sale Debt Securities. Available-for-sale debt securities are investments pledged as collateral for trust accounts related to our wholly owned insurance company. We value U.S. Treasury, corporate debt and mortgage-backed securities using a matrix pricing model that incorporates market-based information. These securities trade less frequently and are classified within Level 2.

Our available-for-sale debt securities impairments are recognized periodically using an allowance approach. At each reporting date, we utilize a quantitative and qualitative review process to assess the impairment of available-for-sale debt securities at the individual security level. For securities in a loss position, we evaluate our intent to sell or whether it is more-likely-than-not that we will be required to sell the security prior to the recovery of its amortized cost. If either criteria is met, the loss is recognized in earnings immediately, with the offsetting entry to the carrying value of the security. If both criteria are not met, we perform an analysis to determine whether the unrealized loss is related to credit factors. The analysis focuses on a variety of factors that include, but are not limited to, downgrade on ratings of the security, defaults in the current reporting period or projected defaults in the future, the security's yield spread over treasuries, and other relevant market data. If the unrealized loss is not related to credit factors, it is included in other comprehensive income. If the unrealized loss is related to credit factors, the loss is recognized as credit loss expense in earnings during the period, with an offsetting entry to the allowance for credit losses. The amount of the credit loss recorded to the allowance account is limited by the amount at which the security's fair value is less than its amortized cost basis. If certain amounts recorded in the allowance for credit losses are deemed uncollectible, the allowance on the uncollectible portion will be charged off, with an offsetting entry to the carrying value of the security. Subsequent improvements to the estimated credit losses of available-for-sale debt securities will be recognized immediately in earnings. As of September 30, 2024 and December 31, 2023, we have \$0.2 million and \$0.6 million, respectively, recorded as an allowance for credit losses on available-for-sale debt securities as a result of the analysis described above. Continuous credit monitoring and portfolio credit balancing mitigates our risk of credit losses on our available-for-sale debt securities.

The amortized cost, gross unrealized gains and losses, allowance for credit losses, and fair value of available-for-sale securities at September 30, 2024 and December 31, 2023 were:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses ⁽¹⁾	Allowance for Credit Losses	Fair Value
September 30, 2024 <i>(in millions)</i>					
Available-for-sale debt securities					
U.S. Treasury debt securities	\$ 49.1	\$ —	\$ (1.9)	\$ —	\$ 47.2
Corporate/Other debt securities	94.4	1.1	(4.6)	(0.2)	90.7
Total	\$ 143.5	\$ 1.1	\$ (6.5)	\$ (0.2)	\$ 137.9
December 31, 2023 <i>(in millions)</i>					
Available-for-sale debt securities					
U.S. Treasury debt securities	\$ 63.8	\$ —	\$ (3.2)	\$ —	\$ 60.6
Corporate/Other debt securities	105.2	0.8	(6.9)	(0.6)	98.5
Total	\$ 169.0	\$ 0.8	\$ (10.1)	\$ (0.6)	\$ 159.1

⁽¹⁾Fair value of U.S. Treasury debt securities and Corporate/Other debt securities in an unrealized loss position without an allowance for credit losses is \$41.2 million and \$66.5 million, respectively, at September 30, 2024.

⁽²⁾Fair value of U.S. Treasury debt securities and Corporate/Other debt securities in an unrealized loss position without an allowance for credit losses is \$58.7 million and \$74.8 million, respectively, at December 31, 2023.

Net realized gains and losses on available-for-sale securities were \$0.1 million and \$0.5 million for the three and nine months ended September 30, 2024, and zero and \$0.6 million for the three and nine months ended September 30, 2023.

The cost of maturities sold is based upon specific identification. At September 30, 2024 there were no U.S. Treasury debt securities or Corporate/Other debt securities with maturities of less than a year. At December 31, 2023, approximately \$16.8 million of U.S. Treasury debt securities and approximately \$4.9 million of Corporate/Other debt securities had maturities of less than a year.

Non-recurring Fair Value Measurements

We measure the fair value of certain assets, primarily goodwill, on a non-recurring basis, typically when events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable.

B. Other Fair Value Disclosures for Financial Instruments. The carrying amount of cash and cash equivalents, restricted cash, notes receivable, customer deposits and short-term borrowings is a reasonable estimate of fair value due to their liquid or short-term nature. Our long-term borrowings are recorded at historical amounts.

The following method and assumptions were used to estimate the fair value of each class of financial instruments.

Long-term Debt. The fair value of outstanding long-term debt is estimated based on the quoted market prices for the same or similar securities. Certain premium costs associated with the early settlement of long-term debt are not taken into consideration in determining fair value. These fair value measurements are classified within Level 2 of the fair value hierarchy. As of September 30, 2024, there was no change in the method or significant assumptions used to estimate the fair value of long-term debt.

The carrying amount and estimated fair values of these financial instruments were as follows:

<i>(in millions)</i>	Carrying Amount as of September 30, 2024	Estimated Fair Value as of September 30, 2024	Carrying Amount as of Dec. 31, 2023	Estimated Fair Value as of Dec. 31, 2023
Long-term debt (including current portion)	\$ 13,357.5	\$ 12,926.5	\$ 11,079.3	\$ 10,370.9

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

13. Income Taxes

Our interim effective tax rates reflect the estimated annual effective tax rates for 2024 and 2023 applied to year-to-date pretax income, adjusted for tax expense associated with certain discrete items. The effective tax rates for the three months ended September 30, 2024 and 2023 were 14.1% and 3.7%, respectively. The effective tax rates for the nine months ended September 30, 2024 and 2023 were 15.4% and 17.7%, respectively. These effective tax rates differ from the federal statutory tax rate of 21% primarily due to renewable partnership income, amortization of excess deferred federal income tax liabilities, as specified in the TCJA, tax credits, state flow through, and other permanent book-to-tax differences.

The increase in the three-month effective tax rate of 10.4% in 2024 compared to 2023 was driven by higher renewable partnership income in 2023 resulting from HLBV allocation of earnings due to solar projects going into service, offset by higher non-taxable AFUDC equity recorded on higher construction work in process balances in the current quarter.

As of September 30, 2024, there have been no material changes to our unrecognized tax benefits or possible changes that could reasonably be expected to occur during the next twelve months. See Note 15 to the Company's Consolidated Financial Statements in the Annual Report on Form 10-K for the year ended December 31, 2023, for a discussion of these unrecognized tax benefits.

14. Pension and Other Postemployment Benefits

We provide defined contribution plans and noncontributory defined benefit retirement plans that cover certain of our employees. Benefits under the defined benefit retirement plans reflect the employees' compensation, years of service and age at retirement. Additionally, we provide health care and life insurance benefits for certain retired employees. The majority of such employees may become eligible for these benefits if they reach retirement age while working for us. The expected cost of such benefits is accrued during the employees' years of service. We determined that, for certain rate-regulated subsidiaries, the future recovery of postretirement benefit costs is probable, and we record regulatory assets and liabilities for amounts that would otherwise have been recorded to expense or accumulated other comprehensive loss. Current rates of rate-regulated companies include postretirement benefit costs, including amortization of the regulatory assets and liabilities that arose prior to inclusion of these costs in rates. For most plans, cash contributions are remitted to grantor trusts.

For the nine months ended September 30, 2024 and 2023, we contributed \$1.9 million and \$2.6 million, respectively to our pension plans and \$18.3 million and \$16.7 million, respectively to our OPEB plans.

ITEM 1. FINANCIAL STATEMENTS (continued)
NiSource Inc.
Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

The following table provides the components of the plans' actuarially determined net periodic benefit cost for the three and nine months ended September 30, 2024 and 2023:

Three Months Ended September 30, (in millions)	Pension Benefits		OPEB	
	2024	2023	2024	2023
Components of Net Periodic Benefit Cost⁽¹⁾				
Service cost	\$ 5.5	\$ 5.1	\$ 1.3	\$ 1.3
Interest cost	16.3	17.1	5.5	5.4
Expected return on assets	(23.8)	(23.6)	(4.0)	(3.8)
Amortization of prior service credit	—	—	(0.4)	(0.5)
Recognized actuarial loss	7.2	8.4	0.8	0.8
Settlement loss	5.9	7.4	—	—
Total Net Periodic Benefit Cost	\$ 11.1	\$ 14.4	\$ 3.2	\$ 3.2

⁽¹⁾The service cost component and all non-service cost components of net periodic benefit (income) cost are presented in "Operation and maintenance" and "Other, net," respectively, on the Condensed Statements of Consolidated Income (unaudited).

Nine Months Ended September 30, (in millions)	Pension Benefits		OPEB	
	2024	2023	2024	2023
Components of Net Periodic Benefit Cost⁽¹⁾				
Service cost	\$ 16.4	\$ 15.3	\$ 3.9	\$ 3.9
Interest cost	48.9	51.3	16.4	16.3
Expected return on assets	(71.4)	(70.8)	(12.0)	(11.4)
Amortization of prior service credit	—	—	(1.2)	(1.5)
Recognized actuarial loss	21.6	25.2	2.4	2.4
Settlement loss	5.9	7.5	—	—
Total Net Periodic Benefit Cost	\$ 21.4	\$ 28.5	\$ 9.5	\$ 9.7

⁽¹⁾The service cost component and all non-service cost components of net periodic benefit (income) cost are presented in "Operation and maintenance" and "Other, net," respectively, on the Condensed Statements of Consolidated Income (unaudited).

During the third quarter of 2024, the requirements for settlement accounting were met for one of our pension plans, resulting in a settlement charge of \$5.9 million for the three months ended September 30, 2024.

15. Other Commitments and Contingencies

A. Guarantees and Indemnities. We and certain of our subsidiaries enter into various agreements providing financial or performance assurance to third parties on behalf of certain subsidiaries as a part of normal business. Such agreements include guarantees and stand-by letters of credit. These agreements are entered into primarily to support or enhance the creditworthiness otherwise attributed to a subsidiary on a stand-alone basis, thereby facilitating the extension of sufficient credit to accomplish the subsidiaries' intended commercial purposes. As of September 30, 2024 and December 31, 2023, we had issued stand-by letters of credit of \$9.4 million and \$9.9 million, respectively for the benefit of third parties.

We provide guarantees related to our future performance under BTAs for our renewable generation projects. At September 30, 2024 and December 31, 2023, our guarantees for multiple BTAs totaled \$1,150.2 million and \$646.1 million, respectively. The amount of each guaranty will decrease upon the substantial completion of the construction of the facilities. See "- D. Other Matters - Generation Transition," below for more information.

B. Legal Proceedings. From time to time, various legal and regulatory claims and proceedings are pending or threatened against the Company and its subsidiaries. While the amounts claimed may be substantial, the Company is unable to predict with certainty the ultimate outcome of such claims and proceedings. The Company establishes reserves whenever it believes it to be appropriate for pending litigation matters. However, the actual results of resolving the pending litigation matters may be substantially higher than the amounts reserved. If one or more matters were decided against us, the effects could be material to

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)**

our results of operations in the period in which we would be required to record or adjust the related liability and could also be material to our cash flows in the periods that we would be required to pay such liability. Due to the inherent uncertainty of litigation, there can be no assurance that the resolution of any particular claim, proceeding or investigation would not have a material adverse effect on our results of operations, financial position or liquidity.

Other Claims and Proceedings. We are also party to other claims, regulatory and legal proceedings arising in the ordinary course of business in each state in which we have operations, and based upon an investigation of these matters and discussion with legal counsel, we believe the ultimate outcome of such other legal proceedings to be individually, or in aggregate, not material at this time.

C. Environmental Matters. Our operations are subject to environmental statutes and regulations related to air quality, water quality, hazardous waste and solid waste. We believe that we are in substantial compliance with the environmental regulations currently applicable to our operations.

It is management's continued intent to address environmental issues in cooperation with regulatory authorities in such a manner as to achieve mutually acceptable compliance plans. However, there can be no assurance that fines and penalties will not be incurred. Management expects a majority of environmental assessment and remediation costs and asset retirement costs, further described below, to be recoverable through rates.

As of September 30, 2024 and December 31, 2023, we had recorded a liability of \$92.6 million and \$80.0 million, respectively, to cover environmental remediation at various sites. This liability is included in "Other accruals" and "Other noncurrent liabilities and deferred credits" in the Condensed Consolidated Balance Sheets (unaudited). We recognize costs associated with environmental remediation obligations when the incurrence of such costs is probable and the amounts can be reasonably estimated. The original estimates for remediation activities may differ materially from the amount ultimately expended. The actual future expenditures depend on many factors, including laws and regulations, the nature and extent of impact and the method of remediation. These expenditures are not currently estimable at some sites. We periodically adjust our liability as information is collected and estimates become more refined.

CERCLA. Our subsidiaries are potentially responsible parties at waste disposal sites under CERCLA and similar state laws. Under CERCLA, each potentially responsible party can be held jointly, severally and strictly liable for the remediation costs, as the EPA, or state, can allow the parties to pay for remedial action or perform remedial action themselves and request reimbursement from the potentially responsible parties. Our affiliates have retained CERCLA environmental liabilities, including remediation liabilities, associated with certain current and former operations. At this time, we cannot estimate the full cost of remediating properties that have not yet been investigated, but it is possible that the future costs could be material to the Condensed Consolidated Financial Statements (unaudited).

MGP. We maintain a program to identify and investigate former MGP sites where our subsidiaries or predecessors may have liability. The program has identified 51 such sites where liability is probable. Remedial actions at many of these sites are being overseen by state or federal environmental agencies through consent agreements or voluntary remediation agreements.

We utilize a probabilistic model to estimate our future remediation costs related to MGP sites. The model was prepared with the assistance of a third party and incorporates our experience and general industry experience with remediating MGP sites. We complete an annual refresh of the model in the second quarter of each fiscal year. We recorded an \$11.2 million increase to the estimated future remediation costs as a result of the refresh completed in the second quarter of 2024. No material changes to the estimated future remediation costs were noted as a result of an internal quarterly review of environmental reserves completed as of September 30, 2024. Our total estimated liability related to the facilities subject to remediation was \$87.9 million and \$73.7 million at September 30, 2024 and December 31, 2023, respectively. The liability represents our best estimate of the probable cost to remediate the MGP sites. Our model indicates that it is reasonably possible that remediation costs could vary by as much as \$16.4 million in addition to the costs noted above. Remediation costs are estimated based on the best available information, applicable remediation standards at the balance sheet date and experience with similar facilities.

CCRs. NIPSCO continues to meet the compliance requirements established by the EPA for the regulation of CCRs. The CCR rule requirements currently in effect required revisions to previously recorded legal obligations associated with the retirement of certain NIPSCO facilities. The actual asset retirement costs related to the CCR rule may vary substantially from the estimates used to record the increased asset retirement obligation due to the uncertainty about the requirements that will be established by environmental authorities, compliance strategies that will be used and the preliminary nature of available data used to estimate costs. As allowed by the rule, NIPSCO will continue to collect data over time to determine the specific compliance solutions and associated costs and, as a result, the actual costs may vary.

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)**

On May 8, 2024, the EPA finalized changes to the current CCR regulations ("Legacy CCR Rule") which address inactive surface impoundments at inactive facilities, referred to as legacy impoundments, and CCR management units ("CCRMUs") at inactive and active facilities. The rule largely requires these newly regulated units to conform to existing requirements, such as groundwater monitoring, closure requirements, and post-closure care. In the second quarter of 2024, we accrued an immaterial amount to cover probable and estimable costs related to these activities. In the third quarter of 2024, we accrued an additional \$164.6 million to cover probable and estimable compliance activities associated with the Legacy CCR Rule. Applicability determinations for legacy impoundments are due when the rule becomes effective on November 8, 2024. Facility evaluations for CCRMUs are required by February 2026 and 2027. NIPSCO continues to assess whether existing legal obligations associated with the retirement of certain facilities must be revised and to estimate probable additional required asset retirement costs. NIPSCO expects to receive recovery of any such costs through existing and future depreciation rates.

D. Other Matters.

Generation Transition. NIPSCO has executed several BTAs with developers to construct renewable generation facilities. NIPSCO has received IURC approval for all of its BTAs and PPAs. In addition to IURC approval, NIPSCO's purchase obligation under the BTAs is dependent on timely completion of construction. Certain agreements require NIPSCO to make partial payments upon the developer's completion of significant construction milestones. With respect to BTAs for which tax equity partnerships are utilized once the tax equity partner has earned its negotiated rate of return and we have reached the agreed upon contractual date, NIPSCO has the option to purchase at fair market value the remaining interest in the JV from the tax equity partner. In January 2024, the IURC approved the full ownership of Cavalry and Dunns Bridge II, which will allow those BTAs to be executed through direct ownership. In March 2024, Cavalry achieved mechanical completion, resulting in NIPSCO making a \$110.6 million payment to the developer. In May 2024, Cavalry achieved substantial completion and commencement of commercial operations, resulting in NIPSCO making a \$114.9 million payment to the developer. In August 2024, the IURC approved full ownership of the Gibson and Fairbanks projects and modification of the cost of the Fairbanks project as contemplated in the contractual actions referenced above. In September 2024, Dunns Bridge II achieved mechanical completion, resulting in NIPSCO making a \$153.3 million payment to the developer. NIPSCO will file a future request to modify the ownership structure for the Templeton wind project to become a wholly owned project.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

16. Accumulated Other Comprehensive Loss

The following tables display the components of Accumulated Other Comprehensive Loss, net of tax:

<i>(in millions)</i>	Gains and Losses on Securities ⁽¹⁾	Gains and Losses on Cash Flow Hedges ⁽¹⁾	Pension and OPEB Items ⁽¹⁾	Accumulated Other Comprehensive Loss ⁽¹⁾
Balance as of July 1, 2024	\$ (7.6)	\$ (13.0)	\$ (13.0)	\$ (33.6)
Other comprehensive income (loss) before reclassifications	3.5	0.4	(0.1)	3.8
Amounts reclassified from accumulated other comprehensive loss	—	(0.5)	0.7	0.2
Net current-period other comprehensive income (loss)	3.5	(0.1)	0.6	4.0
Balance as of September 30, 2024	\$ (4.1)	\$ (13.1)	\$ (12.4)	\$ (29.6)

⁽¹⁾All amounts are net of tax. Amounts in parentheses indicate debits.

<i>(in millions)</i>	Gains and Losses on Securities ⁽¹⁾	Gains and Losses on Cash Flow Hedges ⁽¹⁾	Pension and OPEB Items ⁽¹⁾	Accumulated Other Comprehensive Loss ⁽¹⁾
Balance as of January 1, 2024	\$ (7.3)	\$ (12.8)	\$ (13.5)	\$ (33.6)
Other comprehensive income (loss) before reclassifications	2.8	—	(0.1)	2.7
Amounts reclassified from accumulated other comprehensive loss	0.4	(0.3)	1.2	1.3
Net current-period other comprehensive income (loss)	3.2	(0.3)	1.1	4.0
Balance as of September 30, 2024	\$ (4.1)	\$ (13.1)	\$ (12.4)	\$ (29.6)

⁽¹⁾All amounts are net of tax. Amounts in parentheses indicate debits.

<i>(in millions)</i>	Gains and Losses on Securities ⁽¹⁾	Gains and Losses on Cash Flow Hedges ⁽¹⁾	Pension and OPEB Items ⁽¹⁾	Accumulated Other Comprehensive Loss ⁽¹⁾
Balance as of July 1, 2023	\$ (10.4)	\$ (12.7)	\$ (12.7)	\$ (35.8)
Other comprehensive income (loss) before reclassifications	(1.7)	(0.4)	(0.1)	(2.2)
Amounts reclassified from accumulated other comprehensive loss	—	0.3	0.8	1.1
Net current-period other comprehensive income (loss)	(1.7)	(0.1)	0.7	(1.1)
Balance as of September 30, 2023	\$ (12.1)	\$ (12.8)	\$ (12.0)	\$ (36.9)

⁽¹⁾All amounts are net of tax. Amounts in parentheses indicate debits.

<i>(in millions)</i>	Gains and Losses on Securities ⁽¹⁾	Gains and Losses on Cash Flow Hedges ⁽¹⁾	Pension and OPEB Items ⁽¹⁾	Accumulated Other Comprehensive Loss ⁽¹⁾
Balance as of January 1, 2023	\$ (11.2)	\$ (12.6)	\$ (13.3)	\$ (37.1)
Other comprehensive income (loss) before reclassifications	(1.4)	(0.4)	0.2	(1.6)
Amounts reclassified from accumulated other comprehensive loss	0.5	0.2	1.1	1.8
Net current-period other comprehensive income (loss)	(0.9)	(0.2)	1.3	0.2
Balance as of September 30, 2023	\$ (12.1)	\$ (12.8)	\$ (12.0)	\$ (36.9)

⁽¹⁾All amounts are net of tax. Amounts in parentheses indicate debits.

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)****17. Business Segment Information**

Our reportable segments reflect the manner in which our business is managed and our resources are allocated. Following the consummation of the NIPSCO Minority Interest Transaction, we revised how we evaluate results and allocate resources across our business with an increased focus on operating performance at the state level. Refer to Note 4, "Noncontrolling Interests," for additional information on the NIPSCO Minority Interest Transaction. Our operations are now evaluated through two primary reportable segments, Columbia Operations and NIPSCO Operations. Columbia Operations aggregates the results of the fully regulated and wholly owned subsidiaries of NiSource Gas Distribution Group, Inc. (a holding company that owns Columbia of Kentucky, Columbia of Maryland, Columbia of Ohio, Columbia of Pennsylvania, and Columbia of Virginia). Each Columbia distribution company is an operating segment which we aggregate to form the Columbia Operations reportable segment. NIPSCO Operations includes the results of NIPSCO Holdings I and its majority-owned subsidiaries, including NIPSCO, which has fully regulated gas and electric operations in Northwest Indiana.

The remainder of our operations, which are not significant enough on a stand-alone basis to warrant treatment as a reportable segment, are presented as "Corporate and Other" and primarily are comprised of interest expense on holding company debt, and unallocated corporate costs and activities. Refer to Note 3, "Revenue Recognition," for additional information on our segments and their sources of revenues. The following table provides information about our reportable segments. Our CODM uses operating income as the primary measurement for each of the reported segments and makes decisions on financing, dividends, and taxes at the corporate level on a consolidated basis. Segment revenues include intersegment sales to affiliated subsidiaries, which are eliminated in consolidation. Affiliated sales are recognized on the basis of prevailing market, regulated prices or at levels provided for under contractual agreements. Operating income is derived from revenues and expenses directly associated with each segment.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

(in millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Operating Revenues				
Columbia Operations				
Unaffiliated	\$ 423.4	\$ 411.0	\$ 1,864.5	\$ 1,981.5
Intersegment	3.3	3.0	9.6	9.1
Total	426.7	414.0	1,874.1	1,990.6
NIPSCO Operations				
Unaffiliated	652.6	616.2	2,002.2	2,101.3
Intersegment	0.3	0.4	0.8	0.8
Total	652.9	616.6	2,003.0	2,102.1
Corporate and Other				
Unaffiliated	0.3	0.2	0.6	0.6
Intersegment	145.6	121.7	424.5	361.2
Total	145.9	121.9	425.1	361.8
Eliminations	(149.2)	(125.1)	(434.9)	(371.1)
Consolidated Operating Revenues	\$ 1,076.3	\$ 1,027.4	\$ 3,867.3	\$ 4,083.4
Operating Income				
Columbia Operations	\$ 41.2	\$ 54.6	\$ 499.8	\$ 507.5
NIPSCO Operations	171.3	173.1	530.0	413.9
Corporate and Other	5.8	5.3	8.9	11.5
Consolidated Operating Income	\$ 218.3	\$ 233.0	\$ 1,038.7	\$ 932.9

The following table provides information about the assets of our reportable segments included in the Condensed Consolidated Balance Sheet (unaudited):

(in millions)	September 30, 2024	December 31, 2023
Assets		
Columbia Operations	\$ 14,174.1	\$ 13,664.5
NIPSCO Operations	15,450.1	13,962.6
Corporate and Other	1,203.9	3,450.1
Consolidated Assets	\$ 30,828.1	\$ 31,077.2

Information about our reportable segments for the nine months ended September 30, 2023, as well as for the period ended December 31, 2023 has been recast to align with the current year's presentation.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

18. Other, Net

The following table displays the components of Other, Net included on the Condensed Statements of Consolidated Income (unaudited):

(in millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Interest income	\$ 3.4	\$ 2.7	\$ 7.8	\$ 6.3
AFUDC equity	32.1	6.0	56.7	15.2
Pension and other postretirement non-service cost	(5.9)	(9.8)	(10.2)	(18.2)
Miscellaneous	(0.4)	(0.5)	(2.9)	(1.4)
Total Other, net	\$ 29.2	\$ (1.6)	\$ 51.4	\$ 1.9

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

NiSource Inc.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

EXECUTIVE SUMMARY

This Management's Discussion and Analysis of Financial Condition and Results of Operations ("Management's Discussion") includes management's analysis of past financial results and certain potential factors that may affect future results, potential future risks and approaches that may be used to manage those risks. See "Note regarding forward-looking statements" at the beginning of this report for a list of factors that may cause results to differ materially.

Management's Discussion is designed to provide an understanding of our operations and financial performance and should be read in conjunction with our Annual Report on Form 10-K for the fiscal year ended December 31, 2023.

We are an energy holding company under the Public Utility Holding Company Act of 2005 whose utility subsidiaries are fully regulated natural gas and electric utility companies serving customers in six states. We generate substantially all of our operating income through these rate-regulated businesses, which are summarized for financial reporting purposes into two primary reportable segments: Columbia Operations and NIPSCO Operations. Refer to "Note 17, "Business Segment Information," for further discussion of our business segments.

Our goal is to develop strategies that benefit all stakeholders as we (i) focus on long-term infrastructure investment and safety programs to better serve our customers, (ii) align our tariff structures with our cost structure, and (iii) address changing customer energy demand. These strategies focus on improving safety and reliability, enhancing customer experience, pursuing regulatory and legislative initiatives to increase accessibility for customers currently not on our gas and electric service, ensuring customer affordability and reducing emissions while generating sustainable returns. The safety of our customers, communities and employees remains our focus. Serving as a guiding practice for our SMS, NiSource is certified in conformance to the American Petroleum Institute Recommended Practice 1173, which is the foundation to our journey towards operational excellence. We continue to make advancements in key strategic initiatives, described in further detail below.

Energy Transition: We are advancing our energy transition strategy, primarily through the continuation and enhancement of existing programs, such as retiring and replacing remaining coal-fired electric generation by 2028 with a balanced mix of low- or zero-emission electric generation, ongoing pipe replacement and modernization programs, and deployment of advanced leak detection and repair. Our electric generation transition, initiated through the NIPSCO 2018 Integrated Resource Plan ("2018 Plan") is well underway, and we are continually adjusting to the dynamic energy landscape. As of September 30, 2024, we have executed and received IURC approval for BTAs and PPAs for wind, solar and solar plus storage projects, with a combined nameplate capacity of 1,950 MW and 1,400 MW, respectively, under the 2018 Plan. In January 2024, the IURC approved full ownership of the Cavalry and Dunns Bridge II projects. In August 2024 the IURC approved full ownership of the Gibson and Fairbanks projects and modification of the cost of the Fairbanks project as contemplated in the contractual actions. Full ownership of these projects allows NIPSCO to leverage provisions of the IRA, monetize renewable tax credits more effectively, and provide enhanced benefits to customers as compared to the previous tax equity partnership structure approved by the IURC. In May 2024, the Cavalry project was placed in service. We remain on track to retire R.M. Schahfer's remaining two coal units by the end of 2025. For additional information, see "Results and Discussion of Segment Operations - NIPSCO Operations," in this Management's Discussion.

In 2021, we announced and filed with the IURC the Preferred Energy Resource Plan associated with our 2021 Integrated Resource Plan ("2021 Plan"). The 2021 Plan affirms plans to retire the coal unit at the Michigan City Generating Station by the end of 2028. The 2021 Plan calls for the replacement of the retiring units with a diverse portfolio of resources including demand side management resources, incremental solar, stand-alone energy storage and upgrades to existing facilities at the Sugar Creek Generating Station, among other steps. In the first half of 2024, Sugar Creek completed an Advanced Gas Path Tech upgrade that enhanced its overall production capabilities by an estimated 68 MW. Additionally, the 2021 Plan calls for a new natural gas peaking facility to replace existing vintage gas peaking facilities at the R.M. Schahfer Generating Station to support system reliability and resiliency, and upgrades to the electric transmission system. In September of 2023, we filed a request for issuance of a certificate of public convenience and necessity for an approximately 400 MW natural gas peaking generation facility with the IURC, which was approved in October of 2024. The planned retirement of the two vintage gas peaking facilities at the R.M. Schahfer Generating Station is also expected to occur by the end of 2028. Final retirement dates for these units, as well as Michigan City, will be subject to MISO approval.

NIPSCO's 2024 Integrated Resource Plan ("2024 Plan") is currently in-progress and formal stakeholder engagement began in the second quarter. The 2024 Plan will inform future generation investments needed to ensure reliability for NIPSCO's customers and will incorporate factors such as anticipated load growth from data centers and other economic development

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)**NiSource Inc.**

opportunities, new EPA emissions rules, and evolving MISO resource accreditation rules. The 2024 Plan will be submitted to the IURC in December 2024 and will include an updated Preferred Energy Resource Plan. We have seen an acceleration of customer interest in our northern Indiana service territory in the form of data center development. We believe data center development can enhance our local tax base, diversify the employment base across the state of Indiana, and provide greater value to existing customers and shareholders. We are evaluating the potential for data center development in our service territory, including ways to effectively manage the potential power demand, generation sources, and transmission capabilities to meet potential load growth from any data center customer, while at the same time focusing on our environmental goals. We expect that management of load growth would require new generation and transmission capabilities. We plan to move as efficiently as possible while maintaining the integrity of our commercial, planning, regulatory, procurement and operational execution processes.

We continue to enhance safety and reduce methane emissions on our gas systems through modernization programs and utilization of advanced leak detection and repair. In addition, we plan to advance other low- or zero-emission energy resources and technologies, such as hydrogen and renewable natural gas.

NIPSCO Minority Interest Transaction: On December 31, 2023, contemporaneously with the closing of the NIPSCO Minority Interest Transaction, Blackstone, NIPSCO Holdings I, NIPSCO Holdings II, and NiSource entered into an Amended and Restated Limited Liability Company Agreement (the "LLC Agreement") of NIPSCO Holdings II. On January 31, 2024, BIP transferred a 4.5% equity interest in NIPSCO Holdings II to BIP Blue Buyer VCOC L.L.C., a Delaware limited liability company and also an affiliate of Blackstone. Effective upon the closing of this transfer, the members of NIPSCO Holdings II entered into a Second Amended and Restated Limited Liability Company Operating Agreement of NIPSCO Holdings II (the "Amended LLC Agreement"). The two affiliates of Blackstone must vote their equity holdings under the Amended LLC Agreement as one investor. Refer to Note 4, "Noncontrolling Interests," for more information on this transaction.

Transformation: Our enterprise-wide transformation roadmap focuses on operational excellence, safety, operation and maintenance management, and unlocking efficiencies. We are committed to identifying and implementing initiatives that will enable us to streamline work and improve logistics company-wide. These efforts include investments in proven technologies backed with standardized processes that will change the way we plan, schedule, and execute work in the field and how we engage and provide service to our customers. Taken together, all of our optimization initiatives will prioritize safety and continue to optimize our long-term growth profile. We are making progress towards our transformation goals with a successful completion of the first phase of our WAM program, an enterprise resource planning system that will optimize the scheduling, dispatch, and execution of our field operations. This phase of the program implemented the solution within our electric distribution operations, while our second phase for gas distribution operations is anticipated to be completed by the third quarter of 2025.

Economic Environment: We continue to monitor risks related to increasing order and delivery lead times for construction and other materials, potential unavailability of materials due to global shortages in raw materials, and decreased construction labor productivity in the event of disruptions in the availability of materials. We continue to see increasing prices associated with environmental remediation services and certain materials and supplies. To the extent that work delays occur or our costs increase, our business operations, results of operations, cash flows, and financial condition could be materially adversely affected.

We are faced with increased competition for employee and contractor talent in the current labor market which has resulted in increased costs to attract and retain talent. We are ensuring that we use all internal human capital programs (development, leadership enablement programs, succession, performance management) to promote retention of our current employees along with having a competitive and attractive employee value proposition for potential recruits. With a focus on workforce planning we continue to evaluate talent needs and flexible work arrangements where possible to support a broader talent footprint for sourcing needed talent.

We continue to evaluate our financing plan to manage interest expense and exposure to rates. For more information on interest rate risk, see "Market Risk Disclosures".

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

Summary of Consolidated Financial Results

A summary of our consolidated financial results for the three and nine months ended September 30, 2024 and 2023 are presented below:

(in millions, except per share amounts)	Three Months Ended September 30,			Nine Months Ended September 30,		
	2024	2023	Favorable (Unfavorable)	2024	2023	Favorable (Unfavorable)
Operating Revenues	\$ 1,076.3	\$ 1,027.4	\$ 48.9	\$ 3,867.3	\$ 4,083.4	\$ (216.1)
Operating Expenses						
Cost of energy	165.9	181.3	15.4	755.6	1,198.3	442.7
Depreciation expense	269.5	210.9	(58.6)	765.1	650.9	(114.2)
Other Operating Expenses	422.6	402.2	(20.4)	1,307.9	1,301.3	(6.6)
Total Operating Expenses	858.0	794.4	(63.6)	2,828.6	3,150.5	321.9
Operating Income	218.3	233.0	(14.7)	1,038.7	932.9	105.8
Total Other Deductions, Net	(105.4)	(130.8)	25.4	(328.8)	(346.7)	17.9
Income Taxes	15.9	3.8	(12.1)	109.5	103.7	(5.8)
Net Income	97.0	98.4	(1.4)	600.4	482.5	117.9
Net income attributable to noncontrolling interest	11.3	13.3	2.0	63.9	5.6	(58.3)
Net Income Attributable to NiSource	85.7	85.1	0.6	536.5	476.9	59.6
Preferred dividends and redemption premium	—	(8.1)	8.1	(20.7)	(40.8)	20.1
Net Income Available to Common Shareholders	85.7	77.0	8.7	515.8	436.1	79.7
Earnings Per Share						
Basic Earnings Per Share	\$ 0.19	\$ 0.19	\$ —	\$ 1.15	\$ 1.05	\$ 0.10
Diluted Earnings Per Share	\$ 0.19	\$ 0.17	\$ 0.02	\$ 1.14	\$ 0.98	\$ 0.16

The majority of the cost of energy in the Columbia Operations and NIPSCO Operations segments are tracked costs that are passed through directly to the customer, resulting in an equal and offsetting amount reflected in operating revenues.

The increase in net income available to common shareholders for the three and nine months ended September 30, 2024 was primarily due to higher revenues, net of cost of energy, driven by our continued investment in safety, reliability and low or zero emission generation as well as increased AFUDC Equity, reported in Other Deductions, Net, primarily related to the mechanical completion of NIPSCO's Cavalry and Dunns Bridge II projects. Additionally, net income available to common shareholders increased due to the elimination of the preferred stock dividends following the redemption of both the Series A and B preferred stock. For the three and nine months ended September 30, 2024, the increase in net income available to common shareholders is primarily offset by higher depreciation expense attributed to our planned capital expenditures and higher interest expense. Increased net income attributable to noncontrolling interest following the consummation of the NIPSCO Minority Interest Transaction reduces net income available to common shareholders for the nine months ended September 30, 2024. See Note 6, "Equity," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information.

For additional information on operating income variance drivers see "Results and Discussion of Segment Operations" for Columbia Operations and NIPSCO Operations in this Management's Discussion.

Income Taxes

Refer to Note 13, "Income Taxes," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on income taxes and the change in the effective tax rates.

We continue to monitor and evaluate the impacts of final or proposed income tax regulations issued on provisions of the IRA including but not limited to renewable energy tax credits.

RESULTS AND DISCUSSION OF SEGMENT OPERATIONS

Presentation of Segment Information

In response to the NIPSCO Minority Interest Transaction, our operations are now evaluated through two primary reportable segments, Columbia Operations and NIPSCO Operations. Our historical segment disclosures have been recast to be consistent with the current presentation. Columbia Operations aggregates the results of the fully regulated and wholly owned subsidiaries of NiSource Gas Distribution Group, Inc. Each Columbia distribution company is an operating segment which we aggregate to form the Columbia Operations reportable segment. NIPSCO Operations aggregates the results of NIPSCO Holdings I, and its majority-owned subsidiaries, including NIPSCO, which has both fully regulated gas and electric operations in Northwest Indiana. The remainder of our operations, which are not significant enough on a stand-alone basis to warrant treatment as a reportable segment, are presented as "Corporate and Other" within the Notes to the Condensed Consolidated Financial Statements (unaudited) and primarily are comprised of interest expense on holding company debt, and unallocated corporate costs and activities.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
**NiSource Inc.
Columbia Operations**

Financial and operational data for the Columbia Operations segment for the three and nine months ended September 30, 2024 and 2023 are presented below.

<i>(in millions)</i>	Three Months Ended September 30,			Nine Months Ended September 30,		
	2024	2023	Favorable (Unfavorable)	2024	2023	Favorable (Unfavorable)
Operating Revenues	\$ 426.7	\$ 414.0	\$ 12.7	\$ 1,874.1	\$ 1,990.6	\$ (116.5)
Operating Expenses						
Cost of energy	34.2	44.6	10.4	319.3	477.2	157.9
Operation and maintenance	202.9	176.6	(26.3)	604.9	584.4	(20.5)
Depreciation and amortization	103.0	94.8	(8.2)	300.6	274.7	(25.9)
Other taxes	45.4	43.4	(2.0)	149.5	146.8	(2.7)
Total Operating Expenses	385.5	359.4	(26.1)	1,374.3	1,483.1	108.8
Operating Income	\$ 41.2	\$ 54.6	\$ (13.4)	\$ 499.8	\$ 507.5	\$ (7.7)
Revenues						
Residential	\$ 299.2	\$ 283.6	\$ 15.6	\$ 1,303.4	\$ 1,351.3	\$ (47.9)
Commercial	79.2	78.9	0.3	402.4	441.6	(39.2)
Industrial	32.3	30.2	2.1	106.0	103.2	2.8
Off-System	7.2	9.8	(2.6)	30.5	49.9	(19.4)
Other	8.8	11.5	(2.7)	31.8	44.6	(12.8)
Total	\$ 426.7	\$ 414.0	\$ 12.7	\$ 1,874.1	\$ 1,990.6	\$ (116.5)
Sales and Transportation (MMDth)						
Residential	8.3	8.7	(0.4)	102.0	104.1	(2.1)
Commercial	12.2	12.9	(0.7)	85.0	84.2	0.8
Industrial	70.9	64.4	6.5	207.9	188.7	19.2
Off-System	4.6	7.0	(2.4)	17.8	25.6	(7.8)
Other	—	—	—	0.2	0.2	—
Total	96.0	93.0	3.0	412.9	402.8	10.1
Heating Degree Days⁽¹⁾	28	35	(7)	2,659	2,756	(97)
Normal Heating Degree Days⁽¹⁾	53	53	—	3,310	3,292	18
% Warmer than Normal	(47)%	(34)%		(20)%	(16)%	
% Warmer than prior year	(20)%			(4)%		
Columbia Operations Customers						
Residential				2,202,206	2,189,333	12,873
Commercial				186,087	185,821	266
Industrial				1,975	1,982	(7)
Other				4	3	1
Total				2,390,272	2,377,139	13,133

⁽¹⁾ Heating degree figures represent averages of the five jurisdictions served by Columbia Operations.

Comparability of operation and maintenance expenses, depreciation and amortization, and other taxes may be impacted by regulatory, depreciation, and tax trackers that allow for the recovery in rates of certain costs.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
**NiSource Inc.
Columbia Operations**

The underlying reasons for changes in our operating revenues for the three and nine months ended September 30, 2024 compared to the same period in 2023 are presented below.

	Favorable (Unfavorable)	
	Three Months Ended September 30, 2024 vs 2023	Nine Months Ended September 30, 2024 vs 2023
Changes in Operating Revenues (in millions)		
New rates from base rate proceedings and regulatory capital programs	\$ 19.1	\$ 71.3
The effects of customer usage	(1.5)	7.9
The effects of customer growth	1.4	5.0
The effects of weather in 2024 compared to 2023	(1.0)	(6.3)
Other	(0.2)	(3.6)
Change in operating revenues (before cost of energy and other tracked items)	\$ 17.8	\$ 74.3
Operating revenues offset in operating expense		
Lower cost of energy billed to customers	(10.3)	(157.8)
Higher (lower) tracker deferrals within operation and maintenance, depreciation, and tax	5.2	(33.0)
Total change in operating revenues	\$ 12.7	\$ (116.5)

Weather

In general, we calculate the weather-related revenue variance based on changing customer demand driven by weather variance from normal heating degree days, net of weather normalization mechanisms. Our composite heating degree days reported do not directly correlate to the weather-related dollar impact on the results of Columbia Operations. Heating degree days experienced during different times of the year or in different operating locations may have more or less impact on volume and dollars depending on when and where they occur. When the detailed results are combined for reporting, there may be weather-related dollar impacts on operations when there is not an apparent or significant change in our aggregated composite heating degree day comparison.

Throughput

The increase in total volumes for the three months ended September 30, 2024, compared to the same period in 2023, is primarily attributable to increased industrial usage offset by off-system sales.

The increase in total volumes for the nine months ended September 30, 2024, compared to the same period in 2023, is primarily attributable to increased industrial usage offset by off-system sales.

Commodity Price Impact

Cost of energy for the Columbia Operations segment is principally comprised of the cost of natural gas used while providing transportation and distribution services to customers. All Columbia Operations companies have state-approved recovery mechanisms that provide a means for full recovery of prudently incurred gas costs. These are tracked costs that are passed through directly to the customer, and the gas costs included in revenues are matched with the gas cost expense recorded in the period. The difference is recorded on the Condensed Consolidated Balance Sheets (unaudited) as under-recovered or over-recovered gas cost to be included in future customer billings. Therefore, increases in these tracked operating expenses are offset by increases in operating revenues and have essentially no impact on net income.

Certain of the Columbia Operations companies continue to offer choice opportunities, where customers can choose to purchase gas from a third-party supplier, through regulatory initiatives in their respective jurisdictions.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.
Columbia Operations

The underlying reasons for changes in our operating expenses for the three and nine months ended September 30, 2024 compared to the same period in 2023 are presented below.

	Favorable (Unfavorable)	
	Three Months Ended September 30, 2024 vs 2023	Nine Months Ended September 30, 2024 vs 2023
Changes in Operating Expenses <i>(in millions)</i>		
Higher employee and administrative related expenses	\$ (22.6)	\$ (40.6)
Higher depreciation and amortization expense	(8.1)	(25.8)
Higher materials and supplies expense	(2.8)	(4.1)
Higher property tax	(0.1)	(2.7)
Other	2.4	(8.8)
Change in operating expenses (before cost of energy and other tracked items)	\$ (31.2)	\$ (82.0)
Operating expenses offset in operating revenue		
Lower cost of energy billed to customers	10.3	157.8
(Lower) higher tracker deferrals within operation and maintenance, depreciation, and tax	(5.2)	33.0
Total change in operating expense	\$ (26.1)	\$ 108.8

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
**NiSource Inc.
NIPSCO Operations**

Financial and operational data for the NIPSCO Operations segment, which services both gas and electric customers, for the three and nine months ended September 30, 2024 and 2023 are presented below.

<i>(in millions)</i>	Three Months Ended September 30,			Nine Months Ended September 30,		
	2024	2023	Favorable (Unfavorable)	2024	2023	Favorable (Unfavorable)
NIPSCO Operations						
Operating Revenues	\$ 652.9	\$ 616.6	\$ 36.3	\$ 2,003.0	\$ 2,102.1	\$ (99.1)
Operating Expenses						
Cost of energy	131.7	136.7	5.0	436.3	721.2	284.9
Operation and maintenance	177.7	186.7	9.0	556.5	580.2	23.7
Depreciation and amortization	156.8	105.7	(51.1)	432.5	344.1	(88.4)
Gain on sale of assets	—	—	—	(0.1)	(0.1)	—
Other taxes	15.4	14.4	(1.0)	47.8	42.8	(5.0)
Total Operating Expenses	481.6	443.5	(38.1)	1,473.0	1,688.2	215.2
Operating Income	\$ 171.3	\$ 173.1	\$ (1.8)	\$ 530.0	\$ 413.9	\$ 116.1

<i>(in millions)</i>	Three Months Ended September 30,			Nine Months Ended September 30,		
	2024	2023	Favorable (Unfavorable)	2024	2023	Favorable (Unfavorable)
NIPSCO Electric						
Revenues						
Residential	\$ 197.9	\$ 176.0	\$ 21.9	\$ 498.6	\$ 449.2	\$ 49.4
Commercial	172.7	156.6	16.1	470.0	437.6	32.4
Industrial	125.1	116.0	9.1	361.1	363.3	(2.2)
Wholesale	14.9	15.4	(0.5)	32.4	25.5	6.9
Other	28.5	35.1	(6.6)	80.2	85.3	(5.1)
Total	\$ 539.1	\$ 499.1	\$ 40.0	\$ 1,442.3	\$ 1,360.9	\$ 81.4
Sales (GWh)						
Residential	1,079.4	1,034.7	44.7	2,673.1	2,540.6	132.5
Commercial	1,044.7	1,011.0	33.7	2,850.3	2,743.7	106.6
Industrial	2,106.3	2,023.7	82.6	5,884.1	5,955.3	(71.2)
Wholesale	307.8	288.4	19.4	755.1	431.1	324.0
Other	19.9	17.6	2.3	63.0	58.2	4.8
Total	4,558.1	4,375.4	182.7	12,225.6	11,728.9	496.7
Cooling Degree Days	556	475	81	882	681	201
Normal Cooling Degree Days	590	573	17	838	820	18
% Warmer (Colder) than Normal	(6)%	(17)%		5 %	(17)%	
% Warmer than prior year	17 %			30 %		
NIPSCO Electric Customers						
Residential				429,382	426,054	3,328
Commercial				59,056	58,556	500
Industrial				2,116	2,126	(10)
Wholesale				707	708	(1)
Other				2	3	(1)
Total				491,263	487,447	3,816

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
**NiSource Inc.
NIPSCO Operations**

<i>(in millions)</i>	Three Months Ended September 30,			Nine Months Ended September 30,		
	2024	2023	Favorable (Unfavorable)	2024	2023	Favorable (Unfavorable)
NIPSCO Gas						
Revenues						
Residential	\$ 66.8	\$ 69.1	\$ (2.3)	\$ 357.5	\$ 477.4	\$ (119.9)
Commercial	28.5	30.1	(1.6)	134.0	185.8	(51.8)
Industrial	16.4	16.1	0.3	56.3	66.4	(10.1)
Other	2.1	2.2	(0.1)	12.9	11.6	1.3
Total	\$ 113.8	\$ 117.5	\$ (3.7)	\$ 560.7	\$ 741.2	\$ (180.5)
Sales and Transportation Volumes (MMDth)						
Residential	3.5	3.7	(0.2)	39.1	41.5	(2.4)
Commercial	4.9	5.0	(0.1)	29.2	30.0	(0.8)
Industrial	60.5	61.8	(1.3)	192.3	195.5	(3.2)
Total	68.9	70.4	(1.5)	260.6	267.0	(6.4)
Heating Degree Days	33	59	(26)	3,127	3,313	(186)
Normal Heating Degree Days	79	79	0	3,860	3,817	43
% Warmer than Normal	(58)%	(25)%		(19)%	(13)%	
% Warmer than prior year	(44)%			(6)%		
NIPSCO Gas Customers						
Residential				797,711	790,913	6,798
Commercial				66,251	65,821	430
Industrial				2,739	2,812	(73)
Total				866,701	859,546	7,155

Comparability of operation and maintenance expenses and depreciation and amortization may be impacted by regulatory and depreciation trackers that allow for the recovery in rates of certain costs.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
**NiSource Inc.
NIPSCO Operations**

The underlying reasons for changes in our operating revenues for the three and nine months ended September 30, 2024 compared to the same period in 2023 are presented below.

	Favorable (Unfavorable)	
	Three Months Ended September 30, 2024 vs 2023	Nine Months Ended September 30, 2024 vs 2023
Changes in Operating Revenues (in millions)		
New rates from base rate proceedings, regulatory capital and DSM programs	\$ 41.9	\$ 186.2
Renewable JV revenue, fully offset by JV operating expense	6.0	16.6
The effects of customer growth	3.2	8.2
The effects of customer usage	(0.5)	7.0
The effects of weather in 2024 compared to 2023	3.3	(1.9)
Other	0.2	2.9
Change in operating revenues (before cost of energy and other tracked items)	\$ 54.1	\$ 219.0
Operating revenues offset in operating expense		
Lower cost of energy billed to customers	(5.0)	(284.9)
Lower tracker deferrals within operation and maintenance, depreciation and tax	(12.8)	(33.2)
Total change in operating revenues	\$ 36.3	\$ (99.1)

Weather

The results of operations for the NIPSCO Operations segment include income from both electric and gas service lines. In general, we calculate the weather-related revenue variance based on changing customer demand driven by weather variance from normal cooling degree days and normal heating degree days, net of weather normalization mechanisms. Our composite cooling and heating degree days reported do not directly correlate to the weather-related dollar impact on the results of NIPSCO Operations. Cooling and heating degree days experienced during different times of the year or in different operating locations may have more or less impact on volume and dollars depending on when they occur. When the detailed results are combined for reporting, there may be weather-related dollar impacts on operations when there is not an apparent or significant change in our aggregated composite cooling and heating degree day comparison.

Sales

The increase in total volumes sold to electric customers for the three months ended September 30, 2024 compared to the same period in 2023 was primarily attributable to increased usage across all customer classes.

The increase in total volumes sold to electric customers for the nine months ended September 30, 2024 compared to the same period in 2023 was primarily attributable to increased usage by wholesale, residential and commercial customers offset by decreased usage by industrial customers.

The decrease in total volumes sold to gas customers for the three and nine months ended September 30, 2024 compared to the same period in 2023 was primarily attributable to decreased usage by industrial and residential customers.

Commodity Price Impact

Cost of energy for the NIPSCO Operations segment's electric activities is principally comprised of the cost of coal, natural gas purchased for internal generation of electricity, and the cost of power purchased from generators of electricity for its generation and transmission activities. For its gas distribution activities, NIPSCO Operations' cost of energy is principally comprised of the cost of natural gas used while providing transportation and distribution services to customers. NIPSCO Operations has state-approved recovery mechanisms that provide a means for full recovery of prudently incurred costs of energy. The majority of these costs of energy are passed through directly to the customer, and the costs of energy included in operating revenues are matched with the cost of energy expense recorded in the period. The difference is recorded on the Condensed Consolidated Balance Sheets (unaudited) as under-recovered or over-recovered fuel and gas costs to be included in future customer billings. Therefore, increases in these tracked operating expenses are offset by increases in operating revenues and have essentially no impact on net income.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
**NiSource Inc.
NIPSCO Operations**

The underlying reasons for changes in our operating expenses for the three and nine months ended September 30, 2024 compared to the same period in 2023 are presented below.

	Favorable (Unfavorable)	
	Three Months Ended September 30, 2024 vs 2023	Nine Months Ended September 30, 2024 vs 2023
Changes in Operating Expenses (in millions)		
Higher depreciation and amortization expense driven by new base rates	\$ (52.3)	\$ (82.8)
Higher employee and administrative expenses	(2.2)	(17.2)
Renewable JV operating expenses, partially offset by JV operating revenues	0.7	(15.5)
Effects of environmental obligations	(0.5)	(4.9)
(Higher) lower materials and supplies costs	(0.2)	9.7
(Higher) lower outside services expenses primarily related to lower generation-related maintenance	(4.3)	3.2
Other	2.9	4.6
Change in operating expenses (before cost of energy and other tracked items)	\$ (55.9)	\$ (102.9)
Operating expenses offset in operating revenue		
Lower cost of energy billed to customers	5.0	284.9
Lower tracker deferrals within operation and maintenance, depreciation and tax	12.8	33.2
Total change in operating expense	\$ (38.1)	\$ 215.2

Electric Supply and Generation Transition

NIPSCO continues to execute on an electric generation transition consistent with the 2018 Plan and 2021 Plan, which outlines the path to retire the remaining two coal units at R.M. Schahfer by the end of 2025 and the remaining coal-fired generation at Michigan City by the end of 2028, to be replaced by lower-cost, reliable and cleaner options.

NIPSCO continues to await EPA decision on an administrative approval associated with the operation of R.M. Schahfer's remaining two coal units until 2025. In the event that the approval is not obtained, future operations could be impacted. We cannot estimate the financial impact on us if this approval is not obtained. Refer to Item 1A. Risk Factors, "Operational Risks," of the 2023 Annual Report on Form 10-K for further detail.

The current replacement plan is aligned with the Preferred Energy Resource Plan outlined in the 2021 Plan and primarily includes renewable sources of energy, including wind, solar, battery storage, and flexible natural gas resources to be obtained through a combination of NIPSCO ownership and PPAs. NIPSCO has sold, and may in the future sell, renewable energy credits from its renewable generation to third parties to offset customer costs. NIPSCO has executed several PPAs to purchase 100% of the output from renewable generation facilities at a fixed price per MWh. Each facility supplying the energy will have an associated nameplate capacity, and payments under the PPAs will not begin until the associated generation facility is constructed by the owner/seller. NIPSCO has also executed several BTAs with developers to construct renewable generation facilities.

Since 2020, two wind PPA projects, two wind BTA projects and three solar BTA projects have been placed into service, totaling 1,665 MW of nameplate capacity plus additional battery energy storage system capacity at Cavalry. NIPSCO has executed commercial agreements for each of the seven remaining identified projects. Dunns Bridge II, Fairbanks, Gibson, GreenRiver, Appleseed, Carpenter and Templeton have received IURC approval. In January 2024, the IURC approved increases to the project costs as well as the full ownership of Cavalry and Dunns Bridge II. In August 2024, the IURC approved full ownership of Gibson and Fairbanks as well as increases to the cost of the Fairbanks project. NIPSCO has also contracted with a developer to convert the previously approved Templeton PPA to a BTA and has provided a notice of intent to file with the IURC. In October 2024 the IURC approved the certificate of public convenience and necessity for NIPSCO's planned gas peaking facility to be located at the R.M. Schahfer Generating Station. See "Executive Summary - Energy Transition" in this Management's Discussion for additional information. We expect the majority of our remaining BTA and PPA projects to be placed in service between 2025 and 2027.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.
NIPSCO Operations

Remaining Renewables Projects	Transaction Type	Technology	Nameplate Capacity (MW)	Storage Capacity (MW)
Dunns Bridge II	BTA	Solar & Storage	435	56.25
Fairbanks	BTA	Solar	250	—
Gibson	BTA	Solar	200	—
Templeton ⁽¹⁾	BTA	Wind	200	—
Green River	20 year PPA	Solar	200	—
Appleseed	20 year PPA	Solar	200	—
Carpenter	20 year PPA	Wind	200	—

⁽¹⁾ Pending regulatory approval.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

Liquidity and Capital Resources

We continually evaluate the availability of adequate financing to fund our ongoing business operations, working capital and core safety and infrastructure investment programs. Our financing is sourced through cash flow from operations and the issuance of debt and/or equity. External debt financing is provided primarily through the issuance of long-term debt, accounts receivable securitization programs and our \$1.85 billion commercial paper program, which is backstopped by our committed revolving credit facility with a total availability from third-party lenders of \$1.85 billion. Sources of financing activities for the current year are as follows:

- On December 31, 2023, we consummated the NIPSCO Minority Interest Transaction in exchange for a capital contribution of \$2.16 billion in cash.
- On January 3, 2024, we applied the proceeds from the NIPSCO Minority Interest Transaction and repaid in full our \$1.0 billion term credit agreement and our \$650.0 million term credit agreement.
- On February 22, 2024, we entered into an ATM equity program that provides an opportunity to issue and sell shares of our common stock up to an aggregate issuance of \$900.0 million through December 31, 2025. As of September 30, 2024, the ATM program (including the impact of open forward sale agreements) had approximately \$297.7 million of equity available for issuance.
- On March 14, 2024, we completed the issuance and sale of \$650.0 million of 5.350% senior unsecured notes maturing in 2034, which resulted in approximately \$642.6 million of net proceeds after discount and debt issuance costs.
- On March 15, 2024, we redeemed all 20,000 outstanding shares of Series B Preferred Stock for a redemption price of \$25,000 per share and all 20,000 outstanding shares of Series B-1 Preferred Stock for a redemption price of \$0.01 per share or \$500.0 million in total.
- On May 16, 2024, we completed the issuance and sale of \$500.0 million of 6.950% fixed-to-fixed reset rate junior subordinated notes maturing in 2054, which resulted in approximately \$493.4 million of net proceeds after debt issuance costs.
- On June 24, 2024, we completed the issuance and sale of \$600.0 million of 5.200% senior unsecured notes maturing in 2029, which resulted in approximately \$593.7 million of net proceeds after discount and debt issuance costs.
- On September 9, 2024, we completed the issuance and sale of \$500.0 million of 6.375% fixed-to-fixed reset rate junior subordinated notes maturing in 2055, which resulted in approximately \$493.6 million of net proceeds after debt issuance costs.

We believe these sources provide adequate capital to fund our operating activities and capital expenditures in 2024 and beyond. See Note 4, "Noncontrolling Interests," Note 6, "Equity," Note 7, "Short-Term Borrowings," and Note 8, "Long-Term Debt," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for more information on our financing activities.

The following table summarizes our cash flow activities:

(in millions)	Nine Months Ended September 30,		
	2024	2023	Change in 2024 vs 2023
Cash from (used for):			
Operating Activities	\$ 1,241.7	\$ 1,535.9	\$ (294.2)
Investing Activities	(2,414.5)	(2,503.3)	88.8
Financing Activities	(949.5)	998.6	(1,948.1)

Operating Activities

The decrease in cash from operating activities was primarily driven by year over year change in accounts receivable collections, inventory and exchange gas receivables due to the impact of lower gas prices, partially offset by higher accounts payables and net income.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

Investing Activities

Year over year decrease in investing activities was primarily comprised of lower capital expenditures spending.

We remain on track to make capital investments totaling \$3.3 billion to \$3.5 billion during the 2024 period. We also expect to invest approximately \$19.3 billion during the 2025-2029 period, including capital investments to support our generation transition strategy. These forecasted capital investments are subject to continuing review and adjustment. Actual capital expenditures may vary from these estimates.

Regulatory Capital Programs. We are in the process of upgrading and modernizing our electric system to enhance safety and reliability by addressing aged infrastructure and deploying advanced grid technologies. We are also upgrading and modernizing our gas infrastructure to enhance safety and reliability by reducing leaks. An ancillary benefit of these programs is the reduction of GHG emissions. In 2024, we continue to move forward on core infrastructure and environmental investment programs supported by complementary regulatory and customer initiatives across all six states of our operating area.

The following table describes the most recent vintage of our regulatory programs to recover infrastructure replacement and other federally mandated compliance investments:

(in millions)

Company	Program	Capital Investment	Investment Period	Filing Date	Costs Covered ⁽¹⁾
Approved					
Columbia of Pennsylvania	DSIC - Q4 2024	\$ 180.1	2/24-8/24	9/20/2024	Eligible project costs including piping, couplings, gas service lines, excess flow valves, risers, meter bars, meters, and other related capitalized investments to improve the distribution system.
Columbia of Ohio	IRP - 2024	\$ 753.5	4/21-12/23	2/26/2024	Replacement of hazardous service lines, cast iron, wrought iron, uncoated steel, and bare steel pipe.
Columbia of Ohio	PHMSA IRP - 2024	\$ 14.6	1/23-12/23	2/28/2024	Investments necessary to comply with the PHMSA Mega Rule.
Columbia of Ohio	CEP - 2024	\$ 763.3	4/21-12/23	2/26/2024	Assets not included in the IRP or PHMSA IRP.
NIPSCO - Gas	FMCA - 2	\$ 11.1	1/23-9/23	11/29/2023	Project costs to comply with federal mandates.
Columbia of Virginia	SAVE - 2024	\$ 166.5	10/22-12/24	8/15/2023	Replacement projects that (1) enhance system safety or reliability, or (2) reduce, or potentially reduce, greenhouse gas emissions. Includes costs associated with Advanced Leak Detection and Repair.
Columbia of Kentucky	SMRP - 2024	\$ 81.9	1/23-12/24	10/13/2023	Replacement of mains and inclusion of system safety investments.
NIPSCO - Electric	TDSIC - 5	\$ 346.9	7/22-3/24	5/28/2024	New or replacement projects undertaken for the purpose of safety, reliability, system modernization or economic development.
NIPSCO - Gas	TDSIC - 8	\$ 8.3	1/23-2/24	4/30/2024	New or replacement projects undertaken for the purpose of safety, reliability, system modernization or economic development.
Pending Commission Approval					
Columbia of Kentucky	SMRP - 2025	\$ 128.5	1/23-12/25	10/15/2024	Replacement of mains and inclusion of system safety investments.
Columbia of Virginia	SAVE - 2025	\$ 89.0	10/24-12/25	8/15/2024	Replacement projects that (1) enhance system safety or reliability, or (2) reduce, or potentially reduce, greenhouse gas emissions. Includes costs associated with Advanced Leak Detection and Repair.
NIPSCO - Gas	FMCA - 3	\$ 27.0	1/23-6/24	8/27/2024	Project costs to comply with federal mandates.
Columbia of Maryland	STRIDE - 2025	\$ 14.8	1/25-12/25	7/30/2024	Pipeline upgrades designed to improve public safety or infrastructure reliability.

⁽¹⁾Programs do not include any costs already included in base rates.

Financing Activities

Common Stock and Preferred Stock. Refer to Note 6, "Equity," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on common and preferred stock.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
NiSource Inc.

Long-Term Debt. Refer to Note 8, "Long-Term Debt," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on long-term debt activity.

Short-Term Debt. Refer to Note 7, "Short-Term Borrowings," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on short-term debt activity.

Noncontrolling Interest. We received \$2.16 billion upon closing the NIPSCO Minority Interest Transaction. Proceeds from the closing of the NIPSCO Minority Interest Transaction were used to repay short-term debt, including our credit agreements. Under the terms of the Amended LLC Agreement, BIP is obligated to provide up to \$250 million in additional capital contributions over a three-year period after the Closing. The obligation is backed by an Equity Commitment Letter from Blackstone. BIP may contribute additional capital above \$250 million as necessary to maintain its percentage ownership interest. Refer to Note 4, "Noncontrolling Interests," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on contributions and distributions from noncontrolling interests.

Sources of Liquidity

The following table displays our liquidity position as of September 30, 2024 and December 31, 2023:

<i>(in millions)</i>	September 30, 2024		December 31, 2023	
Current Liquidity				
Revolving Credit Facility	\$	1,850.0	\$	1,850.0
Accounts Receivable Programs ⁽¹⁾		225.0		383.9
<i>Less:</i>				
Commercial Paper		257.0		1,061.0
Accounts Receivable Programs Utilized		—		337.6
Letters of Credit Outstanding Under Credit Facility		9.4		9.9
<i>Add:</i>				
Cash and Cash Equivalents		126.2		2,245.4
Net Available Liquidity	\$	1,934.8	\$	3,070.8

⁽¹⁾Represents the lesser of the seasonal limit or maximum borrowings supportable by the underlying receivables.

Debt Covenants. We are subject to a financial covenant under our revolving credit facility, which requires us to maintain a debt to capitalization ratio that does not exceed 70.0%. As of September 30, 2024, the ratio was 52.7%.

Credit Ratings. The credit rating agencies periodically review our ratings, taking into account factors such as our capital structure and earnings profile. The following table includes our and NIPSCO's credit ratings and ratings outlook as of September 30, 2024. There were no changes to the below credit ratings or outlooks since February 2020.

A credit rating is not a recommendation to buy, sell, or hold securities, and may be subject to revision or withdrawal at any time by the assigning rating organization.

	S&P		Moody's		Fitch	
	Rating	Outlook	Rating	Outlook	Rating	Outlook
NiSource	BBB+	Stable	Baa2	Stable	BBB	Stable
NIPSCO	BBB+	Stable	Baa1	Stable	BBB	Stable
Commercial Paper	A-2	Stable	P-2	Stable	F2	Stable

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

Certain of our subsidiaries have agreements that contain "ratings triggers" that require increased collateral if our credit rating or the credit ratings of certain of our subsidiaries are below investment grade. These agreements are primarily for insurance purposes and for the physical purchase or sale of power. As of September 30, 2024, the collateral requirement that would be required in the event of a downgrade below the ratings trigger levels would amount to approximately \$112.4 million. In addition to agreements with ratings triggers, there are other agreements that contain "adequate assurance" or "material adverse change" provisions that could necessitate additional credit support such as letters of credit and cash collateral to transact business.

Equity. Our authorized capital stock consists of 770,000,000 shares, \$0.01 par value, of which 750,000,000 are common stock and 20,000,000 are preferred stock. As of September 30, 2024, 466,707,452 shares of common stock were outstanding.

Contractual Obligations. A summary of contractual obligations is included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023. Except for our 2024 debt issuances, there were no additional material changes from year-end during the nine months ended September 30, 2024. Refer to Note 8, "Long-Term Debt," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information regarding the debt issuances.

Guarantees, Indemnities and Other Off Balance Sheet Arrangements. We and certain of our subsidiaries enter into various agreements providing financial or performance assurance to third parties on behalf of certain subsidiaries as a part of normal business. Such agreements include guarantees and stand-by letters of credit. Refer to Note 15, "Other Commitments and Contingencies," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information about such arrangements.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

Regulatory, Environmental and Safety Matters

Cost Recovery and Trackers

Comparability of our line item operating results is impacted by regulatory trackers that allow for the recovery in rates of certain costs such as those described below. Increases in the costs that are subject to approved regulatory tracker mechanisms generally lead to increased regulatory assets, which ultimately result in a corresponding increases in operating revenues and expenses and, therefore, have essentially no impact on total operating income results. Certain approved regulatory tracker mechanisms allow for abbreviated regulatory proceedings in order for the operating companies to quickly implement revised rates and recover associated costs.

A portion of the Columbia Operations and NIPSCO Operations revenue is related to the recovery of gas costs, the review and recovery of which occurs through standard regulatory proceedings. All states in our operating area require periodic review of actual gas procurement activity to determine prudence and to confirm the recovery of prudently incurred energy commodity costs supplied to customers.

We recognize that energy efficiency reduces emissions, conserves natural resources and saves our customers money. Our gas distribution companies offer programs such as energy efficiency upgrades, home checkups and weatherization services. The increased efficiency of natural gas appliances and improvements in home building codes and standards contributes to a long-term trend of declining average use per customer. While we are looking to expand offerings so the energy efficiency programs can benefit as many customers as possible, our Columbia Operations and NIPSCO Operations have pursued changes in rate design to more effectively match recoveries with costs incurred. Columbia of Ohio has adopted a straight fixed variable rate design for residential customers that closely links the recovery of fixed costs with fixed charges. Columbia of Maryland, Columbia of Virginia and NIPSCO Gas have regulatory approval for weather and revenue normalization adjustments for certain customer classes, which adjust monthly revenues that exceed or fall short of approved levels. Columbia of Pennsylvania continues to operate its pilot residential weather normalization adjustment and also has a fixed customer charge. This weather normalization adjustment only adjusts revenues when actual weather compared to normal varies by more than 3% during the winter heating season. Columbia of Kentucky incorporates a weather normalization adjustment for certain customer classes and also has a fixed customer charge.

A portion of the NIPSCO Operations revenue is related to the recovery of fuel costs to generate power and the fuel costs related to purchased power. These costs are recovered through a FAC, which is updated quarterly to reflect actual costs incurred to supply electricity to customers.

While increased efficiency of electric appliances and improvements in home building codes and standards has impacted the average use per electric customer in recent years, NIPSCO Operations expects future growth in residential and commercial customer usage as a result of increasing electric applications, such as electric vehicles becoming more prevalent. These ongoing changes in use of electricity will likely lead to development of innovative rate designs, and NIPSCO Operations will continue efforts to design rates that increase the certainty of recovery of fixed costs.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

Regulatory, Environmental and Safety Matters

Rate Case Actions

The following table describes current rate case actions as applicable in each of our jurisdictions net of tracker impacts:

(in millions)

Company	Approved ROE	Requested Incremental Revenue	Approved Incremental Revenue	Filing Date	Rates Effective
Approved Rate Cases					
Columbia of Pennsylvania ⁽¹⁾	None specified	\$ 82.2	\$ 44.5	March 18, 2022	December 2022
Columbia of Maryland ⁽¹⁾	None specified	\$ 6.5	\$ 3.9	May 12, 2023	December 2023
Columbia of Kentucky ⁽²⁾	9.35 %	\$ 26.7	\$ 18.3	May 28, 2021	January 2022
Columbia of Virginia ⁽³⁾	None specified	\$ 40.5	\$ 25.8	April 29, 2022	October 2022
Columbia of Ohio	9.60 %	\$ 221.4	\$ 68.3	June 30, 2021	March 2023
NIPSCO - Gas ⁽⁴⁾	9.75 %	\$ 161.9	\$ 120.9	October 25, 2023	September 2024
NIPSCO - Electric ⁽⁵⁾	9.80 %	\$ 291.8	\$ 261.9	September 19, 2022	August 2023
Pending Rate Cases					
Columbia of Kentucky ⁽⁶⁾	In process	\$ 23.8	In process	May 16, 2024	January 2025
Columbia of Pennsylvania ⁽⁷⁾	In process	\$ 124.1	In process	March 15, 2024	December 2024
NIPSCO - Electric ⁽⁸⁾	In process	\$ 368.7	In process	September 12, 2024	September 2025
Columbia of Virginia ⁽⁹⁾	In process	\$ 37.2	In process	April 29, 2024	October 2024
Columbia of Maryland	In process	\$ 8.7	In process	September 24, 2024	April 2025

⁽¹⁾No approved ROE is identified for this matter since the approved revenue increase is the result of a black box settlement under which parties agree upon the amount of increase.

⁽²⁾The approved ROE for natural gas capital riders (e.g., SMRP) is 9.275%.

⁽³⁾Columbia of Virginia's rate case resulted in a black box settlement, representing a settlement to a specific revenue increase but not a specified ROE. The settlement provides use of a 9.70% ROE for future SAVE and filings.

⁽⁴⁾New rates will be implemented in 2 steps, with implementation of Step 1 rates effective in August 2024 and Step 2 rates to be effective no later than March 2025.

⁽⁵⁾New rates were implemented in 2 steps, with implementation of Step 1 rates effective in August 2023 and Step 2 rates effective in March 2024.

⁽⁶⁾Columbia of Kentucky, and the intervening parties filed a Joint Stipulation, Settlement Agreement and Recommendation on October 14, 2024, for an annual revenue increase of \$14.3 million.

⁽⁷⁾The parties to Columbia of Pennsylvania's rate case filed a Joint Petition for Partial Settlement on August 22, 2024, for an annual revenue increase of \$74.0 million. On October 1, 2024, the Administrative Law Judge issued their recommended decision to approve the Partial Settlement without modification.

⁽⁸⁾New rates proposed to be implemented in 2 steps, with implementation of Step 1 rates effective no later than September 2025 and Step 2 rates to be effective no later than March 2026.

⁽⁹⁾Rates to be effective on an interim basis and subject to refund.

PHMSA Legislation and Regulations

We are committed to reducing the environmental impact of our business and promoting sustained environmental stewardship. We seek proactive opportunities for improved environmental performance and are committed to complying with environmental laws and regulations. To fulfill our vision of being a trusted energy provider, we follow safety practices recommended by leading industry organizations. These practices help us identify and address potential risks, resulting in improvements to our operational and environmental safety.

Under the Protecting Our Infrastructure of Pipelines and Enhancing Safety (PIPES) Act of 2020, PHMSA has revised, and continues to revise, the pipeline safety regulations to require operators to update, as needed, their existing distribution integrity management plans, emergency response plans, and operation and maintenance plans. PHMSA has also adopted new requirements for managing records and updating, as necessary, existing district regulator stations to eliminate common modes of failure that can lead to over-pressurization.

In May 2023, PHMSA proposed numerous regulatory revisions under the PIPES Act of 2020 to minimize methane emissions and improve public safety. Under these proposed revisions, our subsidiaries would be required to detect and repair an increased number of gas leaks, reduce the time to repair leaks, increase leak survey frequency, and expand our existing advanced leak detection program. We continue to evaluate the proposed rule for additional impacts on our business.

In September 2023, PHMSA proposed additional regulatory revisions under the PIPES Act of 2020 to enhance distribution system safety through equipment and procedural expectations. Operators will be required to incorporate additional protections for low pressure distribution systems that prevent over-pressurization, amend construction procedures designed to minimize the

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

Regulatory, Environmental and Safety Matters

risk of incidents caused by system over-pressurization, and update distribution integrity management programs to cover and prepare for over-pressurization incidents.

On November 30, 2023, the House Transportation & Infrastructure Committee introduced new pipeline safety reauthorization legislation known as the PIPES Act of 2023 to reauthorize PHMSA's safety programs for the next four years. The proposed legislation includes several priorities for our company, including excavation damage prevention grants to improve states' damage prevention programs, a PHMSA study on blending hydrogen in distribution pipelines, new criminal penalties for intentionally damaging pipeline facilities, and creation of a Voluntary Information Sharing System to allow for industry participants to share learnings and best practices in a protected manner across the pipeline industry.

Climate Change Issues

Physical Climate Risks. Increased frequency of severe and extreme weather events associated with climate change could materially impact our facilities, energy sales, and results of operations. We are unable to predict these events. However, we perform ongoing assessments of physical risk, including physical climate risk, to our business. More extreme and volatile temperatures, increased storm intensity and flooding, and more volatile precipitation leading to changes in lake and river levels are among the weather events that are most likely to impact our business. Efforts to mitigate these physical risks continue to be implemented on an ongoing basis.

Transition Climate Risks. We actively engage with and monitor the impact that proposed legislative and regulatory programs related to GHG emissions would have on our business, at both the federal and state levels.

Regarding federal policies, we continue to monitor the implementation of any final and proposed climate change-related legislation and regulations, including the Infrastructure Investment and Jobs Act ("IIJA"), IRA, EPA's final methane regulations for the oil and natural gas industry, and EPA's proposed Waste Emissions Charge for Petroleum and Natural Gas Systems. We have identified potential opportunities associated with the IIJA and the IRA and are evaluating how they may align with our strategy going forward. The energy-related provisions of the IIJA include new federal funding for power grid infrastructure and resiliency investments, new and existing energy efficiency and weatherization programs, electric vehicle infrastructure for public chargers and additional LIHEAP funding. The IRA contains climate and energy provisions, including funding to decarbonize the electric sector.

The United States is a party to the Paris Agreement, an international treaty through which parties set nationally determined contributions to reduce GHG emissions, build resilience, and adapt to the impacts of climate change. The Biden Administration has set a target for the United States to achieve a 50%-52% GHG reduction from 2005 levels by 2030, which supports the President's goals to create a carbon-free power sector by 2035 and net zero emissions economy no later than 2050. There are many potential pathways to reach these goals.

The DOE has selected two hydrogen hubs in our territories as recipients of funding designated in the IIJA to support the development of regional clean hydrogen hubs. The two hubs are the Midwest Alliance for Clean Hydrogen Hub (MachH2), with potential projects across Illinois, Indiana, Kentucky, Michigan, Missouri, and Wisconsin; and the Appalachian Regional Clean Hydrogen Hub (ARCH2), with potential investments across West Virginia, Ohio, Kentucky, and Pennsylvania. Work is underway to determine what roles our companies may have with these hydrogen hubs.

In May 2024, the EPA published final greenhouse gas standards and guidelines for fossil fuel-fired power plants. The rules are not expected to impact NIPSCO's existing electric generation, but, depending on the outcome of ongoing litigation, may impose certain operational limitations on other existing and new electric generation. We are assessing the potential impacts of these rules through the current 2024 NIPSCO Integrated Resource Planning process.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)**NiSource Inc.****Regulatory, Environmental and Safety Matters**

We also continue to monitor the implementation of any final and proposed state policy. The Virginia Energy Innovation Act, enacted into law in April 2022, and effective July 1, 2022, allows natural gas utilities to supply alternative forms of gas that meet certain standards and reduce emissions intensity. The Act also provides that the costs of enhanced leak detection and repair may be added to a utility's plan to identify proposed eligible infrastructure replacement projects and related cost recovery mechanisms, known as the SAVE Plan. Furthermore, under the Act, utilities can recover eligible biogas supply infrastructure costs on an ongoing basis. The provisions of these laws may provide opportunities for Columbia of Virginia as it participates in the transition to a lower carbon future.

The Climate Solutions Now Act of 2022 requires Maryland to reduce GHG emissions by 60% by 2031 (from 2006 levels), and it requires the state to reach net zero emissions by 2045. The Maryland Department of the Environment ("MDE") adopted a plan to achieve its 2031 goal and is required to adopt a plan for its 2045 net zero goal by 2030. In June 2024, Governor Moore signed an executive order to advance Maryland's Pollution Reduction Plan, which directs the MDE to propose a zero-emission heating equipment standard regulation and a clean heat standard regulation. The Act also enacts a state policy to move to broader electrification of both existing buildings and new construction, and requires the Public Service Commission ("PSC") to complete a study assessing the capacity of gas and electric distribution systems to successfully serve customers under a transition to a highly electrified building sector. The PSC released their report on December 29, 2023, and concluded that high levels of electrification can be handled by Maryland's electric systems through 2031. On September 6, 2024, the Maryland Department of the Environment issued updated proposed Building Energy Performance Standards (BEPS), which would require net zero direct greenhouse gas emissions from large buildings by 2040 with interim targets, or payments of an alternative compliance fee. Columbia of Maryland is advocating for compliance pathways that use RNG, hydrogen, and emissions offsets. Separately, the PSC has also initiated a proceeding related to Near-Term, Priority Actions and Comprehensive, Long-Term Planning for Maryland's Gas Companies. Columbia of Maryland will continue to monitor these matters, but we cannot predict their final impact on our business at this time.

NIPSCO Gas, Columbia of Maryland, Columbia of Pennsylvania, Columbia of Virginia and Columbia of Kentucky have each filed petitions to implement the Green Path Rider, which is a voluntary rider allowing customers to opt in and offset either 50% or 100% of their natural gas related emissions. To reduce the emissions, the utilities will purchase RNG attributes and carbon offsets to match the usage for customers opting into the program. After reaching settlement with other parties in September 2022, NIPSCO agreed to add a third tier to offset 25% of customer usage. The program was approved by the IURC at NIPSCO in November 2022 with a January 2023 start date. Columbia of Virginia received a final order in May 2023, approving the Green Path Rider and began enrolling customers in September 2023. The petitions filed by Columbia of Maryland, Columbia of Pennsylvania, and Columbia of Kentucky were rejected by the state commissions in 2023. Additionally, NIPSCO Electric has a voluntary Green Power Rider program in place that allows customers to designate a portion or all their monthly electric usage to come from power generated by renewable energy sources.

Net Zero Goal. In November 2022, we announced a goal of net zero greenhouse gas emissions by 2040 covering both Scope 1 and Scope 2 GHG emissions ("Net Zero Goal"). Our Net Zero Goal builds on greenhouse gas emission reductions achieved to-date. We plan to achieve our Net Zero Goal primarily through continuation and enhancement of existing programs, such as retiring and replacing coal-fired electric generation with low- or zero-emission electric generation, ongoing pipe replacement and modernization programs, and deployment of advanced leak-detection technologies. In addition, we plan to advance other low- and zero-emission energy resources and technologies, which may include hydrogen, renewable natural gas, long-duration storage, and/or deployment of carbon capture and utilization technologies, if and when these become technologically and economically feasible. Carbon offsets and renewable energy credits may also be used to support achievement of our Net Zero Goal. As of the end of 2023, we had reduced Scope 1 GHG emissions by approximately 72% from 2005 levels.

Our greenhouse gas emissions projections, including achieving a Net Zero Goal, are subject to various assumptions that involve risks and uncertainties, and did not include any assumptions related to data center development and associated load growth. We remain committed to our Net Zero Goal, however, certain of our interim goals may evolve as we assess and respond to business opportunities such as data centers. Achievement of our Net Zero Goal by 2040 will require supportive regulatory and legislative policies, favorable stakeholder environments, advancement of technologies that are not currently economical to deploy, and execution of our business plan, otherwise our actual results or ability to achieve our Net Zero Goal, including by 2040, may differ materially.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)**NiSource Inc.****Market Risk Disclosures**

Risk is an inherent part of our businesses. The extent to which we properly and effectively identify, assess, monitor and manage each of the various types of risk involved in our businesses is critical to our profitability. We seek to identify, assess, monitor and manage, in accordance with defined policies and procedures, the following principal market risks that are involved in our businesses: commodity price risk, interest rate risk and credit risk. We manage risk through a multi-faceted process with oversight by the Risk Management Committee that requires constant communication, judgment and knowledge of specialized products and markets. Our senior management takes an active role in the risk management process and has developed policies and procedures that require specific administrative and business functions to assist in the identification, assessment and control of various risks. These may include, but are not limited to market, operational, financial, compliance and strategic risk types. In recognition of the increasingly varied and complex nature of the energy business, our risk management process, policies and procedures continue to evolve and are subject to ongoing review and modification.

Commodity Price Risk

Our gas and electric subsidiaries have commodity price risk primarily related to the purchases of natural gas and power. To manage this market risk, our subsidiaries use derivatives, including commodity futures contracts, swaps, forwards and options. We do not participate in speculative energy trading activity.

Commodity price risk resulting from derivative activities at our rate-regulated subsidiaries is limited and does not bear significant exposure to earnings risk, since our current regulatory mechanisms allow recovery of prudently incurred purchased power, fuel and gas costs through the rate-making process, including gains or losses on these derivative instruments. These changes are included in the GCA and FAC regulatory rate-recovery mechanisms. If these mechanisms were to be adjusted or eliminated, these subsidiaries may begin providing services without the benefit of the traditional rate-making process and may be more exposed to commodity price risk. For additional information, see "Results and Discussion of Segment Operations" in this Management's Discussion.

Our subsidiaries are required to make cash margin deposits with their brokers to cover actual and potential losses in the value of outstanding exchange traded derivative contracts. The amount of these deposits, some of which are reflected in our restricted cash balance, may fluctuate significantly during periods of high volatility in the energy commodity markets.

Refer to Note 11, "Risk Management Activities," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for further information on our commodity price risk assets and liabilities as of September 30, 2024 and December 31, 2023.

Interest Rate Risk

We are exposed to interest rate risk as a result of changes in interest rates on borrowings under our revolving credit agreement, commercial paper program, and accounts receivable programs, which have interest rates that are indexed to short-term market interest rates. Based upon average borrowings and debt obligations subject to fluctuations in short-term market interest rates, an increase (or decrease) in short-term interest rates of 100 basis points (1%) would have increased (or decreased) interest expense by \$1.7 million and \$6.9 million for the three and nine months ended September 30, 2024 and \$4.8 million and \$12.4 million for the three and nine months ended September 30, 2023, respectively. We are also exposed to interest rate risk as a result of changes in benchmark rates that can influence the interest rates of future long-term debt issuances. From time to time we may enter into forward interest rate instruments to lock in long term interest costs and/or rates.

Credit Risk

Due to the nature of the industry, credit risk is embedded in many of our business activities. Our extension of credit is governed by a Corporate Credit Risk Management Policy which establishes guidelines for documenting management approval levels for credit limits, evaluating creditworthiness, and credit risk mitigation efforts. Exposures to credit risks are monitored by the risk management function, which is independent of commercial operations. Credit risk arises due to the possibility that a customer, supplier or counterparty will not be able or willing to fulfill its obligations on a transaction on or before the settlement date. For derivative-related contracts, credit risk arises when counterparties are obligated to deliver or purchase defined commodity units of gas or power to us at a future date per execution of contractual terms and conditions. Exposure to credit risk is measured in terms of both current obligations and the market value of forward positions net of any posted collateral such as cash and letters of credit.

We evaluate the financial status of our banking partners through the use of market-based metrics such as credit default swap pricing levels, and also through traditional credit ratings provided by major credit rating agencies.

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

Other Information

Critical Accounting Estimates

A summary of our critical accounting estimates is included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023. There were no material changes made as of September 30, 2024.

Recently Issued Accounting Pronouncements

Refer to Note 2, "Recent Accounting Pronouncements," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information about recently issued and adopted accounting pronouncements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Quantitative and qualitative disclosures about market risk are reported in Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations - Market Risk Disclosures."

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our chief executive officer and our chief financial officer are responsible for evaluating the effectiveness of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)). Our disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed by us in reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure and is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. Based upon that evaluation, our chief executive officer and chief financial officer concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were effective to provide reasonable assurance that financial information was processed, recorded and reported accurately.

Changes in Internal Controls

There have been no changes in our internal control over financial reporting during the most recently completed quarter covered by this report that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II

ITEM 1. LEGAL PROCEEDINGS

For a description of our legal proceedings, see Note 15, "Other Commitments and Contingencies - B. Legal Proceedings," in the Notes to the Condensed Consolidated Financial Statements (unaudited).

ITEM 1A. RISK FACTORS

Please refer to the risk factors set forth in Part I, Item 1A of the Annual Report on Form 10-K for the year ended December 31, 2023. There have been no material changes to such risk factors other than as set forth below.

We may not be able to execute our business plan or growth strategy, including utility infrastructure investments, or business opportunities, such as data center development and related generation sources and transmission capabilities to meet potential load growth.

Operational, financial or regulatory conditions may result in our inability to execute our business plan or growth strategy, including investments related to natural gas pipeline modernization and our renewable energy projects, and the build-transfer execution goals within our business plan. Additionally, operational, financial or regulatory conditions may result in our inability to manage the development and implementation connected to the complex business opportunity associated with growing interest in data centers from customers and potential customers.

Our enterprise-wide transformation roadmap initiatives are designed to identify long-term sustainable capability enhancements, cost optimization improvements, technology investments and work process optimization, has increased the volume and pace of change and may not be effective as it continues. Our customer and regulatory initiatives may not achieve planned results. Utility infrastructure investments may not materialize, may cease to be achievable or economically viable and may not be successfully completed. Furthermore, we are evaluating the potential for data center development in our service territory, including ways to effectively manage the potential power demand, generation sources, and transmission capabilities to meet potential load growth from any data center customer, while at the same time focusing on our environmental goals. We expect that management of load growth would require new generation and transmission capabilities. Natural gas may cease to be viewed as an economically and environmentally attractive fuel. Certain environmental activist groups, investors and governmental entities continue to oppose natural gas delivery and infrastructure investments because of perceived environmental impacts associated with the natural gas supply chain and end use. Energy conservation, energy efficiency, distributed generation, energy storage, policies favoring electric heat over gas heat and other factors may reduce demand for natural gas and electricity. In addition, we consider acquisitions or dispositions of assets or businesses, JVs, and mergers from time to time as we execute on our business plan and growth strategy. As data center opportunities evolve and develop, we may also enter into arrangements and agreements with customers and potential customers that require us to invest capital related to the data center development and related generation sources and transmission capabilities before we receive any potential return. Any of these circumstances could adversely affect our business, results of operations and growth prospects. Even if our business plan, growth strategy, and/or business opportunities are executed, there is still risk of, among other things, human error in maintenance, installation or operations, shortages or delays in obtaining equipment, including as a result of transportation delays and availability, labor availability and performance below expected levels (in addition to the other risks discussed in this section). We are currently experiencing, and expect to continue to experience, supply chain challenges, including labor availability issues, impacting our ability to obtain materials for our gas and electric projects, as well as our ability to ensure timely completion.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

Director and Officer Trading Arrangements

During the three months ended September 30, 2024, no director or Section 16 officer of the Company adopted, terminated or modified a ‘Rule 10b5-1 trading arrangement’ or ‘non-Rule 10b5-1 trading arrangement,’ as each term is defined in Item 408(a) of Regulation S-K.

ITEM 6. EXHIBITS

NiSource Inc.

- (3.1) Articles of Incorporation of NiSource Inc., as amended and restated through October 21, 2024 (incorporated by reference to [Exhibit 3.3 to the NiSource Inc. Form 8-K](#) filed on October 22, 2024).
 - (3.2) Bylaws of NiSource Inc., as amended and restated through October 21, 2024 (incorporated by reference to [Exhibit 3.4 to the NiSource Inc. Form 8-K](#) filed October 22, 2024).
 - (4.1) Form of 6.375% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2055 (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on September 09, 2024).
 - (4.2) Second Supplemental Indenture, dated as of September 09, 2024, between NiSource Inc. and The Bank of New York Mellon, as trustee (incorporated by reference to [Exhibit 4.2 to the NiSource Form 8-K](#) filed on September 09, 2024).

 - (10.1) [Amended and Restated Executive Deferred Compensation Plan, dated August 12, 2024 \(filed herewith\).](#)*
 - (31.1) [Certification of Chief Executive Officer pursuant to Rule 13a-14\(a\)/15d-14\(a\), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.](#)*
 - (31.2) [Certification of Chief Financial Officer pursuant to Rule 13a-14\(a\)/15d-14\(a\), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.](#)*
 - (32.1) [Certification of Chief Executive Officer pursuant to 18. U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 \(furnished herewith\).](#)*
 - (32.2) [Certification of Chief Financial Officer pursuant to 18. U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 \(furnished herewith\).](#)*
 - (101.INS) Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
 - (101.SCH) Inline XBRL Schema Document
 - (101.CAL) Inline XBRL Calculation Linkbase Document
 - (101.LAB) Inline XBRL Labels Linkbase Document
 - (101.PRE) Inline XBRL Presentation Linkbase Document
 - (101.DEF) Inline XBRL Definition Linkbase Document
 - (104) Cover page Interactive Data File (formatted as inline XBRL, and contained in Exhibit 101.)
- * Exhibit filed herewith.

SIGNATURE

NiSource Inc.

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

NiSource Inc.

(Registrant)

Date: October 30, 2024

By:

/s/ Gunnar J. Gode

Gunnar J. Gode

Vice President, Chief Accounting Officer
(Principal Accounting Officer)

NISOURCE INC.
EXECUTIVE DEFERRED COMPENSATION PLAN
Amended and Restated Effective August 12, 2024

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NISOURCE INC.

EXECUTIVE DEFERRED COMPENSATION PLAN

ARTICLE I

BACKGROUND AND PURPOSE

I.1 **Background.** Effective November 1, 2000, the Bay State Gas Company Key Employee Deferred Compensation Plan (the “Bay State Plan”) was merged into the NIPSCO Plan and the NIPSCO Plan was renamed the NiSource Inc. Executive Deferred Compensation Plan (the “Plan”). Effective January 1, 2004, the Columbia Energy Group Deferred Compensation Plan (the “Columbia Plan”) was merged into the Plan. Effective January 1, 2005, the Plan was amended and restated to comply with Code Section 409A, and guidance and regulations thereunder. Deferred Compensation, Discretionary Contributions, and earnings thereon, earned and vested prior to January 1, 2005 shall be administered without giving effect to Code Section 409A, and guidance and regulations thereunder. Effective January 1, 2008, the Plan was amended and restated to incorporate the provisions of amendments to the Plan since the January 1, 2005, amendment and restatement and to allow participants to elect to participate in the Plan only during the applicable enrollment period or at such later date allowed under Code Section 409A for certain performance based bonuses. The Plan was amended and restated again effective as of May 13, 2011 to transfer all administrative authority with respect to the Plan (including the authority to render decisions on claims and appeals and make administrative or ministerial amendments) from the CHC Committee to the Benefits Committee. The Plan was amended and restated again, effective as of January 1, 2012, to (1) change eligibility to defer Compensation under the Plan; (2) limit the amount of annual incentive compensation that may be deferred under the Plan to 80% of such annual incentive compensation; and (3) clarify other administrative matters related to the Plan. The Plan was amended and restated again, effective November 1, 2012, to eliminate the prime rate of interest, as stated by the Wall Street Journal, as an investment option available only to certain Columbia Plan Participants and instead be available, if so chosen by the Benefits Committee, to all Participants.

The Plan is hereby amended and restated again, effective August 12, 2024, to (1) clarify administration of payment timing in relation to the applicable March 15th valuation date for payment events under the Plan and (2) eliminate the ability of participants to make subsequent deferral elections with respect to in-service distributions on and after the effective date of this restatement.

I.2 **Purpose.** The purpose of this Plan is to provide current tax planning opportunities as well as supplemental funds for retirement or death for selected employees of an Employer. It is intended that the Plan will aid in attracting and retaining employees of exceptional ability by providing them with these benefits.

ARTICLE II

DEFINITIONS

For the purposes of the Plan, the following terms shall have the meanings indicated, unless the context clearly indicates otherwise. Except when otherwise required by the context, any masculine terminology in this document shall include the feminine, and any singular terminology shall include the plural. The headings of Articles and Sections are included solely for convenience, and if there is any conflict between such headings and the text of the Plan, the text shall control.

II.1 **Account**. The device used by an Employer to measure and determine the amount to be paid to a Participant under the Plan. Each Account shall be divided into a Pre-2005 Account containing contributions to the Plan earned and vested prior to January 1, 2005, a Post-2004 Account containing contributions to the Plan earned and/or vested on or after January 1, 2005, and, if applicable, a Transferred Bay State Account containing any amount transferred from the Bay State Plan or a Transferred Columbia Account containing any amount transferred from the Columbia Plan.

II.2 **Affiliate**. Any corporation that is a member of a controlled group of corporations (as defined in Code Section 414(b)) that includes the Company; any trade or business (whether or not incorporated) that is under common control (as defined in Code Section 414(c)) with the Company; any organization (whether or not incorporated) that is a member of an affiliated service group (as defined in Code Section 414(m)) that includes the Company; any leasing organization, to the extent that its employees are required to be treated as if they were employed by the Company pursuant to Code Section 414(n) and the regulations thereunder; and any other entity required to be aggregated with the Company pursuant to regulations under Code Section 414(o). An entity shall be an Affiliate only with respect to the existing period as described in the preceding sentence.

II.3 **Annual Deferral Amount**. The portion of a Participant's Compensation that a Participant elects to defer under this Plan for any one Plan Year.

II.4 **Beneficiary**. The person, persons or entity entitled to receive any Plan benefits payable after a Participant's death.

II.5 **Benefits Committee**. The NiSource Benefits Committee, or any delegate thereof.

II.6 **Board**. The Board of Directors of NiSource Inc.

II.7 **CHC Committee**. The Compensation and Human Capital Committee of the Board of Directors of the Company, or any successor committee of the Board of Directors that performs substantially similar duties to the Compensation and Human Capital Committee, as set forth in the charter of such successor committee.

II.8 **Code.** The Internal Revenue Code of 1986, as amended from time to time.

II.9 **Company.** NiSource Inc.

II.10 **Compensation.** Aggregate basic annual salary or wage and annual incentive awards paid to a Participant by his Employer. Compensation shall include the following: (1) amounts deferred and excluded from the Participant's taxable income pursuant to Code Sections 125, 132(f)(4), 402(e)(3), or 402(h)(1)(B), and (2) amounts deferred to a nonqualified plan maintained by an Employer. Compensation earned on or after January 1, 2005 shall not include incentive payments other than annual incentive awards. Compensation does not include expense reimbursements, any form of noncash compensation, or benefits. Compensation does not include lump sum severance payments or lump sum vacation payouts.

II.11 **Discretionary Contribution.** The Employer contribution credited to a Participant's Account under Section 5.3.

II.12 **Effective Date** August 12, 2024, the date on which the provisions of this amended and restated Plan become effective, except as otherwise provided herein.

II.13 **Election Form.** The agreement or form properly submitted by a Participant to the Plan's record keeper, as selected by the Plan Administrator, prior to the beginning of a Plan Year, with respect to a Deferral Commitment made for such Plan Year.

II.14 **Eligible Employee.** A select group of management or highly compensated employees of the Employer as described under Section 3.1 of this Plan.

II.15 **Employer.** The Company and any subsidiary or Affiliate of the Company designated by the CHC Committee to participate in the Plan.

II.16 **Installment Method.** The method used to determine the amount of each payment due to a Participant who has elected to receive payment over a period of years in accordance with the applicable provisions of the Plan. The amount of each payment due to the Participant shall be calculated by multiplying the Participant's Account balance as of the Valuation Date coincident with, or if that is not administratively practicable, immediately preceding, the date an installment payment actually is made, by a fraction, the numerator of which is one and the denominator of which is the remaining number of payments due to the Participant. By way of example, if the Participant elects to receive payment in 10 annual installments, the first payment shall be 1/10 of the vested Account balance, calculated as described in this definition. The following year, the payment shall be 1/9 of the vested Account balance, calculated as described in this definition.

II.17 **Participant.** Any Eligible Employee who is participating in the Plan in accordance with its provisions.

II.18 **Plan.** The NiSource Inc. Executive Deferred Compensation Plan, as set forth herein and as amended from time to time.

II.19 **Plan Administrator.** The Benefits Committee, or such delegate of the Benefits Committee delegated to carry out the administrative functions of the Plan as provided under Article IX.

II.20 **Plan Year.** The 12-month period commencing each January 1 and ending the following December 31.

II.21 **Post-2004 Account.** The excess of (1) the total balance of the Participant's Account determined as of a Participant's date of Separation from Service after December 31, 2004 over (2) his Pre-2005 Account, to which the Participant would be entitled under the Plan if he voluntarily separated from service without cause as of such date and received a full payment of benefits from the Plan on the earliest possible date allowed under the Plan following his Separation from Service.

II.22 **Pre-2005 Account.** The balance of a Participant's Account determined as of December 31, 2004, adjusted to reflect earnings credited to such balance from and after such date.

II.23 **Retirement Committee.** A committee consisting of the Company's Senior Vice President and Chief Human Resource Officer and the Vice President of Human Resources (in charge of Total Rewards), or such other offices as shall be deemed equivalent to such positions, or the delegates thereof.

II.24 **Separation from Service.** A termination of services provided by a Participant to his or her Employer, whether voluntarily or involuntarily, as determined by the Benefits Committee in accordance with Code Section 409A and the guidance promulgated thereunder.

II.25 **Specified Employee.** A Participant who is in job scope level C2 or above with respect to any Employer that employs him or her; provided that if at any time the total number of employees in job category C2 and above is less than 50, a Specified Employee shall include any employee who meets the definition of "key employee" set forth in Code Section 416(i) (without reference to paragraph 5 of Code Section 416(i)). A Participant shall be deemed to be a Specified Employee with respect to a Separation from Service that occurs during a calendar year if he or she is a Specified Employee on September 30 of the preceding calendar year. The Benefits Committee shall determine which Participants are Specified Employees in accordance with the guidance promulgated under Code Section 409A.

II.26 **Transferred Bay State Account.** The balance of a Participant's Account containing any amount transferred from the Bay State Plan. The Bay State Plan was merged into the Plan as of November 1, 2000. The balance of the account of each Bay State Plan participant, determined as of November 1, 2000, was transferred to the Plan and became the initial balance in such Participant's Transferred Bay State Account in the Plan. A Participant's Transferred Bay State Account shall be held, administered, invested, and distributed pursuant to the terms of the Plan.

II.27 **Transferred Columbia Account.** The balance of a Participant's Account containing any amount transferred from the Columbia Plan. The Columbia Plan was merged into the Plan as of January 1, 2004. The balance of the account of each Columbia Plan participant, determined as of December 31, 2003, was transferred to the Plan and became the initial balance in such Participant's Transferred Columbia Account in the Plan. A Participant's Transferred Columbia Account shall be held, administered, invested, and distributed pursuant to the terms of the Plan.

II.28 **Unforeseeable Emergency.** A severe financial hardship to the Participant resulting from an illness or accident of the Participant, the Participant's spouse, or a dependent (as defined in Code Section 152(a)) of the Participant, loss of the Participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant.

II.29 **Valuation Date.** The close of business of each business day.

ARTICLE III

ELIGIBILITY AND PARTICIPATION

III.1 **Eligibility.** On and after January 1, 2012, eligibility to participate in the Plan for a Plan Year shall be limited to (1) an employee in job scope level C2 or above, (2) an employee in job scope level D2 or above who completed an Election Form in 2011 with respect to an Annual Deferral Amount related to services performed in the Plan Year beginning January 1, 2012; provided however, that such an employee will remain eligible to defer Compensation after the 2012 Plan Year only if he or she completes an Election Form in each successive Plan Year after 2012, and (3) any other key employee of an Employer who is designated from time to time by the CHC Committee.

III.2 **Participation.** An Eligible Employee shall become a Participant in the Plan by electing to defer Compensation in accordance with Article IV. An Eligible Employee also becomes a participant if the Employer credits the Participant's Account with a Discretionary Contribution.

III.3 **Continuation of Participation.** A Participant shall remain a Participant so long as his or her Account has not been fully distributed.

III.4 **Amendment of Eligibility Criteria.** The CHC Committee may, in its discretion, change the criteria for eligibility for any reason, provided, however, that no change in the criteria for eligibility shall be effective unless such changes are (a) within guidelines established by the CHC Committee or (b) approved by the CHC Committee. Eligibility for participation in one year does not guarantee eligibility to participate in any future year.

ARTICLE IV

DEFERRAL COMMITMENTS

IV.1 **Timing of Deferral Elections.** An Eligible Employee may elect to defer Compensation for services performed in any Plan Year by submitting an Election Form to the record keeper only during the annual enrollment period established by the Retirement Committee, which shall end no later than December 31st, of the year preceding such Plan Year. Thus, for any salary to be paid for services performed in a Plan Year, an election to defer such salary must be made no later than December 31, of the prior Plan Year. Further, an election to defer such annual incentive award must be made no later than December 31, of the prior Plan Year. To illustrate these provisions, an election to defer salary payable for services performed in 2013 must be made by December 31, 2012. Further, an election to defer annual incentive awards that are (1) not "performance-based compensation" as described under Code Section 409A, (2) earned for the 2013 calendar year, and (3) to be paid in March 2014, must be made by December 31, 2012.

IV.2 **Amount of Deferral.** A Participant may elect an Annual Deferral Amount in the Election Form as follows:

- (a) **Base Salary Deferral Amount.** The amount of Compensation related to base salary that a Participant may elect to defer in an Election Form shall be stated as a whole percentage of base Compensation from 5% to 80%; provided, however, that the Company may reduce the amount deferred to the extent necessary to satisfy federal, state, local, or other tax withholding obligations and employee benefit plan withholding requirements.
- (b) **Annual Incentive Deferral Amount.** The amount of Compensation related to any annual incentive award that a Participant may elect to defer in an Election Form shall be stated as a whole percentage of the annual incentive award from 5% to 80%; provided, however, that the Company may reduce the amount deferred to the extent necessary to satisfy federal, state, local, or other tax withholding obligations and employee benefit plan withholding requirements.

No amount of Compensation may be deferred after the date of a Participant's Separation from Service.

IV.3 **Distribution Options.** Each Election Form with respect to a Plan Year shall specify the date on which the applicable deferred amount and earnings thereon shall be distributed. Such date shall be the first to occur of (1) the date of the Participant's Separation from Service; or (2) a date selected by the Participant, provided that a selected date must be at least one year after the date the deferred amount would have been paid to the Participant in cash in the absence of the election to make the deferral, except as otherwise provided under Article VII.

IV.4 **Duration of Election Form.** A Participant shall make an election in his Election Form as to the time and form of payment of the Annual Deferral Amount for each Plan Year. A Participant's Election Form for any Plan Year is effective only for such Plan Year. In order to defer Compensation for a subsequent Plan Year, an Eligible Employee must file a new Election Form with respect to such Compensation. A Participant shall not be required to designate the same time and form of payment for each Plan Year.

IV.5 **Modification of Election Form.** Except as provided otherwise in this Plan, Election Forms shall be irrevocable.

IV.6 **Change in Employment Status.** If the Plan Administrator determines that a Participant has experienced a change in job scope level or employment status that no longer is eligible for participation in the Plan, but the Participant's employment with an Employer is not terminated, the Participant's existing Election Form shall terminate at the end of the current Plan Year, and no new Election Form may be submitted by such Participant for any Plan Year.

ARTICLE V

ACCOUNTS

V.1 **Account.** The Compensation deferred by a Participant under the Plan, including any Discretionary Contributions and earnings thereon, shall be credited to the Participant's Account. Separate subaccounts may be maintained to reflect different forms of distribution, investment options, levels of vesting, and forms of payment. The Account shall be a bookkeeping device utilized for the sole purpose of determining the benefits payable under the Plan and shall not constitute a separate fund of assets.

V.2 **Timing of Credits; Withholding.** A Participant's deferred Compensation shall be credited to the Participant's Account at the time it would have been payable to the Participant. Any withholding of taxes or other amounts with respect to deferred Compensation that is required by federal, state or local law shall be withheld from the Participant's nondeferred Compensation to the maximum extent possible and any remaining amount shall reduce the amount credited to the Participant's Account.

V.3 **Discretionary Contributions.** An Employer may make Discretionary Contributions to a Participant's Account. Discretionary Contributions shall be credited at such times and in such amounts as the CHC Committee in its sole discretion shall determine. The amount so credited to a Participant may be smaller or larger than the amount credited to any other Participant, and the amount credited to any Participant for a Plan Year may be zero, even though one or more other Participants receive a Discretionary Contribution for that Plan Year.

V.4 **Determination of Account.** Each Participant's Account as of each Valuation Date shall consist of the balance of the Account as of the immediately preceding Valuation Date, adjusted as follows:

- (a) New Deferrals. The Account shall be increased by any deferred Compensation credited since such preceding Valuation Date.
- (b) Discretionary Contributions. The Account shall be increased by any Discretionary Contributions credited since such preceding Valuation Date.
- (c) Distributions. The Account shall be reduced by any benefits distributed from the Account to the Participant since such preceding Valuation Date.
- (d) Valuation of Account. The Account shall be increased or decreased by the aggregate earnings, gains and losses on such Account since such preceding Valuation Date, based on the manner in which the Participant's Account has been hypothetically allocated among the investment options selected by the Participant.

V.5 **Vesting of Account**. Each Participant shall be vested in the amounts credited to such Participant's Account and earnings thereon as follows:

- (a) Amounts Deferred. A Participant shall be 100% vested at all times in the amount of Compensation elected to be deferred under the Plan, and earnings thereon.
- (b) Discretionary Contributions. A Participant's Discretionary Contributions, and earnings thereon, shall become vested as determined by the CHC Committee.
- (c) Transferred Account. A Participant shall be 100% vested at all times in the balance of his Transferred Bay State Account or Transferred Columbia Account, if any.

V.6 **Statement of Account**. The Plan's record keeper shall give each Participant the ability to see the balance in the Participant's Account.

ARTICLE VI

INVESTMENTS

VI.1 **Investment Options**. Amounts credited hereunder to the Account of a Participant shall be invested as such Participant elects among the investment choices provided to the Participant. The investment options shall be determined by the Plan Administrator from time to time in its sole and absolute discretion. As necessary, the Plan Administrator may, in its sole discretion, discontinue, substitute or add an investment option. Each such action will take effect on such date established by the Plan Administrator.

VI.2 **Special Investment Option for Former Participants in the Bay State Plan and Participants in the Plan**. Former participants in the Bay State Plan who became Participants in the Plan, or Participants in the Plan on November 1, 2000, shall have an additional special investment option applicable solely to their Transferred Bay State Account balances, or their

Account balances in the Plan, valued as of November 1, 2000, and any subsequent amounts contributed to such Participant's Account. Such Participants may invest their Transferred Bay State Account balances, or their Account balances in the Plan as of November 1, 2000, and any subsequent amounts contributed to such Participant's Account, in a subaccount which shall be credited with earnings equal to one percentage point higher than the effective annual yield of the average of the Moody's Average Corporate Bond Yield Index for the previous calendar month as published by Moody's Investor Services, Inc. (or any successor publisher thereto), or, if such index is no longer published, a substantially similar index selected by the Plan Administrator. A Participant's Transferred Bay State Account balance, or his Account balance in the Plan on November 1, 2000, shall be invested pursuant to this special investment option from and after November 1, 2000, and until such time as another investment choice is designated by him under this Plan with respect to all or a portion of his Transferred Bay State Account, or his Account balance in the Plan on November 1, 2000. Subsequent amounts contributed to any such Participant's Account may be invested pursuant to this option as designated by the Participant pursuant to this Plan. However, any portion of a Transferred Bay State Account, or an Account balance in the Plan, subsequently transferred from the investment option described in this Section to another investment option may not be reinvested under this Section.

VI.3 Election of Investment Options. A Participant, in connection with completing his or her Election Form, shall elect one or more of the previously described investment options, as applicable, to be used to determine the amounts to be credited or debited to his or her Account. No Election Form of a Participant shall be effective until such time as the Participant submits his initial investment election to the Company. The Participant may (but is not required to) elect to add or delete one or more investment options to be used to determine the amounts to be credited or debited to his or her Account, or to change the portion of his or her Account allocated to each previously or newly elected investment option. If an election is made in accordance with the previous sentence, it shall apply as of the first business day deemed reasonably practicable by the Plan Administrator, in its sole discretion, and shall continue thereafter for each subsequent day in which the Participant participates in the Plan, unless changed in accordance with the previous sentence. Notwithstanding the foregoing, the Plan Administrator, in its sole discretion, may impose limitations on the frequency with which one or more of the investment options elected in accordance with this Section may be added or deleted by such Participant; furthermore, the Plan Administrator, in its sole discretion, may impose limitations on the frequency with which the Participant may change the portion of his or her Account allocated to each previously or newly elected investment option.

VI.4 Allocation of Investment Options. In making any election related to investment options, the Participant shall specify, in increments specified by the Plan Administrator, the percentage of his or her Account or investment option, as applicable, to be allocated or reallocated.

VI.5 No Actual Investment. Notwithstanding any other provision of this Plan that may be interpreted to the contrary, the investment options are to be used for measurement purposes only, and a Participant's election of any such investment option, the allocation of his or her Account thereto, the calculation of additional amounts and the crediting or debiting of such

amounts to a Participant's Account shall not be considered or construed in any manner as an actual investment of his or her Account in any such investment option. In the event that the Company, in its own discretion, decides to invest funds in any or all of the investments on which the investment options are based, no Participant shall have any rights in or to such investments themselves. Without limiting the foregoing, a Participant's Account shall at all times be a bookkeeping entry only and shall not represent any investment made on his or her behalf by the Company; the Participant shall at all times remain an unsecured creditor of the Company.

ARTICLE VII

PAYMENTS AND DISTRIBUTIONS

VII.1 **Distributions/Events Generally.** Participants generally will not be entitled to receive a distribution of their Account balance until they experience a Separation from Service for any reason. A Participant may receive a distribution before Separation from Service, however, in accordance with this Article VII, upon (1) an Unforeseeable Emergency that occurs before Separation from Service, or (2) a year that has been designated by the Participant in an Election Form and that occurs before Separation from Service.

VII.2 **In-Service Distributions.**

- (a) **General Payments.** A Participant may elect in his or her Election Form to receive his or her Compensation deferred for a Plan Year, and all amounts credited or debited thereto, in a specified year while employed with an Employer. The Participant, in an Election Form, may elect to receive such an in-service distribution as either a lump sum or annual installments over a period of not more than 15 years. If a Participant does not make such an election, the payment shall be made in a lump sum.

If a Participant elects to receive an in-service distribution as a lump sum, the amount of the lump sum payment will be based on the value of the Participant's account as of March 15 of the designated year. The distribution date generally shall be on or as soon as administratively practicable after March 15 of such year, or, if later, within such time frame permitted under Code Section 409A and the guidance and regulations thereunder.

If a Participant elects to receive installments, the amount of the first installment payment will be based on the value of the participant's Account as of the March 15 of the designated year. The distribution date of the first installment generally shall be on or as soon as administratively practicable after this March 15 of such year, and the distribution date of each subsequent installment generally shall be the anniversary date of the preceding installment; provided that payments may be made within such time frame permitted under Code Section 409A, and the guidance and regulations thereunder. The amount of the subsequent installments will be based on the value of the Participant's account on the March 15 on or

immediately preceding the distribution of each installment payment. The specific amount of each installment payment will be calculated under the Installment Method.

- (b) Modifying In-Service Distributions. Effective August 12, 2024, Participants are not permitted to modify in-service distributions with respect to either their Pre-2005 or Post-2004 account balances.. Any modified in-service distribution elections that were effective before August 12, 2024, pursuant to the terms of the Plan that were in effect before the Effective Date of this restatement, however, will continue to be governed by the terms of those applicable modified election forms. No further modifications to those forms will be accepted.

VII.3 Distributions After Separation from Service.

- (a) Generally. If a Participant experiences a Separation from Service, the provisions of this Section 7.3 shall apply to the distribution of the Participant's Account. The Participant may elect, in his or her Election Form to receive such benefits as either a lump sum or in annual installments over a period not to exceed 15 years. If no such election is made, payment shall be made as a lump sum.
- (b) Pre-2005 Account.
 - (1) Lump Sum. If payment of a Participant's Pre-2005 Account is to be made in a lump sum, the amount of the lump sum will be based on the value of the Participant's account as of the March 15th immediately after the date in which the Participant experiences a Separation from Service. The distribution date for this lump sum generally shall be on or as soon as administratively practicable after such March 15th date.
 - (2) Installments. If payment of a Participant's Pre-2005 Account is to be made in annual installments, the amount of the first installment will be based on the value of the Participant's account as of the March 15th immediately after the date in which the Participant experiences a Separation from Service. The distribution date of the first annual installment payment generally shall be made on or as soon as administratively practicable after such March 15th date. Each subsequent installment payment generally shall be paid on or as soon as administratively practicable after the anniversary of the previous payment date. The amount of each such installment shall be based on the value of the Participant's Account as of the March 15 on or immediately preceding the distribution date of such installment. The specific amount of each installment payment will be calculated under the Installment Method.
 - (3) Modifications to Time and Form of Payment. Notwithstanding any other provision of the Plan, a Participant may modify his election as to the form or time of distribution of his entire Pre-2005 Account, and earnings

thereon, by a writing filed with the Retirement Committee at any time prior to the commencement of payment. A Participant's modification of his election as to the form or time of commencement of payment shall be ineffective, unless (1) the modification election is filed with the Retirement Committee more than 12 months prior to the time of commencement of payment, or (2) a Participant elects by written instrument delivered to the Company prior to the time of commencement of payment to have his Pre-2005 Account reduced by 10%. To clarify how these provisions operate with respect to a Participant who originally elected to commence distribution upon Separation from Service, such a Participant may elect to be paid on or as soon as administratively practicable after one of the following permitted times: (a) the March 15th immediately after the one-year anniversary date of the request to modify the election (regardless of whether the Participant experiences a Separation from Service before such date), or (b) the March 15th immediately after the date of the modified election, provided however, that under this option the Participant's Pre-2005 Account shall be reduced by 10%. This reduction shall be forfeited and used by the Plan to reduce expenses of administration. This reduction is intended to discourage a Participant from modifying his election as to the form or time of commencement of payment within the period set forth in clause (1) above and prevent him from being deemed in constructive receipt of his Pre-2005 Account prior to its actual payment to him.

(c) Post-2004 Account.

(1) Lump Sum.

- (i) Non-Specified Employees. If payment of a Participant's Post-2004 Account is to be made to the Participant in a lump sum, and the Participant is not a Specified Employee of any Employer, the amount of the lump sum will be based on the value of the Participant's account as of the March 15th immediately after the date in which the Participant experiences a Separation from Service. The distribution date for this lump sum generally shall be on or as soon as administratively practicable after such March 15th date, or such other time frame permitted under Code Section 409A.
- (ii) Specified Employees. If payment of a Participant's Post-2004 Account is to be made to the Participant in a lump sum, and the Participant is a Specified Employee of any Employer, the lump sum payment generally shall be made on or as soon as administratively practicable after the later of (1) the March 15th immediately after the date in which the Participant experiences a

Separation from Service, or (2) the date that is six (6) months after the date in which the Participant experiences a Separation from Service, unless due to such Participant's death, in which case payment generally shall be made to the Beneficiary as soon as practicable after the date of the Participant's death.

(2) Installments.

- (i) Non-Specified Employees. If payment of a Participant's Post-2004 Account is to be made to the Participant in annual installments, and the Participant is not a Specified Employee of any Employer, the amount of the first installment will be based on the value of the Participant's account as of the March 15th immediately after the date in which the Participant experiences a Separation from Service. The distribution date of the first annual installment payment generally shall be made on or as soon as administratively practicable after such March 15th date. Each subsequent installment payment generally shall be paid on or as soon as administratively practicable after the anniversary of the previous payment date; provided that payments may be made within such time frame permitted under Code Section 409A. The amount of each such installment shall be based on the value of the Participant's Account as of the March 15 on or immediately preceding the distribution date of such installment. The specific amount of each installment payment will be calculated under the Installment Method.
- (ii) Specified Employees. If payment of a Participant's Post-2004 Account is to be made to the Participant in annual installments, and the Participant is a Specified Employee of any Employer, the distribution of the first annual installment payment generally shall be made on or as soon as administratively practicable after the later of (1) the March 15th immediately after the date in which the Participant experiences a Separation from Service, or (2) the date that is six (6) months after the date in which the Participant experiences a Separation from Service, unless due to such Participant's death, in which case such installment payment generally shall be made to the Beneficiary as soon as practicable after the date of the Participant's death. The amount of this first installment payment shall be based on the value of the Participant's Account as of the March 15 on or immediately preceding the distribution date of this installment payment. Each subsequent installment payment generally shall be paid on or as soon as administratively practicable after each subsequent March 15. The

amount of each such installment shall be based on the value of the Participant's account as of the March 15 on or immediately preceding the distribution date of such installment.

- (3) Modifications to Time and Form of Payment. The Company, in its discretion, may allow a Participant to modify his election as to the form or time of distribution of his entire Post-2004 Account, and earnings thereon, or of any portion of his or her Post-2004 Account and earnings thereon, if (1) such election does not take effect until at least 12 months after the date on which the election is made, (2) the first payment with respect to which such election is made is deferred for a period of not less than five (5) years from the date on which such payment would otherwise have been made, and (3) any election related to a payment to be made at a specified date is made at least 12 months prior to the date of the first scheduled payment. For purposes of the Plan, the term "payment" means each separate installment and not the collective group of installment payments.

VII.4 Unforeseeable Emergency/Hardship Distributions.

- (a) Pre-2005 Account. Upon a finding that a Participant has suffered an Unforeseeable Emergency, the Retirement Committee may, in its sole discretion, make distributions from the Participant's Pre-2005 Account (including his Transferred Bay State Account or Transferred Columbia Account, if applicable). The amount of such a distribution shall be limited to the amount reasonably necessary to meet the Participant's needs resulting from the Unforeseeable Emergency. Any distribution pursuant to this Subsection shall be payable in a lump sum. The distribution shall be paid within 30 days after the determination of an Unforeseeable Emergency.
- (b) Post-2004 Account. Upon a finding that a Participant has suffered an Unforeseeable Emergency, the Retirement Committee may, in its sole discretion, make distributions from the Participant's Post-2004 Account and/or allow a Participant to suspend his Annual Deferral Amount entirely in accordance with the guidance under Code Section 409A. The amount of such distribution shall be limited to the amount necessary to satisfy such Unforeseeable Emergency plus amounts necessary to pay taxes reasonably anticipated as a result of the distribution, after taking into account the extent to which such hardship is or may be relieved through reimbursement or compensation by insurance or otherwise or by liquidation of the Participant's assets (to the extent the liquidation of such assets would not itself cause severe financial hardship). Any distribution pursuant to this Section 7.4(b) shall be payable in a lump sum. The

distribution shall be paid within 30 days after the determination of an Unforeseeable Emergency.

VII.5 **Distribution Provisions Applicable to a Transferred Bay State Account.** Notwithstanding any other provision in the Plan, the following provisions shall apply to the form and time of payment of the balance of a Transferred Bay State Account:

- (a) **General Payment Rules.** The portion of a Transferred Bay State Account not paid pursuant to Section 7.2 shall be paid to a Participant following his separation from service, or to his Beneficiary in the case of death, in the form selected by the Participant, by written instrument delivered to the Retirement Committee before November 1, 2000. If no form is selected by the Participant, payment shall be made in a lump sum. The provisions of Section 7.2(b) shall apply with respect to the election of the form of payment of a Transferred Bay State Account and the modification of such election.
- (b) **Modifications to General Payment Rules.** Any former employee of Bay State Gas Company who (1) was a participant in the Bay State Plan immediately prior to November 1, 2000, (2) terminated employment with Bay State Gas Company prior to November 1, 2000, for any reason other than Retirement, death or Disability (as such terms were defined in the Bay State Plan immediately prior to November 1, 2000), and (3) as of November 1, 2000, had not commenced payment of his Account shall not commence payment of his Transferred Bay State Account until the earlier of the Participant's attainment of age 65, Disability or death. Notwithstanding the preceding sentence, the Retirement Committee may, in its sole discretion, vary the manner and time of making the payment of a Participant's Transferred Bay State Account to such former Bay State employee, and may make such distributions over a longer or shorter period of time or in a lump sum.

VII.6 **Automatic Cash-Out.** In the event a Participant's Account balance at the time distribution begins, or following a distribution of an installment payment is \$15,000 or less, that balance shall be paid to the Participant or his Beneficiary in a lump sum on the next annual installment distribution date notwithstanding any form of benefit payment elected by the Participant.

VII.7 **Withholding for Taxes.** To the extent required by the law in effect at the time payments are made, an Employer shall withhold from the payments made hereunder any taxes required to be withheld by the federal or any state or local government, including any amounts which the Employer determines is reasonably necessary to pay any generation-skipping transfer tax which is or may become due. A Beneficiary, however, may elect not to have withholding of federal income tax pursuant to Code Section 3405(a)(2).

VII.8 **Payment to Guardian.** The Retirement Committee may direct payment to the duly appointed guardian, conservator or other similar legal representative of a Participant or Beneficiary to whom payment is due. In the absence of such a legal representative, the

Retirement Committee may, in its sole and absolute discretion, make payment to a person having the care and custody of a minor, incompetent or person incapable of handling the disposition of property upon proof satisfactory to the Retirement Committee of incompetency, status as a minor, or incapacity. Such distribution shall completely discharge the Company from all liability with respect to such benefit.

ARTICLE VIII

BENEFICIARY DESIGNATION

VIII.1 **Beneficiary Designation.** Subject to Section 8.3, each Participant shall have the right, at any time, to designate one or more persons or an entity as Beneficiary (both primary as well as secondary) to whom benefits under the Plan shall be paid in the event of the Participant's death prior to complete distribution of the Participant's Account. Each Beneficiary designation shall be in a written form prescribed by the Plan Administrator (or record keeper, if the Plan Administrator engages a record keeper to provide this form) and shall be effective only when filed with the Plan Administrator or record keeper, as applicable during the Participant's lifetime.

VIII.2 **Changing Beneficiary.** Subject to Section 8.3, any Beneficiary designation may be changed by a Participant without the consent of the previously named Beneficiary by the filing of a new designation with the Retirement Committee. The filing of a new designation shall cancel all designations previously filed.

VIII.3 **Community Property.** If the Participant resides in a community property state, the following rules shall apply:

- (a) Designation by a married Participant of a Beneficiary other than the Participant's spouse shall not be effective unless the spouse executes a written consent that acknowledges the effect of the designation, or it is established that the consent cannot be obtained because the spouse cannot be located.
- (b) A married Participant's Beneficiary designation may be changed by a Participant with the consent of the Participant's spouse as provided for in Section 8.3(a) by the filing of a new designation with the Retirement Committee.
- (c) If the Participant's marital status changes after the Participant has designated a Beneficiary, the following shall apply:
 - (1) If the Participant is married at the time of death but was unmarried when the designation was made, the designation shall be void unless the spouse has consented to it in the manner prescribed in Section 8.3(a).
 - (2) If the Participant is unmarried at the time of death but was married when the designation was made:

- (i) The designation shall be void if the spouse was named as Beneficiary, unless the designation is reaffirmed when the Participant is unmarried.
- (ii) The designation shall remain valid if a nonspouse Beneficiary was named.
- (3) If the Participant was married when the designation was made and is married to a different spouse at death, the designation shall be void unless the new spouse has consented to it in the manner prescribed above.

VIII.4 **No Beneficiary Designation.** If any Participant fails to designate a Beneficiary in the manner provided above, if the designation is void or if the Beneficiary designated by a deceased Participant dies before the Participant or before complete distribution of the Participant's benefits, the Participant's Beneficiary shall be the person in the first of the following classes in which there is a survivor:

- (a) The Participant's spouse;
- (b) The Participant's children in equal shares, except that if any of the children predeceases the Participant but leaves issue surviving, then such issue shall take, by right of representation and per stirpes, the share such deceased child would have taken if living;
- (c) The Participant's estate.

ARTICLE IX

PLAN ADMINISTRATION

IX.1 **Allocation of Duties to Committees.** The Plan shall be administered by the Benefits Committee, as delegated by the CHC Committee. The Benefits Committee shall have the authority to make, amend, interpret, and enforce all appropriate rules and regulations for the administration of the Plan and decide or resolve any and all questions, including interpretations of the Plan, as may arise in such administration, except as otherwise reserved to the CHC Committee herein, or by resolution or charter of the respective committees. Members of the Retirement Committee or Benefits Committee may be Participants under the Plan.

In its discretion, the Plan Administrator may delegate to any division or department of the Company the discretionary authority to make decisions regarding Plan administration, within limits and guidelines from time to time established by the Plan Administrator. The delegated discretionary authority shall be exercised by such division or department's senior officer, or his/her delegate. Within the scope of the delegated discretionary authority, such officer or person shall act in the place of the Plan Administrator and his/her decisions shall be treated as decisions of the Plan Administrator.

Specifically, the Plan Administrator hereby delegates certain of its discretionary authority with respect to the Plan to the Retirement Committee. Pursuant to the foregoing sentence, the delegation by the Plan Administrator to the Retirement Committee includes, but shall not be limited to, the ability to solicit and receive deferral elections, establish enrollment periods, distribute account statements, receive distribution elections and any permitted modifications thereto, make distributions, and determine claims under the Plan.

IX.2 **Agents.** The Retirement Committee, Benefits Committee or CHC Committee may, from time to time, employ agents and delegate to them such administrative duties as it sees fit, and may from time to time consult with counsel who may be counsel to the Company.

IX.3 **Information Required by Plan Administrator.** The Company shall furnish the Plan Administrator with such data and information as the Plan Administrator may deem necessary or desirable in order to administer the Plan. The records of the Company as to an employee's or Participant's period or periods of employment, Separation from Service and the reason therefore, reemployment and Compensation will be conclusive on all persons unless determined to the Plan Administrator's satisfaction to be incorrect. Participants and other persons entitled to benefits under the Plan also shall furnish the Plan Administrator with such evidence, data or information as the Plan Administrator considers necessary or desirable to administer the Plan.

IX.4 **Binding Effect of Decisions.** The decision or action of the Retirement Committee, Benefits Committee and/or the CHC Committee (or any duly authorized delegate of any such committee) with respect to any question arising out of or in connection with the administration, interpretation and application of the Plan and the rules and regulations promulgated hereunder shall be final, conclusive and binding upon all persons having any interest in the Plan.

IX.5 **Section 16 Compliance.**

- (a) **In General.** This Plan is intended to be a formula plan for purposes of Section 16 of the Securities Exchange Act (the "Act"). Accordingly, in the case of a deferral or other action under the Plan that constitutes a transaction that could be covered by Rule 16b-3(d) or (e), if it were approved by the CHC Committee ("Board Approval"), it is intended that the Plan shall be administered by delegates of the Board, in the case of a Participant who is subject to Section 16 of the Act, in a manner that will permit the Board Approval of the Plan to avoid any additional Board Approval of specific transactions to the maximum possible extent.
- (b) **Approval of Distributions:** This Subsection shall govern the distribution of a deferral that (i) is being distributed to a Participant in cash, (ii) is made to a Participant who is subject to Section 16 of the Act at the time the interest in phantom Company Common Stock, if any, would be liquidated in connection with the distribution, and (iii) if paid at the time the distribution would be made without regard to this subsection, could result in a violation of Section 16 of the Act because there is an opposite way transaction that would be matched with the

liquidation of the Participant's interest in phantom Company Common Stock (either as a "discretionary transaction," within the meaning of Rule 16b-3(b)(1), or as a regular transaction, as applicable) ("Covered Distribution"). In the case of a Covered Distribution, if the liquidation of the Participant's interest in the phantom Company Common Stock in connection with the distribution has not received Board Approval by the time the distribution would be made if it were not a Covered Distribution, or if it is a discretionary transaction, then the actual distribution to the Participant shall be delayed only until the earlier of:

- (1) In the case of a transaction that is not a discretionary transaction, Board Approval of the liquidation of the Participant's interest in the phantom Company Common Stock in connection with the distribution, or
- (2) The date the distribution would no longer violate Section 16 of the Act, e.g., when the Participant is no longer subject to Section 16 of the Act, or when the time between the liquidation and an opposite way transaction is sufficient.

ARTICLE X

CLAIMS PROCEDURE

X.1 **Claim.** Claims for benefits under the Plan shall be made in writing to the Retirement Committee. The Retirement Committee shall establish rules and procedures to be followed by Participants and Beneficiaries in filing claims for benefits, and for furnishing and verifying proof necessary to establish the right to benefits in accordance with the Plan, consistent with the remainder of this Article.

X.2 **Review of Claim.** The Retirement Committee shall review all claims for benefits. Upon receipt by the Retirement Committee of such a claim, it shall determine all facts that are necessary to establish the right of the claimant to benefits under the provisions of the Plan and the amount thereof as herein provided within 90 days of receipt of such claim. If prior to the expiration of the initial 90 day period, the Retirement Committee determines additional time is needed to come to a determination on the claim, the Retirement Committee shall provide written notice to the Participant, Beneficiary or other claimant of the need for the extension, not to exceed a total of 180 days from the date the application was received. If the Retirement Committee fails to notify the claimant in writing of the denial of the claim within 90 days after the Retirement Committee receives it, the claim shall be deemed denied.

X.3 **Notice of Denial of Claim.** If the Retirement Committee wholly or partially denies a claim for benefits, the Retirement Committee shall, within a reasonable period of time, but no later than 90 days after receiving the claim (unless extended as provided above), notify the claimant in writing of the denial of the claim. Such notification shall be written in a manner reasonably expected to be understood by such claimant and shall in all respects comply with the requirements of ERISA, including but not limited to inclusion of the following:

- (a) the specific reason or reasons for denial of the claim;
- (b) a specific reference to the pertinent sections of the Plan on which the denial is based;
- (c) a description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary; and, where appropriate,
- (d) an explanation of the Plan's review procedures.

X.4 **Reconsideration of Denied Claim.** Within 60 days after receipt of the notice of the denial of a claim or within 60 days after the claim is deemed denied as set forth above, if applicable, such claimant or duly authorized representative may request, by mailing or delivery of such written notice to the Benefits Committee, a reconsideration by the Benefits Committee of the decision denying the claim. If the claimant or duly authorized representative fails to request such a reconsideration within such 60 day period, it shall be conclusively determined for all purposes of the Plan that the denial of such claim by the Benefits Committee is correct. In connection with the claimant's appeal of the denial of his or her benefit, the claimant may review pertinent documents and may submit issues and comments in writing.

After such reconsideration request, the Benefits Committee shall determine within 60 days of receipt of the claimant's request for reconsideration whether such denial of the claim was correct and shall notify such claimant in writing of its determination. In the event of special circumstances determined by the Benefits Committee, the time for the Benefits Committee to make a decision may be extended by an additional 60 days upon written notice to the claimant prior to the commencement of the extension. The notice of decision shall be in writing and shall include specific reasons for the decision, written in a manner calculated to be understood by the claimant, as well as specific references to the pertinent Plan provisions on which the decision is based. If the decision on review is not furnished within the time period set forth above, the claim shall be deemed denied on review.

If such determination is favorable to the claimant, it shall be binding and conclusive. If such determination is adverse to such claimant, it shall be binding and conclusive unless the claimant or his duly authorized representative notifies the Benefits Committee within 90 days after the mailing or delivery to the claimant by the Benefits Committee of its determination that claimant intends to institute legal proceedings challenging the determination of the Benefits Committee and actually institutes such legal proceedings within 180 days after such mailing or delivery.

X.5 **Employer to Supply Information.** To enable the Retirement Committee or the Benefits Committee to perform its functions, each Employer shall supply full and timely information to the respective committee of all matters relating to the retirement, death or other cause for Separation from Service of all Participants, and such other pertinent facts as the respective committee may require.

ARTICLE XI

AMENDMENT AND TERMINATION OF PLAN

XI.1 **Plan Amendment.** The Benefits Committee, the CHC Committee or the Board shall have the authority to amend the Plan. The CHC Committee or the Board shall have the exclusive authority to amend the Plan regarding eligibility for the Plan, the amount or level of benefits awarded under the Plan, and the time and form of payments for benefits from the Plan. In addition, the CHC Committee or the Board shall also have the exclusive authority to make amendments that constitute a material increase in compensation, any change requiring action or consent by a committee of the Board pursuant to the rules of the Securities and Exchange Commission, the New York Stock Exchange or other applicable law, or such other material changes to the Plan such that approval of the Board is required. Unless otherwise determined by the CHC Committee, the Benefits Committee shall have the authority to amend the Plan in all respects that are not exclusively reserved to the CHC Committee or the Board.

The respective committee may at any time amend the Plan by written instrument, notice of which is given to all Participants, and to Beneficiaries. Notwithstanding the preceding sentence, no amendment shall reduce the amount accrued in any Account prior to the date such notice of the amendment is given.

XI.2 **Plan Termination.** The CHC Committee or the Company at any time may partially or completely terminate the Plan if, in its judgment, the tax, accounting or other effects of the continuance of the Plan, or potential payments thereunder, would not be in the best interests of the Employers.

- (a) **Partial Termination.** The CHC Committee may partially terminate the Plan by instructing the Retirement Committee not to accept any additional Annual Deferral Amounts. If such a partial termination occurs, the Plan shall otherwise continue to be administered with respect to Account balances credited before the effective date of such partial termination, and distribution shall be made at such times as specified under this Plan.
- (b) **Complete Termination.** The CHC Committee may completely terminate the Plan by instructing the Retirement Committee not to accept any additional Annual Deferral Amounts, and by terminating all ongoing Annual Deferral Amounts. If such a complete termination occurs, the Plan shall cease to operate and the Employers shall pay out each Pre-2005 Account in equal monthly installments over the following period, based on the Pre-2005 Account balance:

<u>Account Balance</u>	<u>Payout Period</u>
Less than \$50,000	Lump Sum
\$50,000 but less than \$100,000	3 Years
More than \$100,000	5 Years

Payments shall commence within 65 days after the CHC Committee terminates the Plan, and earnings shall continue to be credited on the unpaid Account balance. Employers shall pay out each Post-2004 Account in a manner consistent with Treasury Regulation Section 1.409A-3(j)(4)(ix) or any successor guidance under Code Section 409A.

ARTICLE XII

MISCELLANEOUS

XII.1 **Unfunded Plan.** The Plan is an unfunded plan maintained primarily to provide deferred compensation benefits for a select group of “management or highly-compensated employees” within the meaning of Sections 201, 301 and 401 of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), and therefore is exempt from the provisions of Parts 2, 3 and 4 of Title I of ERISA. Nothing contained in the Plan shall constitute a guaranty by the Company or any other Employer or any other entity or person that the assets of the Company or any other Employer shall be sufficient to pay any benefit hereunder.

XII.2 **Company and Employer Obligations.** The obligation to make benefit payments to any Participant under the Plan shall be a joint and several liability of the Company and the Employer that employed the Participant.

XII.3 **Unsecured General Creditor.** Participants and Beneficiaries shall be unsecured general creditors, with no secured or preferential right to any assets of the Company, any other Employer, or any other party for payment of benefits under the Plan. Any life insurance policies, annuity contracts or other property purchased by the Employer in connection with the Plan shall remain its general, unpledged and unrestricted assets. Obligations of the Company and each other Employer under the Plan shall be an unfunded and unsecured promise to pay money in the future.

XII.4 **Trust Fund.** Subject to Section 12.3, the Company may establish separate subtrusts for deferrals by employees of each Employer, pursuant to a trust agreement entered into with such trustees as the Benefits Committee may approve, for the purpose of providing for the payment of benefits owed under the Plan. At its discretion, each Employer may contribute deferrals under the Plan for its employees to the subtrust established with respect to such Employer under such trust agreement. To the extent any benefits provided under the Plan are paid from any such subtrust, the Employer shall have no further obligation to pay them. If not paid from a subtrust, such benefits shall remain the obligation of the Employer. Although such

subtrusts may be irrevocable, their assets shall be held for payment of all the Company's general creditors in the event of insolvency or bankruptcy.

XII.5 Nonalienation/Nonassignability. Neither a Participant nor any other person shall have any right to commute, sell, assign, transfer, pledge, anticipate, mortgage, or otherwise encumber, transfer, hypothecate, or convey in advance of actual receipt the amounts, if any, payable hereunder, or any part thereof or rights to, which are expressly declared to be unassignable and nontransferable. No part of the amounts payable shall, prior to actual payment, be subject to seizure or sequestration for the payment of any debts, judgments, alimony, or separate maintenance owed by a Participant or any other person, nor be transferable by operation of law in the event of a Participant's or any other person's bankruptcy or insolvency.

Notwithstanding the preceding paragraph, the Account of any Participant shall be subject to and payable in the amount determined in accordance with any qualified domestic relations order, as that term is defined in Section 206(d)(3) of ERISA. The Retirement Committee shall provide for payment in a lump sum from a Participant's Account to an alternate payee (as defined in Code Section 414(p)(8)) as soon as administratively practicable following receipt of such order. Any federal, state or local income tax associated with such payment shall be the responsibility of the alternate payee. The balance of an Account that is subject to any qualified domestic relations order shall be reduced by the amount of any payment made pursuant to such order.

XII.6 Indemnification.

- (a) **Limitation of Liability.** Notwithstanding any other provision of the Plan or any trust established under the Plan, none of the Company, any other Employer, any member of the Retirement Committee, the Benefits Committee or the CHC Committee, nor an individual acting as an employee or agent or delegate of any of them, shall be liable to any Participant, former Participant, Beneficiary, or any other person for any claim, loss, liability or expense incurred in connection with the Plan or any trust established under the Plan, except when the same shall have been judicially determined to be due to the willful misconduct of such person.
- (b) **Indemnity.** The Company shall indemnify and hold harmless each member of the Retirement Committee, the Benefits Committee and the CHC Committee, or any employee of the Company or any individual acting as an employee or agent of either of them (to the extent not indemnified or saved harmless under any liability insurance or any other indemnification arrangement with respect to the Plan or any trust established under the Plan) from any and all claims, losses, liabilities, costs and expenses (including attorneys' fees) arising out of any actual or alleged act or failure to act made in good faith pursuant to the provisions of the Plan, including expenses reasonably incurred in the defense of any claim relating thereto with respect to the administration of the Plan or any trust established under the Plan, except that no indemnification or defense shall be provided to any person with respect to any conduct that has been judicially determined, or agreed by the parties, to have constituted willful misconduct on the part of such person,

or to have resulted in his or her receipt of personal profit or advantage to which he or she is not entitled. In connection with the indemnification provided by the preceding sentence, expenses incurred in defending a civil or criminal action, suit or proceeding, or incurred in connection with a civil or criminal investigation, may be paid by the Company in advance of the final disposition of such action, suit, proceeding, or investigation, as authorized by the Retirement Committee, the Benefits Committee or the CHC Committee in the specific case, upon receipt of an undertaking by or on behalf of the party to be indemnified to repay such amount unless it shall ultimately be determined that the person is entitled to be indemnified by the Company pursuant to this paragraph.

XII.7 No Enlargement of Employment Rights. The Plan shall not constitute a contract of employment between an Employer and the Participant. Nothing in the Plan shall give any Participant or Beneficiary the right to be retained in the service of an Employer or to interfere with the right of an Employer to discipline or discharge a Participant at any time.

XII.8 Protective Provisions. A Participant shall cooperate with his Employer by furnishing any and all information requested by the Employer in order to facilitate the payment of benefits hereunder, and by taking such physical examinations as the Employer may deem necessary and taking such other action as may be requested by the Employer.

XII.9 Governing Law. The Plan shall be construed and administered under the laws of the State of Indiana, except as preempted by federal law.

XII.10 Validity. In case any provision of the Plan shall be held illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining parts hereof, but the Plan shall be construed and enforced as if such illegal and invalid provision had never been inserted herein.

XII.11 Notice. Any notice required or permitted under the Plan shall be sufficient if in writing and hand delivered or sent by registered or certified mail. Such notice shall be deemed as given as of the date of delivery or, if delivery is made by mail, as of the date shown on the postmark on the receipt for registration or certification. Mailed notice to the Retirement Committee or the Benefits Committee shall be directed to the Company's address. Mailed notice to a Participant or Beneficiary shall be directed to the individual's last known address in the applicable Employer's records.

XII.12 Successors. The provisions of the Plan shall bind and inure to the benefit of the Employers and their successors and assigns. The term successors as used herein shall include any corporate or other business entity that shall, whether by merger, consolidation, purchase, or otherwise, acquire all or substantially all of the business and assets of an Employer, and successors of any such corporation or other business entity.

XII.13 Incapacity of Recipient. If any person entitled to a benefit payment under the Plan is deemed by the Plan Administrator to be incapable of personally receiving and giving a valid receipt for such payment, then, unless and until a claim shall have been made by a duly appointed guardian or other legal representative of such person, the Plan Administrator may

provide for such payment or any part thereof to be made to any other person or institution then contributing toward or providing for the care and maintenance of such person. Any such payment shall be a payment for the account of such person and a complete discharge of any liability of the Company, any other Employer, the Plan Administrator and the Plan.

XII.14 **Unclaimed Benefit.** Each Participant shall keep the Plan Administrator informed of his or her current address and the current address of his or her Beneficiaries. The Plan Administrator shall not be obligated to search for the whereabouts of any person. If the location of a Participant is not made known to the Plan Administrator within three years after the date on which payment of the Participant's benefit may first be made, payment may be made as though the Participant had died at the end of the three-year period. If, within one additional year after such three-year period has elapsed or within three years after the actual death of a Participant, the Plan Administrator is unable to locate any Beneficiary of the Participant, then the Plan Administrator shall have no further obligation to pay any benefit hereunder to such Participant, Beneficiary, or any other person and such benefit shall be irrevocably forfeited.

XII.15 **Tax Compliance and Payouts.**

- (a) It is intended that the Plan comply with the provisions of Code Section 409A of the Code, so as to prevent the inclusion in gross income of any amounts deferred hereunder in a taxable year that is prior to the taxable year or years in which such amounts would otherwise actually be paid or made available to Participants or Beneficiaries. This Plan shall be construed, administered, and governed in a manner that affects such intent, and neither any Participant, Beneficiary, nor Plan Administrator shall not take any action that would be inconsistent with such intent. Any installment or payment under the Plan shall be considered a separate payment from any other installment or payment for purposes of Code Section 409A.
- (b) Although the Plan Administrator shall use its best efforts to avoid the imposition of taxation, interest and penalties under Code Section 409A, the tax treatment of deferrals under this Plan is not warranted or guaranteed. Neither the Company, the other Affiliates, the Plan Administrator, the Retirement Committee, nor any designee shall be held liable for any taxes, interest, penalties or other monetary amounts owed by any Participant, Beneficiary or other taxpayer as a result of the Plan.
- (c) Notwithstanding anything to the contrary contained in the Plan, (1) in the event that the Internal Revenue Service prevails in its claim that amounts contributed to the Plan for the benefit of a Participant, and/or earnings thereon, constitute taxable income under Code Section 409A, and guidance and regulations thereunder, to the Participant or his Beneficiary for a taxable year prior to the taxable year in

which such contributions and/or earnings are distributed to him, or (2) in the event that legal counsel satisfactory to the Company, and the applicable Participant or his Beneficiary, renders an opinion that the Internal Revenue Service would likely prevail in such a claim, the Post-2004 Account, to the extent constituting such taxable income, shall be immediately distributed to the Participant or his Beneficiary. For purposes of this Section, the Internal Revenue Service shall be deemed to have prevailed in a claim if such claim is upheld by a court of final jurisdiction, or, if based upon an opinion of legal counsel satisfactory to the Company and the Participant or his Beneficiary, the Plan fails to appeal a decision of the Internal Revenue Service, or a court of applicable jurisdiction, with respect to such claim to an appropriate Internal Revenue Service appeals authority or to a court of higher jurisdiction within the appropriate time period.

{Signature on following page}

IN WITNESS WHEREOF, the Company has caused the NiSource Inc. Executive Deferred Compensation Plan to be executed in its name by its duly authorized officer, effective as of August 12, 2024.

NISOURCE INC.

By: /s/ Melanie Berman

Its: Chief Human Resources Officer and Senior Vice President, Administration

Date: August 13, 2024

**Certification Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002**

I, Lloyd M. Yates, certify that:

1. I have reviewed this Quarterly Report of NiSource Inc. on Form 10-Q of NiSource Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 30, 2024

By:

/s/ Lloyd M. Yates

Lloyd M. Yates

President and Chief Executive Officer

**Certification Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002**

I, Shawn Anderson, certify that:

1. I have reviewed this Quarterly Report of NiSource Inc. on Form 10-Q for the quarter ended September 30, 2024;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 30, 2024

By: /s/ Shawn Anderson
Shawn Anderson
Executive Vice President and Chief Financial Officer

**Certification Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of NiSource Inc. (the “Company”) on Form 10-Q for the year ending September 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Lloyd M. Yates, Chief Executive Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Lloyd M. Yates

Lloyd M. Yates
President and Chief Executive Officer

Date: October 30, 2024

**Certification Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of NiSource Inc. (the “Company”) on Form 10-Q for the quarter ending September 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Shawn Anderson, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Shawn Anderson

Shawn Anderson
Executive Vice President and Chief Financial Officer

Date: October 30, 2024

TAB 64.4

807 KAR 5:001 Section 16(7)(p)

2025 - 8-Ks

Columbia Gas of Kentucky, Inc.
CASE NO. 2026-00099
Forecasted Test Period Filing Requirements
807 KAR 5:001 Section 16(7)(p)

Description of Filing Requirement:

A copy of the utility's annual report on Form 10-K as filed with the Securities and Exchange Commission for the most recent two (2) years, and any Form 8-K issued during the past two (2) years, and any Form 10-Q issued during the past six (6) quarters;

Response:

Please see attached for NiSource Inc.'s application for Form 10-Q's and Form 8-K's. Form 10-K is part of the Annual Report to Stockholders and is included with Filing Requirement 16(7)(l) located at Tab 60.

Responsible Witness:

Elizabeth N. Davis

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant To Section 13 OR 15(d)
of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): January 22, 2025

NiSource Inc.
(Exact name of registrant as specified in its charter)

DE
(State or other jurisdiction
of incorporation)

001-16189
Commission
File Number

35-2108964
(I.R.S. Employer
Identification No.)

801 East 86th Avenue
Merrillville, IN
(Address of principal executive offices)

46410
(Zip Code)

Registrant's telephone number, including area code (877) 647-5990

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions.

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	NI	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On January 22, 2025, the Compensation and Human Capital Committee of the Board of Directors of NiSource Inc. granted a one-time award to Michael Luhrs, Executive Vice President, Strategy Risk and Chief Commercial Officer. Under such award, Mr. Luhrs will receive an aggregate equity award valued at \$2 million on the date of grant, consisting of 52,938 restricted stock units, which will vest upon certain events. In general, the award will vest 33% on January 22, 2026, 33% on January 22, 2027 and 34% on January 22, 2028. The award also will vest in connection with certain separations from service.

The form of award agreement for the grant is attached hereto as Exhibit 10.1.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
10.1	Form of RSU Award Agreement (for awards on or after 2024) (incorporated by reference to Exhibit 10.3 of the NiSource Inc. Form 8-K filed on January 26, 2024)
104	Cover page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NiSource Inc.

(Registrant)

Date: January 24, 2025

By:

/s/ Kimberly S. Cuccia

Kimberly S. Cuccia

Senior Vice President, General Counsel and Corporate Secretary

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant To Section 13 OR 15(d) of The
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): February 12, 2025

NiSource Inc.

(Exact name of registrant as specified in its charter)

DE

(State or other jurisdiction
of incorporation or organization)

001-16189

Commission
file number

35-2108964

(I.R.S. Employer
Identification No.)

801 East 86th Avenue

Merrillville, IN

(Address of principal executive offices)

46410

(Zip Code)

Registrant's telephone number, including area code (877) 647-5990

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions.

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	NI	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On February 12, 2025, NiSource Inc. (the “Company”) reported its financial results for the year ended December 31, 2024. The Company’s press release, dated February 12, 2025, is attached as Exhibit 99.1.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

Exhibit Number	Description
99.1	Press Release, dated February 12, 2025, issued by NiSource Inc.
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Schema Document
101.CAL	Inline XBRL Calculation Linkbase Document
101.LAB	Inline XBRL Labels Linkbase Document
101.PRE	Inline XBRL Presentation Linkbase Document
101.DEF	Inline XBRL Definition Linkbase Document
104	Cover page Interactive Data File (formatted as inline XBRL, and contained in Exhibit 101.)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: February 12, 2025

By:

NiSource Inc.
(Registrant)

/s/ Gunnar J. Gode
Gunnar J. Gode
Vice President, Chief Accounting Officer
(Principal Accounting Officer)



FOR IMMEDIATE RELEASE: February 12, 2025

NiSource announces full-year 2024 results

- Achieved 2024 non-GAAP adjusted EPS above guidance range
- Raising 2025 non-GAAP adjusted EPS guidance
- Reaffirming expected annual 6%-8% 2025-2029 non-GAAP adjusted EPS growth

MERRILLVILLE, Ind. - NiSource Inc. (NYSE: NI) today announced, on a GAAP basis, net income available to common shareholders for the year ended December 31, 2024, of \$739.7 million, or \$1.62 of earnings per diluted share, compared to net income available to common shareholders of \$661.7 million, or \$1.48 of earnings per diluted share, for the same period of 2023.

NiSource also reported full-year 2024 non-GAAP adjusted net income available to common shareholders of \$798.6 million, or \$1.75 of adjusted earnings per share ("EPS") compared to non-GAAP adjusted net income available to common shareholders of \$716.3 million, or \$1.60 of adjusted EPS, for the same period of 2023. Schedule 1 of this press release contains a complete reconciliation of GAAP measures to non-GAAP measures. **

NiSource is raising 2025 non-GAAP adjusted EPS guidance to \$1.85-\$1.89. The base capital expenditure plan is increased to \$19.4 billion, a \$100 million increase versus the prior \$19.3 billion. This is expected to result in 8%-10% rate base growth and non-GAAP adjusted EPS growth of 6%-8% annually for the 2025-2029 period.

"We continue our track record of strong financial growth achieving 2024 non-GAAP EPS of \$1.75, delivering an 8.5% 3-year compound annualized growth rate," said NiSource President and CEO, Lloyd Yates. "Our on-going focus to deliver great value for our customers is evidenced by high customer satisfaction results. As we look back at 2024 and the many accomplishments of our team, I'd like to express my gratitude to our employees and suppliers; their continued contributions and commitment have created significant value for our regulators, customers, shareholders, and all our stakeholders."

****Non-GAAP Disclosure Statement**

Beginning with the first quarter of 2024, NiSource Inc. changed its disclosure of non-GAAP results and guidance for net operating earnings available to common shareholders to adjusted net income available to common shareholders and for net operating EPS to adjusted EPS to better align with the presentation used by many companies to report their non-GAAP results. The change reflects a name change only and the calculations of each of these non-GAAP metrics remains consistent with the historical calculations

This press release includes financial results and guidance for NiSource with respect to adjusted net income available to common shareholders and adjusted EPS, which are non-GAAP financial measures as defined by the SEC. 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 guidance on adjusted EPS, NiSource reminds investors that it does not provide a GAAP equivalent of its guidance on adjusted net income available to common shareholders due to the impact of unpredictable factors such as fluctuations in weather, impact of asset sales and impairments and other unusual or infrequent items included in the comparable GAAP measures. The company is not able to estimate the impact of such factors on the comparable GAAP measures and, as such, is not providing guidance on a GAAP basis. In addition, the company is not able to provide a reconciliation of its non-GAAP adjusted EPS guidance to the comparable GAAP equivalents without unreasonable efforts.

Additional Information

Additional information for the year ended December 31, 2024, is available on the Investors section of www.nisource.com and includes segment and financial information and a presentation. The company alerts investors that it intends to use the Investors section of its website www.nisource.com and as well as the company's social media channels to disseminate important information about the company to its investors. Investors are advised to look at NiSource's website and social media channels for future important information about the company.

About NiSource

NiSource Inc. (NYSE: NI) is one of the largest fully-regulated utility companies in the United States, serving approximately 3.3 million natural gas customers and 500,000 electric customers across six states through its local Columbia Gas and NIPSCO brands. The mission of our approximately 7,700 employees is to deliver safe, reliable energy that drives value to our customers. NiSource is a member of the Dow Jones Sustainability - North America Index and is on Forbes lists of America's Best Employers for Women and Diversity. Learn more about NiSource's record of leadership in sustainability, investments in the communities it serves and how we live our vision to be an innovative and trusted energy partner at www.NiSource.com. NI-F

The content of our website is not incorporated by reference into this document or any other report or document NiSource files with the Securities and Exchange Commission ("SEC").

###

FOR ADDITIONAL INFORMATION

Media

Kristen King
Finance Communications
(419) 787-1314
kking@nisource.com

Investors

Christopher Turnure
Investor Relations
(614) 404-9426
cturnure@nisource.com

Forward-Looking Statements

This Press Release 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. Forward-looking statements in this press release include, but are not limited to, statements concerning our guidance on adjusted EPS, 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 Press Release include, among other things: our ability to execute our business plan or growth strategy, including utility infrastructure investments, or business opportunities, such as data center development and related generation sources and transmission capabilities to meet potential load growth; our ability to manage data center growth in our service territories; potential incidents and other operating risks associated with our business; our ability to work successfully with our third-party investors; our ability to adapt to, and manage costs related to, advances in technology, including alternative energy sources and changes in laws and regulations; our increased dependency on 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 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 demand; our ability to attract, retain or re-skill a qualified, diverse workforce and maintain good labor relations; our ability to manage new initiatives and organizational changes; the performance and quality of third-party suppliers and service providers; our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals, including our Net Zero Goal (as defined below), including any future associated impact from business opportunities such as data center development as those opportunities evolve; potential cybersecurity attacks or security breaches; increased requirements and costs related to cybersecurity; the actions of activist stockholders; any damage to our reputation; the impacts of natural disasters, potential terrorist attacks or other catastrophic events; the physical impacts of climate change and the transition to a lower carbon future; our debt obligations; any changes to our credit rating or the credit rating of certain of our subsidiaries; adverse economic and capital market conditions, including increases in inflation or interest rates, recession, or changes in investor sentiment; economic regulation and the impact of regulatory rate reviews; our ability to obtain expected financial or regulatory outcomes; 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; the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation; compliance with changes in, or new interpretations of applicable laws, regulations and tariffs; the cost of compliance with environmental laws and regulations and the costs of associated liabilities; changes in tax laws or the interpretation thereof; and other matters set forth in 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 fiscal year ended December 31, 2024, some 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.

Schedule 1 - Reconciliation of Consolidated Net Income Available to Common Shareholders to Adjusted Net Income Available to Common Shareholders (Non-GAAP) *(unaudited)*

<i>(in millions, except per share amounts)</i>	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2024	2023	2022	2024	2023	2022
GAAP Net Income Available to Common Shareholders	\$ 223.9	\$ 225.6	\$ 230.8	\$ 739.7	\$ 661.7	\$ 749.0
Adjustments to Operating Income:						
Operating Revenues:						
Weather - compared to normal ⁽¹⁾	9.8	13.4	(3.2)	60.4	60.6	(24.9)
FAC adjustment ⁽²⁾	—	—	—	—	—	8.0
NiSource Next initiative ⁽³⁾	—	—	—	—	—	3.3
Massachusetts Business related amounts ⁽⁴⁾	—	—	—	—	—	(105.0)
Total adjustments to operating income	9.8	13.4	(3.2)	60.4	60.6	(118.6)
Other Income (Deductions):						
Interest rate swap settlement gain	—	—	(10.0)	—	—	(10.0)
Income Taxes:						
Tax effect of above items ⁽⁵⁾	(2.5)	(3.3)	3.4	(15.5)	(15.8)	27.8
Preferred Dividends:						
Preferred dividends redemption premium ⁽⁶⁾	—	3.6	—	14.0	9.8	—
Total adjustments to net income	7.3	13.7	(9.8)	58.9	54.6	(100.8)
Adjusted Net Income Available to Common Shareholders	\$ 231.2	\$ 239.3	\$ 221.0	\$ 798.6	\$ 716.3	\$ 648.2
Diluted Average Common Shares	469.9	449.3	445.9	456.0	447.9	442.7
GAAP Diluted Earnings Per Share⁽⁷⁾	\$ 0.47	\$ 0.50	\$ 0.52	\$ 1.62	\$ 1.48	\$ 1.70
Adjustments to diluted earnings per share	0.02	0.03	(0.02)	0.13	0.12	(0.23)
Adjusted Earnings Per Share	\$ 0.49	\$ 0.53	\$ 0.50	\$ 1.75	\$ 1.60	\$ 1.47

⁽¹⁾Represents the variance between actual and normal weather. Beginning in 2024, the adjustment for NIPSCO Operations excludes the impact of non-controlling interest.

⁽²⁾Represents fuel costs deemed over-collected from customers through the FAC mechanism and ordered to be refunded to customers.

⁽³⁾Represents incremental severance and third-party consulting costs incurred in connection with the NiSource Next initiative.

⁽⁴⁾Represents proceeds from a property insurance settlement related to the Greater Lawrence Incident.

⁽⁵⁾Represents income tax expense calculated using the statutory tax rates for legal entity.

⁽⁶⁾Represents the difference between the carrying value on the redemption date of the Series B Preferred Stock and the total amount of consideration paid to redeem, net of the fair value of common shares issued during 2024.

⁽⁷⁾ GAAP Diluted Earnings Per Share includes the effects of income allocated to participating securities and adds back the dilutive effect of Equity Units in the prior year. Please refer to Note 5, "Earnings Per Share," within the Company's Annual Report on Form 10-K for the period ended December 31, 2024.

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d)
of the Securities Exchange Act of 1934

Date of Report
(Date of earliest event reported): March 27, 2025

NiSource Inc.
(Exact Name of Registrant as Specified in Charter)

DE
(State or other jurisdiction
of incorporation)

001-16189
(Commission
file number)

35-2108964
(I.R.S. Employer
Identification No.)

801 East 86th Avenue
Merrillville, Indiana
(Address of Principal Executive Offices)

46410
(Zip Code)

Registrant's telephone number, including area code: (877) 647-5990

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	NI	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 8.01 Other Events.**Senior Notes Due 2055**

On March 20, 2025, NiSource Inc. (the “Company”) and Barclays Capital Inc., BofA Securities, Inc., KeyBanc Capital Markets Inc. and Wells Fargo Securities, LLC, as representatives of the underwriters, entered into a Terms Agreement (the “Terms Agreement”) with respect to the offering and sale of \$750,000,000 aggregate principal amount of the Company’s 5.850% Notes due 2055 (the “Notes”) under the Company’s Registration Statement on Form S-3 (File No. 333-268084) (the “Registration Statement”). The Terms Agreement incorporates by reference the provisions of the Company’s Underwriting Agreement, dated November 30, 2017 (a form of which was filed with the Securities and Exchange Commission (the “SEC”) on November 30, 2017).

The sale closed on March 27, 2025. The Notes were issued pursuant to an Indenture, dated as of November 14, 2000, between the Company, as issuer and successor-in-interest to NiSource Finance Corp., and The Bank of New York Mellon, as successor trustee, as amended and supplemented. The Company intends to use the net proceeds from the sale of the Notes for general corporate purposes, including to finance capital expenditures, for working capital and to repay existing indebtedness.

The preceding is a summary of the terms of the Notes and is qualified in its entirety by reference to the form of the Notes filed as Exhibit 4.1 to this Current Report on Form 8-K and which is incorporated herein by reference. The Company is filing Exhibit 5.1 with this Current Report on Form 8-K in connection with the Registration Statement.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
4.1	Form of 5.850% Notes due 2055
5.1	Opinion of McGuireWoods LLP
23.1	Consent of McGuireWoods LLP (included in Exhibit 5.1)
104	Cover page Interactive Data File (embedded within the Inline XBRL document)

Cautionary Statement Concerning Forward-Looking Statements

This current report on Form 8-K contains forward-looking statements that are not historical facts, including statements about the anticipated use of proceeds from the sale of the Notes. These statements are based on current expectations and assumptions, which management believes are reasonable, and on information currently available to management, but are necessarily subject to various risks and uncertainties. In addition to the risk that these assumptions prove to be inaccurate, factors that could cause actual results to differ materially from those contemplated by the forward-looking statements include factors disclosed in the Company’s Annual Report on Form 10-K for the year ended December 31, 2024, and its subsequent filings with the SEC, which are available on the Company’s website at www.nisource.com and on the SEC’s website at www.sec.gov. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether due to new information, future events or otherwise, except to the extent required by law.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NiSource Inc.

(Registrant)

Date: March 27, 2025

By: /s/ Shawn Anderson

Shawn Anderson

Executive Vice President and Chief Financial Officer

UNLESS THIS GLOBAL NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), NEW YORK, NEW YORK, TO NISOURCE INC. OR ITS AGENT OR AGENTS FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY GLOBAL NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO., OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE INDENTURE REFERRED TO ON THE REVERSE HEREOF.

No.: \$

CUSIP No.: 65473PAU9
ISIN No.: US65473PAU93

5.850% Notes due 2055

NiSource Inc., a Delaware corporation, promises to pay to , or registered assigns, the principal sum of \$ Dollars on April 1, 2055.

Interest Payment Dates: April 1 and October 1, beginning October 1, 2025.

Record Dates: (i) if all of the Notes are in book-entry form represented by one or more Global Securities, the Business Day immediately preceding the applicable Interest Payment Date and (ii) if any of the Notes are not in book-entry form represented by one or more Global Securities, on each March 15 and September 15 (whether or not a Business Day) (each such date in clauses (i) and (ii), a "Regular Record Date").

Additional provisions of this Note are set forth on the other side of this Note.

Dated:

NISOURCE INC.

By: _____
Name: _____
Title: _____

ATTEST:

By: _____
Name: _____
Title: _____

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Notes of the series referred to
in the within-mentioned Indenture.

Dated:

THE BANK OF NEW YORK MELLON, as
Trustee

By: _____
Authorized Officer

1. Interest

NiSource Inc., a Delaware corporation (such corporation, and its successors and assigns under the Indenture hereinafter referred to, being herein called the “Company”), promises to pay interest on the principal amount of this Note at the rate per annum shown above. The Company will pay interest semiannually on April 1 and October 1 of each year, beginning October 1, 2025. Interest on the Notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from March 27, 2025. Interest will be computed on the basis of a 360-day year of twelve 30-day months. The Company will pay interest on overdue principal and premium at the above rate and will pay interest on overdue installments of interest at such rate to the extent lawful.

2. Method of Payment

The Company will pay interest on the Notes (except defaulted interest) to the Persons who are registered Holders of Notes at the close of business on the Regular Record Date next preceding each Interest Payment Date even if Notes are canceled after the Regular Record Date and on or before the Interest Payment Date. Holders must surrender Notes to a Paying Agent to collect principal payments. The Company will pay principal and interest in money of the United States that at the time of payment is legal tender for payment of public and private debts. Payments in respect of the Notes represented by a Global Note (including principal, premium, if any, and interest) will be made by wire transfer of immediately available funds to the accounts specified by DTC, as Depositary.

3. Paying Agent and Security Registrar

Initially, the Trustee will act as Paying Agent and Security Registrar. The Company may appoint and change any Paying Agent or Security Registrar without notice to the Holders. The Company may act as Paying Agent or Security Registrar.

4. Indenture

The Company issued the Notes under an Indenture dated as of November 14, 2000, by and between the Company, in its own capacity and as successor to NiSource Finance Corp., and the Trustee (as successor trustee) (as amended and supplemented, the “Indenture”) and pursuant to an Officers’ Certificate of the Company dated March 27, 2025 (the “Officers’ Certificate”). The terms of the Notes include those stated in the Indenture and the Officers’ Certificate and those made part of the Indenture by reference to the Trust Indenture Act of 1939 (15 U.S.C. sections 77aaa-77bbb) as in effect on the date of the Officers’ Certificate (the “Act”). Capitalized terms used herein and defined in the Indenture but not defined herein have the respective meanings ascribed thereto in the Indenture. The Notes are subject to all such terms, and Holders of Notes are referred to the Indenture and the Act for a statement of those terms.

The Notes are senior unsecured obligations of the Company. The Notes issued on the original issue date will be treated as a single class for all purposes under the Indenture. The Indenture contains covenants that limit the ability of the Company and its Subsidiaries (other than Utilities) to incur additional indebtedness and create liens on assets unless the total amount of all the secured debt would not exceed 10% of Consolidated Net Tangible Assets (excluding the Utilities). These covenants are subject to important exceptions and qualifications.

5. Optional Redemption

Prior to October 1, 2054 (six months prior to the maturity date of the Notes) (the “Par Call Date”), the Company will have the right to redeem the Notes, at its option, in whole or in part, at any time and from time to time, at a Redemption Price (expressed as a percentage of principal amount and rounded to three decimal places) equal to the greater of (1)(a) the sum of the present values of the remaining scheduled payments of principal and interest thereon discounted to the Redemption Date (assuming the Notes matured on the Par Call Date) on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 20 basis points less (b) interest accrued to the Redemption Date, and (2) 100% of the principal amount of the Notes to be redeemed, plus, in either case, accrued and unpaid interest thereon to, but excluding, the Redemption Date.

On or after the Par Call Date, the Company will have the right to redeem the Notes, at its option, in whole or in part, at any time and from time to time, at a Redemption Price equal to 100% of the principal amount of the Notes being redeemed plus accrued and unpaid interest thereon to, but excluding, the Redemption Date.

“Treasury Rate” means, with respect to any Redemption Date, the yield determined by the Company in accordance with the following two paragraphs.

The Treasury Rate shall be determined by the Company after 4:15 p.m., New York City time (or after such time as yields on U.S. government securities are posted daily by the Board of Governors of the Federal Reserve System), on the third Business Day preceding the Redemption Date based upon the yield or yields for the most recent day that appear after such time on such day in the most recent statistical release published by the Board of Governors of the Federal Reserve System designated as “Selected Interest Rates (Daily)—H.15” (or any successor designation or publication) (“H.15”) under the caption “U.S. government securities—Treasury constant maturities—Nominal” (or any successor caption or heading) (“H.15 TCM”). In determining the Treasury Rate, the Company shall select, as applicable: (1) the yield for the Treasury constant maturity on H.15 exactly equal to the period from the Redemption Date to the Par Call Date (the “Remaining Life”); or (2) if there is no such Treasury constant maturity on H.15 exactly equal to the Remaining Life, the two yields – one yield corresponding to the Treasury constant maturity on H.15 immediately shorter than and one yield corresponding to the Treasury constant maturity on H.15 immediately longer than the Remaining Life – and shall interpolate to the Par Call Date on a straight-line basis (using the actual number of days) using such yields and rounding the result to three decimal places; or (3) if there is no such Treasury constant maturity on H.15 shorter than or longer than the Remaining Life, the yield for the single Treasury constant maturity on H.15 closest to the Remaining Life. For purposes of this paragraph, the applicable Treasury constant maturity or maturities on H.15 shall be deemed to have a maturity date equal to the relevant number of months or years, as applicable, of such Treasury constant maturity from the Redemption Date.

If on the third Business Day preceding the Redemption Date H.15 TCM is no longer published, the Company shall calculate the Treasury Rate based on the rate per annum equal to the semi-annual equivalent yield to maturity at 11:00 a.m., New York City time, on the second Business Day preceding such Redemption Date of the United States Treasury security maturing on, or with a maturity that is closest to, the Par Call Date, as applicable. If there is no United States Treasury security maturing on the Par Call Date but there are two or more United States Treasury securities with a maturity date equally distant from the Par Call Date, one with a maturity date preceding the Par Call Date and one with a maturity date following the Par Call Date, the Company shall select the United States Treasury security with a maturity date preceding the Par Call Date. If there are two or more United States Treasury securities maturing on the Par Call Date or two or more United States Treasury securities meeting the criteria of the preceding sentence, the Company shall select from among these two or more United States Treasury securities the United States

Treasury security that is trading closest to par based upon the average of the bid and asked prices for such United States Treasury securities at 11:00 a.m., New York City time. In determining the Treasury Rate in accordance with the terms of this paragraph, the semi-annual yield to maturity of the applicable United States Treasury security shall be based upon the average of the bid and asked prices (expressed as a percentage of principal amount) at 11:00 a.m., New York City time, of such United States Treasury security, and rounded to three decimal places.

The Trustee shall have no duty to calculate the Redemption Price.

6. Notice of Redemption

Notice of any redemption will be mailed or electronically delivered (or otherwise transmitted in accordance with the depository's procedures) at least 10 days but not more than 60 days before the Redemption Date to each Holder of Notes to be redeemed in accordance with Section 106 of the Indenture. In the case of a partial redemption, if the Notes to be redeemed are held in certificated form, selection of the Notes for redemption will be made by the Trustee, by lot. No Notes of a principal amount of \$2,000 or less will be redeemed in part. If any Note is to be redeemed in part only, the notice of redemption that relates to such Note will state the portion of the principal amount of the Note to be redeemed. A new Note in a principal amount equal to the unredeemed portion of the original Note will be issued in the name of the Holder of the original Note upon surrender for cancellation of the original Note. For so long as the Notes are held by DTC (or another depository), the redemption of the Notes, including selection of the Notes for redemption, shall be done in accordance with the policies and procedures of the depository and may be made on a pro rata pass-through distribution of principal basis. The Company will not know the exact Redemption Price until approximately two (2) to three (3) Business Days before the Redemption Date. Therefore, the notice of redemption will only describe how the Redemption Price will be calculated. Unless the Company defaults in payment of the Redemption Price, on and after the Redemption Date interest will cease to accrue on the Notes or portions thereof called for redemption.

7. Additional Notes

The Company may, without the consent of the Holders of the Notes, create and issue additional Notes ranking equally with the Notes in all respects, including having the same terms (except for the price to public, the issue date and the initial interest accrual date and the first Interest Payment Date, as applicable), so that such additional Notes shall be consolidated and form a single series with the Notes and shall have the same terms as to status, redemption or otherwise as the Notes. Such additional Notes will have the same CUSIP number as the Notes being authenticated on the date hereof, provided that such additional Notes are part of the same issue as the Notes being authenticated on the date hereof for U.S. federal income tax purposes. If such additional Notes are not part of the same issue for U.S. federal income tax purposes, such additional Notes must be issued with a separate CUSIP number. No additional Notes may be issued if an Event of Default has occurred and is continuing with respect to the Notes.

8. Denominations; Transfer; Exchange

The Notes are in registered form without coupons in denominations of \$2,000 principal amount and integral multiples of \$1,000. A Holder may transfer or exchange Notes in accordance with the Indenture. The Security Registrar may require a Holder, among other things, to furnish appropriate endorsements or transfer documents and to pay any taxes and fees required by law or permitted by the Indenture. The Security Registrar need not register the transfer or exchange of any Notes selected for redemption (except, in the case of a Note to be redeemed in part, the portion of the Note not to be redeemed) for a period of fifteen (15) Business Days before a selection of Notes to be redeemed.

9. Persons Deemed Owners

The registered Holder of this Note may be treated as the owner of it for all purposes.

10. Unclaimed Money

If money for the payment of principal or interest remains unclaimed for two years, the Trustee or Paying Agent shall pay the money back to the Company at its request. After any such payment, Holders entitled to the money must look only to the Company and not to the Trustee or the Paying Agent for payment.

11. Satisfaction and Discharge

Under the Indenture, the Company can terminate its obligations with respect to the Notes not previously delivered to the Trustee for cancellation when those Notes have become due and payable or will become due and payable at their Stated Maturity within one year or are to be called for redemption within one year under arrangements satisfactory to the Trustee for giving notice of redemption. The Company may terminate its obligations with respect to the Notes by depositing with the Trustee, as funds in trust dedicated solely for that purpose, an amount sufficient to pay and discharge the entire indebtedness on the Notes. In that case, the Indenture will cease to be of further effect and the Company's obligations will be satisfied and discharged with respect to the Notes (except as to the Company's obligations to pay all other amounts due under the Indenture and to provide certain Officers' Certificates and Opinions of Counsel to the Trustee). At the expense of the Company, the Trustee will execute proper instruments acknowledging the satisfaction and discharge.

12. Amendment, Waiver

Subject to certain exceptions set forth in the Indenture, (i) the Indenture may be amended with the written consent of the Holders of a majority in principal amount of the then Outstanding Securities of each series affected by such amendment, (ii) the Notes may be amended with the written consent of the Holders of at least a majority in principal amount of the Outstanding Notes and (iii) any default or noncompliance with any provision may be waived with the written consent of the Holders of a majority in principal amount of the Outstanding Notes. Subject to certain exceptions set forth in the Indenture, without the consent of any Holder, the Company and the Trustee shall be entitled to amend the Indenture to, among other things, cure any ambiguity, defect or inconsistency, or to evidence the succession of another Person as obligor under the Indenture, or to add to the Company's covenants or to surrender any right or power conferred on the Company under the Indenture, or to add events of default, or to secure the Notes, or to evidence or provide for the acceptance or appointment by a successor Trustee or facilitate the administration of the trusts under the Indenture by more than one trustee, or to conform the Indenture to any amendment of the Act.

13. Defaults and Remedies

Under the Indenture, Events of Default include: (i) a default by the Company in the payment of any interest upon any Note and the continuance of such default for 60 days; (ii) a default by the Company in the payment of principal of or any premium on any Note when due at Maturity, on redemption, by declaration or otherwise, and the continuance of such default for three (3) Business Days; (iii) a default by the Company in the performance of or breach of any covenant or warranty in the Indenture and continuance of such default for 90 days after written notice has been given to the Company by the Trustee or to the Company and the Trustee by the Holders of at least 33% in principal amount of the Outstanding Notes; (iv) a default by the Company under any bond, debenture, note or other evidence of indebtedness for money

borrowed by the Company, or the Company defaults under any mortgage, indenture or instrument under which there may be issued, secured or evidenced indebtedness constituting a failure to pay in excess of \$50,000,000 of the principal or interest when due and payable, subject to certain cure rights; or (v) certain events of bankruptcy, insolvency or reorganization involving the Company. If an Event of Default occurs and is continuing, the Trustee or the Holders of at least 33% in principal amount of the Outstanding Notes may declare all the Notes to be due and payable immediately.

Holders may not enforce the Indenture or the Notes except as provided in the Indenture. The Trustee may refuse to enforce the Indenture or the Notes unless it receives indemnity or security satisfactory to it. Subject to certain limitations, Holders of a majority in principal amount of the Notes may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from Holders notice of any continuing default (except a default in payment of principal or interest) if it determines that withholding notice is in the interest of the Holders.

14. Trustee Dealings with the Company

Subject to certain limitations imposed by the Act, the Trustee under the Indenture, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with and collect obligations owed to it by the Company or its Affiliates and may otherwise deal with the Company or its Affiliates with the same rights it would have if it were not Trustee.

15. No Recourse Against Others

A director, officer, employee or stockholder, as such, of the Company or the Trustee shall not have any liability for any obligations of the Company under the Notes or the Indenture or for any claim based on, in respect of or by reason of such obligations or their creation. By accepting a Note, each Holder waives and releases all such liability. The waiver and release are part of the consideration for the issue of the Notes.

16. Authentication

This Note shall not be valid until an authorized signatory of the Trustee (or an Authenticating Agent) signs the certificate of authentication on the other side of this Note in accordance with requirements set forth in the Indenture and the Officers' Certificate.

17. Abbreviations

Customary abbreviations may be used in the name of a Holder or an assignee, such as TEN COM (=tenants in common), TEN ENT (=tenants by the entireties), JT TEN (=joint tenants with rights of survivorship and not as tenants in common), CUST (=custodian), and U/G/M/A (=Uniform Gift to Minors Act).

18. CUSIP and ISIN Numbers

Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused the applicable CUSIP number to be printed on the Notes and has directed the Trustee to use such CUSIP number in any notice of redemption as a convenience to the Holders. To the extent such number has been issued, the Company has caused the applicable ISIN number to be similarly printed on the Notes and has similarly instructed the Trustee. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption and reliance may be placed only on the other identification numbers placed thereon.

19. Governing Law.

THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO CONTRARY CONFLICT OF LAWS OR CHOICE OF LAWS PROVISIONS OF THE STATE OF NEW YORK OR ANY OTHER JURISDICTION.

The Company will furnish to any Holder upon written request and without charge to the Holder a copy of the Indenture. Requests may be made to:

NiSource Inc.
801 East 86th Avenue
Merrillville, Indiana 46410
Attention: Corporate Secretary

ASSIGNMENT FORM

To assign this Note, fill in the form below: I or
we assign and transfer this Note to

(Print or type assignee's name, address and zip
code) (Insert assignee's soc. Sec. or tax I.D. No.)

and irrevocably appoint _____ agent to transfer this Note on the books of the Company. The agent may substitute another to act
for him.

Date: _____

Your Signature: _____

Sign exactly as your name appears on
the other side of this Note.

Signature Guarantee:

Signature must be guaranteed

Signature

Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Security Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("STAMP") or such other "signature guarantee program" as may be determined by the Security Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.



March 27, 2025

NiSource Inc.
801 East 86th Avenue
Merrillville, Indiana 46410

NiSource Inc.
5.850% Notes due 2055

Ladies and Gentlemen:

We refer to the Registration Statement on Form S-3 (File No. 333-268084) (the “Registration Statement”), filed by NiSource Inc., a Delaware corporation (the “Company”), with the Securities and Exchange Commission (the “SEC”). Pursuant to the Registration Statement, the Company is offering \$750,000,000 aggregate principal amount of its 5.850% Notes due 2055 (the “Notes”), as described in the Company’s Prospectus, dated November 1, 2022 (the “Base Prospectus”) and Prospectus Supplement, dated March 20, 2025 (the “Prospectus Supplement” and, together with the Base Prospectus, the “Prospectus”). The Registration Statement became effective upon filing on November 1, 2022. This opinion letter is being furnished in accordance with the requirements of Item 16 of Form S-3 and Item 601(b)(5)(i) of Regulation S-K promulgated under the Securities Act of 1933, as amended (the “Securities Act”).

The Notes are being issued under that certain indenture dated as of November 14, 2000 (the “Original Indenture”), between the Company (as successor to NiSource Finance Corp.) and The Bank of New York Mellon, as successor trustee (the “Trustee”), as supplemented by the Second Supplemental Indenture dated as of November 20, 2017 (the “Supplemental Indenture” and, together with the Original Indenture, the “Indenture”), and are being offered to the public in accordance with the Terms Agreement, dated March 20, 2025 (the “Terms Agreement”), among the Company and Barclays Capital Inc., BofA Securities, Inc., KeyBanc Capital Markets Inc. and Wells Fargo Securities, LLC, as lead underwriters of the underwriters (the “Underwriters”) named therein. The Terms Agreement incorporates by reference the provisions of that certain Underwriting Agreement dated November 30, 2017 (the “Underwriting Agreement” and, together with the Terms Agreement, the “Agreements”). Capitalized terms used and not defined herein shall have the meanings assigned to them in the Registration Statement or the Indenture.

Documents Reviewed

In connection with this opinion letter, we have examined the following documents:

- (a) the Registration Statement;
- (b) the Base Prospectus;
- (c) the Prospectus Supplement;

- (d) the Original Indenture;
- (e) the Supplemental Indenture;
- (f) the global note certificates, dated March 27, 2025, representing the Notes;
- (g) the Terms Agreement; and
- (h) the Underwriting Agreement.

The documents referred to in clauses (d) through (f) above are referred to collectively as the “Subject Documents” and each, individually, as a “Subject Document.”

In addition we have examined and relied upon the following:

(i) a certificate from the Assistant Corporate Secretary of the Company certifying as to (A) true and correct copies of the Amended and Restated Certificate of Incorporation, as amended, and the Amended and Restated Bylaws of the Company, as amended (together, the “Organizational Documents”) and (B) the resolutions of the Board of Directors of the Company authorizing (1) the filing of the Registration Statement by the Company and (2) the offer, sale and issuance of the Notes by the Company pursuant to the Agreements (the “Authorizing Resolutions”); and

(ii) originals, or copies identified to our satisfaction as being true copies, of such other records, documents, instruments, certificates of officers of and statements of the Company, and certificates and assurances of public officials, as we have deemed necessary for the purposes of this opinion letter.

“Applicable Law” means the Delaware General Corporation Law (the “DGCL”) and the laws of the State of New York.

Assumptions Underlying Our Opinions

For all purposes of the opinions expressed herein, we have assumed, without independent investigation, the following:

(a) Factual Matters. To the extent that we have reviewed and relied upon (i) certificates of the Company or authorized representatives thereof, (ii) representations of the Company set forth in the Subject Documents and (iii) certificates and assurances from public officials, all of such certificates, representations and assurances are accurate with regard to factual matters and all official records (including filings with public authorities) are properly indexed and filed and are accurate and complete.

(b) Authentic and Conforming Documents. All documents submitted to us as originals are authentic, complete and accurate, and all documents submitted to us as copies conform to authentic original documents.

(c) Signatures; Legal Capacity. The signatures of individuals who have signed or will sign the Subject Documents are genuine. All individuals who have signed or will sign the Subject Documents have the legal capacity to execute such Subject Documents.

(d) Organizational Status, Power and Authority of Certain Parties. All parties to the Subject Documents (other than any individual) (i) are validly existing and in good standing in their respective jurisdictions of formation, except that no such assumption is made as to the Company as of the date hereof and (ii) have the power and authority to execute, deliver and perform the Subject Documents and the documents required or permitted to be delivered and performed thereunder, except that no such assumption is made as to the Company as of the date hereof.

(e) Authorization, Execution and Delivery of Subject Documents by Certain Parties. The Subject Documents and the documents required or permitted to be delivered thereunder have been duly authorized by all necessary corporate, limited liability company, business trust, partnership or other action on the part of the parties thereto and have been duly executed and delivered by such parties, except that no such assumptions are made as to the Company as of the date hereof.

(f) Subject Documents Binding on Certain Parties. The Subject Documents and the documents required or permitted to be delivered thereunder are valid and binding obligations enforceable against the parties thereto in accordance with their terms, except that no such assumption is made as to the Company as of the date hereof.

(g) Noncontravention. Neither the issuance of the Notes by the Company or the execution and delivery of the Subject Documents by any party thereto nor the performance by such party of its obligations thereunder will conflict with or result in a breach of (i) the certificate or articles of incorporation, bylaws, certificate or articles of organization, operating agreement, certificate of limited partnership, partnership agreement, trust agreement or other similar organizational documents of any such party, except that no such assumption is made as to the Company as to the Organizational Documents as of the date hereof, (ii) any law or regulation of any jurisdiction applicable to any such party except that no such assumption is made as to the Company as to any Applicable Law as of the date hereof, or (iii) any order, writ, injunction or decree of any court or governmental instrumentality or agency applicable to any such party or any agreement or instrument to which any such party may be a party or by which its properties are subject or bound, except that no such assumption is made as to the Company as to the Subject Documents as of the date hereof.

(h) Governmental Approvals. All consents, approvals and authorizations of, or filings with, all governmental authorities that are required as a condition to the issuance of the Notes by the Company or to the execution and delivery of the Subject Documents by the parties thereto or the performance by such parties of their obligations thereunder have been obtained or made, except that no such assumption is made with respect to any consent, approval, authorization or filing that is applicable to the Company as of the date hereof.

(i) No Mutual Mistake, Amendments, etc. There has not been any mutual mistake of fact, fraud, duress or undue influence in connection with the issuance of the Notes as contemplated by the Registration Statement and the Prospectus. There are no oral or written statements or agreements that modify, amend or vary, or purport to modify, amend or vary, any of the terms of the Subject Documents except for, in the case of the terms of the Indenture, the officers' certificate establishing the terms of the Notes.

Our Opinions

Based on and subject to the foregoing and the exclusions, qualifications, limitations and other assumptions set forth in this opinion letter, we are of the opinion that:

1. **Organizational Status**. The Company is a validly existing corporation under the laws of the Delaware and is in good standing under such laws.

2. **Power and Authority**. The Company has the corporate power and authority to issue the Notes.

3. **Validity of the Notes**. When (i) the Notes have been issued and sold as contemplated by the Registration Statement, the Agreements and the Prospectus, (ii) the Company has received the consideration provided for in the Prospectus Supplement and the Agreements, and (iii) the Notes have been authenticated in accordance with the provisions of the Indenture, the Notes will constitute the valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, under the laws of State of New York.

Matters Excluded from Our Opinions

We express no opinion with respect to the following matters:

(a) **Indemnification and Change of Control**. The enforceability of any agreement relating to (i) indemnification, contribution or exculpation from costs, expenses or other liabilities or (ii) changes in the organizational control or ownership of any party, which agreement (in the case of clause (i) or clause (ii)) is contrary to public policy or Applicable Law.

(b) **Jurisdiction, Venue, etc.** The enforceability of any agreement to submit to the jurisdiction of any specific federal or state court (other than the enforceability in a court of the State of New York of any such agreement to submit to the jurisdiction of a court of the State of New York), to waive any objection to the laying of the venue, to waive the defense of *forum non conveniens* in any action or proceeding referred to therein, to waive trial by jury, to effect service of process in any particular manner or to establish evidentiary standards, and any agreement regarding the choice of law governing any Subject Document (other than the enforceability in a court of the State of New York or in a federal court sitting in the State of New York and applying New York law to any such agreement that the laws of the State of New York shall govern).

(c) **Remedies**. The enforceability of any provision in any Subject Document to the effect that rights or remedies are not exclusive, that every right or remedy is cumulative and may be exercised in addition to any other right or remedy, that the election of some particular remedy does not preclude recourse to one or more others or that failure to exercise or delay in exercising rights or remedies will not operate as a waiver of any such right or remedy.

Qualifications and Limitations Applicable to Our Opinions

The opinions set forth above are subject to the following qualifications and limitations:

(a) **Applicable Law**. Our opinions are limited to the Applicable Law, and we do not express any opinion concerning any other law.

(b) **Bankruptcy**. Our opinions are subject to the effect of any applicable bankruptcy, insolvency (including, without limitation, laws relating to preferences, fraudulent transfers and equitable subordination), reorganization, moratorium and other similar laws affecting creditors' rights generally.

(c) Equitable Principles. Our opinions are subject to the effect of general principles of equity (regardless of whether considered in a proceeding in equity or at law), including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing. In applying such principles, a court, among other things, might limit the availability of specific equitable remedies (such as injunctive relief and the remedy of specific performance), might not allow a creditor to accelerate maturity of debt or exercise other remedies upon the occurrence of a default deemed immaterial or for non-credit reasons or might decline to order a debtor to perform covenants in a Subject Document.

(d) Unenforceability of Certain Provisions. Provisions contained in the Notes or the Subject Documents which require waivers or amendments to be made only in writing may be unenforceable or ineffective, in whole or in part. The inclusion of such provisions, however, does not render any of the Notes or the Subject Documents invalid as a whole.

(e) Choice of New York Law and Forum. To the extent that any of our opinions relate to the enforceability of the choice of New York law or any choice of New York forum provisions of any Subject Document, our opinion is rendered in reliance upon N.Y. Gen. Oblig. Law §§ 5-1401 and 5-1402 and N.Y. CPLR 327(b) and is subject to the qualification that such enforceability may be limited by principles of public policy, comity and constitutionality. We express no opinion as to whether a United States federal court would have subject-matter or personal jurisdiction over a controversy arising under the Subject Documents.

Miscellaneous

The foregoing opinions are being furnished only for the purpose referred to in the first paragraph of this opinion letter. Our opinions are based on statutes, regulations and administrative and judicial interpretations which are subject to change. We undertake no responsibility to update or supplement these opinions subsequent to the date hereof. Headings in this opinion letter are intended for convenience of reference only and shall not affect its interpretation. We hereby consent to the filing of this opinion as an exhibit to the Company's Current Report on Form 8-K filed on the date hereof, to the incorporation by reference of this opinion of counsel into the Registration Statement, and to the reference to our firm in the Prospectus Supplement under the caption "Legal Matters." In giving this consent, we do not admit that we are within the category of persons whose consent is required by Section 7 of the Securities Act or the rules and regulations of the SEC promulgated thereunder.

Very truly yours,

/s/ McGuireWoods LLP

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant To Section 13 OR 15(d) of The
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): May 7, 2025

NiSource Inc.

(Exact name of registrant as specified in its charter)

DE

(State or other jurisdiction
of incorporation or organization)

001-16189

Commission
file number

35-2108964

(I.R.S. Employer
Identification No.)

801 East 86th Avenue

Merrillville, IN

(Address of principal executive offices)

46410

(Zip Code)

Registrant's telephone number, including area code (877) 647-5990

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions.

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	NI	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On May 7, 2025, NiSource Inc. (the “Company”) reported its financial results for the period ended March 31, 2025. The Company’s press release, dated May 7, 2025, is attached as Exhibit 99.1.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

Exhibit Number	Description
99.1	Press Release, dated May 7, 2025, issued by NiSource Inc.
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Schema Document
101.CAL	Inline XBRL Calculation Linkbase Document
101.LAB	Inline XBRL Labels Linkbase Document
101.PRE	Inline XBRL Presentation Linkbase Document
101.DEF	Inline XBRL Definition Linkbase Document
104	Cover page Interactive Data File (formatted as inline XBRL, and contained in Exhibit 101.)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NiSource Inc.

(Registrant)

Date: May 7, 2025

By:

/s/ Gunnar J. Gode

Gunnar J. Gode

Vice President, Chief Accounting Officer
(Principal Accounting Officer)



FOR IMMEDIATE RELEASE

May 7, 2025

FOR ADDITIONAL INFORMATION

Media

Kristen King
Finance Communications
(380) 268-3023
kking@nisource.com

Investors

Investor Relations
investors@nisource.com

NiSource announces first quarter results

- Reaffirming 2025 non-GAAP adjusted EPS guidance
- Reaffirming expected annual 6%-8% 2025-2029 non-GAAP adjusted EPS growth

MERRILLVILLE, Ind. - NiSource Inc. (NYSE: NI) today announced, on a GAAP basis, net income available to common shareholders for the quarter ended March 31, 2025, of \$474.8 million, or \$1.00 of earnings per diluted share, compared to net income available to common shareholders of \$344.3 million, or \$0.77 of earnings per diluted share, for the same period of 2024.

NiSource also reported first quarter 2025 non-GAAP adjusted net income available to common shareholders of \$462.3 million, or \$0.98 of adjusted earnings per share ("EPS") compared to non-GAAP adjusted net income available to common shareholders of \$382.8 million, or \$0.85 of adjusted EPS, for the same period of 2024. Schedule 1 of this press release contains a complete reconciliation of GAAP measures to non-GAAP measures. **

NiSource is reaffirming 2025 non-GAAP adjusted EPS guidance of \$1.85-\$1.89 as well as 8%-10% rate base growth and non-GAAP adjusted EPS growth of 6%-8% annually for the 2025-2029 period.

"The NiSource team is working hard to execute on plans for the growth and sustainability of our business and provide safe, reliable service to our customers," said NiSource President and CEO, Lloyd Yates. "Our first quarter results are yet another demonstration of our strong business fundamentals. Despite market conditions and other forces beyond our control, the longevity of our plan is enduring and our investments are resilient. I'd like to thank our committed employees and contractors for their ongoing efforts to ensure our communities are safe and receive reliable energy."

****Non-GAAP Disclosure Statement**

This press release includes financial results and guidance for NiSource with respect to adjusted net income available to common shareholders and adjusted EPS, which are non-GAAP financial measures as defined by the SEC. 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 guidance on adjusted EPS, NiSource reminds investors that it does not provide a GAAP equivalent of its guidance on adjusted net income available to common shareholders due to the impact of unpredictable factors such as fluctuations in weather, impact of asset sales and impairments and other unusual or infrequent items included in the comparable GAAP measures. The company is not able to estimate the impact of such factors on the comparable GAAP measures and, as such, is not providing guidance on a GAAP basis. In addition, the company is not able to provide a reconciliation of its non-GAAP adjusted EPS guidance to the comparable GAAP equivalents without unreasonable efforts.

Additional Information

Additional information for the quarter ended March 31, 2025, is available on the Investors section of www.nisource.com and includes segment and financial information and a presentation. The company alerts investors that it intends to use the Investors section of its website www.nisource.com and as well as the company's social media channels to disseminate important information about the company to its investors. Investors are advised to look at NiSource's website and social media channels for future important information about the company.

About NiSource

NiSource Inc. (NYSE: NI) is one of the largest fully-regulated utility companies in the United States, serving approximately 3.3 million natural gas customers and 500,000 electric customers across six states through its local Columbia Gas and NIPSCO brands. The mission of our approximately 7,700 employees is to deliver safe, reliable energy that drives value to our customers. NiSource is a member of the Dow Jones Sustainability - North America Index and is on Forbes lists of America's Best Employers for Women and Diversity. Learn more about NiSource's record of leadership in sustainability, investments in the communities it serves and how we live our vision to be an innovative and trusted energy partner at www.NiSource.com.

The content of our website is not incorporated by reference into this document or any other report or document NiSource files with the Securities and Exchange Commission ("SEC").

NI-F

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Forward-Looking Statements

This Press Release 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. Forward-looking statements in this press release include, but are not limited to, statements concerning our guidance on adjusted EPS, 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 Press Release include, among other things: our ability to execute our business plan or growth strategy, including utility infrastructure investments, or business opportunities, such as data center development and related generation sources and transmission capabilities to meet potential load growth; our ability to manage data center growth in our service territories; potential incidents and other operating risks associated with our business; our ability to work successfully with our third-party investors; our ability to adapt to, and manage costs related to, advances in technology, including alternative energy sources and changes in laws and regulations; our increased dependency on 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 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 demand; our ability to attract, retain or re-skill a qualified, diverse workforce and maintain good labor relations; our ability to manage new initiatives and organizational changes; the performance and quality of third-party suppliers and service providers; our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals, including our Net Zero Goal (as defined below), including any future associated impact from business opportunities such as data center development as those opportunities evolve; potential cybersecurity attacks or security breaches; increased requirements and costs related to cybersecurity; the actions of activist stockholders; any damage to our reputation; the impacts of natural disasters, potential terrorist attacks or other catastrophic events; the physical impacts of climate change and the transition to a lower carbon future; our debt obligations; any changes to our credit rating or the credit rating of certain of our subsidiaries; adverse economic and capital market conditions, including increases in inflation or interest rates, recession, or changes in investor sentiment; economic regulation and the impact of regulatory rate reviews; our ability to obtain expected financial or regulatory outcomes; 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; the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation; compliance with changes in, or new interpretations of applicable laws, regulations and tariffs, including impacts of state and federal orders on our ability to carry out our business plan and growth strategy; the cost of compliance with environmental laws and regulations and the costs of associated liabilities; changes in tax laws or the interpretation thereof; and other matters set forth in 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 fiscal year ended December 31, 2024 and matters set forth in our subsequent Quarterly Reports on Form 10-Q, some 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.

Schedule 1 - Reconciliation of Consolidated Net Income Available to Common Shareholders to Adjusted Net Income
Available to Common Shareholders (Non-GAAP) *(unaudited)*

<i>(in millions, except per share amounts)</i>	Three Months Ended March 31,	
	2025	2024
GAAP Net Income Available to Common Shareholders	\$ 474.8	\$ 344.3
Adjustments to Operating Income:		
Operating Revenues:		
Weather - compared to normal ⁽¹⁾	(16.8)	32.9
Total adjustments to operating income	(16.8)	32.9
Income Taxes:		
Tax effect of above items ⁽²⁾	4.3	(8.4)
Preferred Dividends:		
Preferred dividends redemption premium ⁽³⁾	—	14.0
Total adjustments to net income (loss)	(12.5)	38.5
Adjusted Net Income Available to Common Shareholders	\$ 462.3	\$ 382.8
Diluted Average Common Shares	472.5	449.4
GAAP Diluted Earnings Per Share⁽⁴⁾	\$ 1.00	\$ 0.77
Adjustments to diluted earnings per share	(0.02)	0.08
Adjusted Earnings Per Share	\$ 0.98	\$ 0.85

⁽¹⁾Represents the estimated impact of actual weather during the period compared to expected normal weather. Beginning in 2024, the adjustment for NIPSCO Operations excludes the impact of non-controlling interest.

⁽²⁾Represents income tax expense associated with adjustments to GAAP amounts calculated using the applicable statutory tax rates for legal entity.

⁽³⁾Represents the difference between the carrying value on the redemption date of the Series B Preferred Stock and the total amount of consideration paid to redeem, net of the fair value of common shares issued during 2024.

⁽⁴⁾ GAAP Diluted Earnings Per Share includes the effects of income allocated to participating securities. Please refer to Note 5, "Earnings Per Share," within the Company's Quarterly Report on Form 10-Q for the period ended March 31, 2025.

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): May 12, 2025

NiSource Inc.
(Exact Name of Registrant as Specified in Charter)

Delaware
(State or other jurisdiction
of incorporation)

001-16189
(Commission
file number)

35-2108964
(I.R.S. Employer
Identification No.)

**801 East 86th Avenue
Merrillville, Indiana**
(Address of Principal Executive Offices)

46410
(Zip Code)

Registrant's telephone number, including area code: (877) 647-5990

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	NI	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 5.07 Submission of Matters to a Vote of Security Holders.

Set forth below are the matters acted upon by the stockholders of the Company at the Annual Meeting held on May 12, 2025, as described in the Company's Proxy Statement filed on March 31, 2025, and the final voting results for each matter.

Proposal 1: Election of Directors. The number of votes cast for and against each nominee, as well as the number of abstentions and broker non-votes, were as follows:

Name of Nominee	Votes For	Votes Against	Abstentions	Broker Non-Votes
Peter A. Altabef	404,108,436	2,688,855	650,793	25,240,290
Sondra L. Barbour	404,303,386	2,217,745	926,953	25,240,290
Theodore H. Bunting, Jr.	402,951,521	3,887,952	608,611	25,240,290
Eric L. Butler	397,360,290	9,439,402	648,392	25,240,290
Deborah A. Henretta	403,623,906	3,197,252	626,926	25,240,290
Deborah A.P. Hersman	404,643,982	2,176,664	627,438	25,240,290
Michael E. Jesanis	403,705,528	3,065,766	676,790	25,240,290
William D. Johnson	403,913,297	2,873,648	661,139	25,240,290
Kevin T. Kabat	389,440,200	17,372,094	635,790	25,240,290
Cassandra S. Lee	404,577,685	2,241,907	628,492	25,240,290
John McAvoy	404,755,331	2,082,609	610,144	25,240,290
Lloyd M. Yates	404,032,780	2,776,958	638,346	25,240,290

Each nominee was elected.

Proposal 2: Approval of Named Executive Officer Compensation on an Advisory Basis. The number of votes cast for and against this matter, as well as the number of abstentions, were as follows:

Votes For	Votes Against	Abstentions
390,097,828	14,074,664	3,275,592

There were 25,240,290 broker non-votes as to Proposal 2.

Proposal 2 was approved on an advisory basis.

Proposal 3: Ratification of the Appointment of Deloitte & Touche LLP as the Company's Independent Registered Public Accounting Firm for 2025. The number of votes cast for and against this matter, as well as the number of abstentions, were as follows:

Votes For	Votes Against	Abstentions
410,717,093	21,279,058	692,223

There were no broker non-votes as to Proposal 3.

Proposal 3 was approved.

Proposal 4: Stockholder Proposal Requesting to Support Special Shareholder Meeting Improvement. The number of votes cast for and against this matter, as well as the number of abstentions, were as follows:

Votes For	Votes Against	Abstentions
140,448,169	265,156,941	1,842,974

There were 25,240,290 broker non-votes as to Proposal 4.

Proposal 4 was not approved.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

**Exhibit
No.**

Description

104

Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

May 13, 2025

NISOURCE INC.

By: /s/ Kimberly S. Cuccia
Kimberly S. Cuccia
Executive Vice President, General Counsel and Corporate Secretary

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 OR 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): June 27, 2025

NiSource Inc.
(Exact Name of Registrant as Specified in Charter)

DE
(State or other jurisdiction
of incorporation)

001-16189
(Commission
file number)

35-2108964
(I.R.S. Employer
Identification No.)

**801 East 86th Avenue
Merrillville, Indiana**
(Address of Principal Executive Offices)

46410
(Zip Code)

Registrant's telephone number, including area code: (877) 647-5990

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
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- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	NI	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 8.01 Other Events.

Senior Notes Due 2035 and 2055

On June 23, 2025, NiSource Inc. (the “Company”) and BMO Capital Markets Corp., BNP Paribas Securities Corp., J.P. Morgan Securities LLC, PNC Capital Markets LLC, Scotia Capital (USA) Inc. and U.S. Bancorp Investments, Inc., as Lead Underwriters, entered into a Terms Agreement (the “Terms Agreement”) with respect to the offering and sale of \$900,000,000 aggregate principal amount of the Company’s 5.350% Notes due 2035 (the “2035 Notes”) and \$750,000,000 additional aggregate principal amount of the Company’s 5.850% Notes due 2055 (the “2055 Notes” and, together with the 2035 Notes, the “Notes”) under the Company’s Registration Statement on Form S-3 (File No. 333-268084) (the “Registration Statement”). The Terms Agreement incorporates by reference the provisions of the Company’s Underwriting Agreement, dated November 30, 2017 (a form of which was filed with the Securities and Exchange Commission (the “SEC”) on November 30, 2017). The terms of the 2055 Notes, other than the issue date and the price to the public, are identical to the terms of, and constitute an additional issuance of, the Company’s 5.850% Notes due 2055, \$750,000,000 of which the Company previously issued on March 27, 2025 and are currently outstanding. Following the issuance of the 2055 Notes, the aggregate principal amount of outstanding 5.850% Notes due 2055 is \$1,500,000,000.

The sale closed on June 27, 2025. The Notes were issued pursuant to an Indenture, dated as of November 14, 2000, between the Company, as issuer and successor-in-interest to NiSource Finance Corp., and The Bank of New York Mellon, as successor trustee, as amended and supplemented. The Company intends to use the net proceeds from the sale of the Notes for general corporate purposes, including to finance capital expenditures, for working capital and to repay existing indebtedness.

The preceding is a summary of the terms of the Notes and is qualified in its entirety by reference to the forms of the 2035 Notes and the 2055 Notes, filed as Exhibits 4.1 and 4.2 to this Current Report on Form 8-K, respectively, which are incorporated herein by reference. The Company is filing Exhibit 5.1 with this Current Report on Form 8-K in connection with the Registration Statement.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
4.1	Form of 5.350% Notes due 2035
4.2	Form of 5.850% Notes due 2055 (incorporated by reference to Exhibit 4.1 to the NiSource Inc. Form 8-K filed on March 27, 2025)
5.1	Opinion of McGuireWoods LLP
23.1	Consent of McGuireWoods LLP (included in Exhibit 5.1)
104	Cover page Interactive Data File (embedded within the Inline XBRL document)

Cautionary Statement Concerning Forward-Looking Statements

This current report on Form 8-K contains forward-looking statements that are not historical facts, including statements about the anticipated use of proceeds from the sale of the Notes. These statements are based on current expectations and assumptions, which management believes are reasonable, and on information currently available to management, but are necessarily subject to various risks and uncertainties. In addition to the risk that these assumptions prove to be inaccurate, factors that could cause actual results to differ materially from those contemplated by the forward-looking statements include factors disclosed in the Company’s Annual Report on Form 10-K for the year ended December 31, 2024, and its subsequent filings with the SEC, which are available on the Company’s website at www.nisource.com and on the SEC’s website at www.sec.gov. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether due to new information, future events or otherwise, except to the extent required by law.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NiSource Inc.

(Registrant)

Date: June 27, 2025

By: /s/ Shawn Anderson

Shawn Anderson

Executive Vice President and Chief Financial Officer

UNLESS THIS GLOBAL NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), NEW YORK, NEW YORK, TO NISOURCE INC. OR ITS AGENT OR AGENTS FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY GLOBAL NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO., OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR’S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE INDENTURE REFERRED TO ON THE REVERSE HEREOF.

No.: []

\$[]

CUSIP No.: 65473P AX3

ISIN No.: US65473PAX33

5.350% Notes due 2035

NiSource Inc., a Delaware corporation, promises to pay to [], or registered assigns, the principal sum of \$[] Dollars on July 15, 2035.

Interest Payment Dates: January 15 and July 15, beginning January 15, 2026.

Record Dates: (i) if all of the Notes are in book-entry form represented by one or more Global Securities, the Business Day immediately preceding the applicable Interest Payment Date and (ii) if any of the Notes are not in book-entry form represented by one or more Global Securities, on each January 1 and July 1 (whether or not a Business Day) (each such date in clauses (i) and (ii), a “Regular Record Date”).

Additional provisions of this Note are set forth on the other side of this Note.

Dated:

NISOURCE INC.

By: _____
Name: Tchapo Napoe
Title: Vice President, Treasurer and Corporate Finance

ATTEST:

By: _____
Name: Ashley Bancroft
Title: Assistant Corporate Secretary

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Notes of the series referred to
in the within-mentioned Indenture.

Dated:

THE BANK OF NEW YORK MELLON, as
Trustee

By: _____
Authorized Officer

1. Interest

NiSource Inc., a Delaware corporation (such corporation, and its successors and assigns under the Indenture hereinafter referred to, being herein called the “Company”), promises to pay interest on the principal amount of this Note at the rate per annum shown above. The Company will pay interest semiannually on January 15 and July 15 of each year, beginning January 15, 2026. Interest on the Notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from June 27, 2025. Interest will be computed on the basis of a 360-day year of twelve 30-day months. The Company will pay interest on overdue principal and premium at the above rate and will pay interest on overdue installments of interest at such rate to the extent lawful.

2. Method of Payment

The Company will pay interest on the Notes (except defaulted interest) to the Persons who are registered Holders of Notes at the close of business on the Regular Record Date next preceding each Interest Payment Date even if Notes are canceled after the Regular Record Date and on or before the Interest Payment Date. Holders must surrender Notes to a Paying Agent to collect principal payments. The Company will pay principal and interest in money of the United States that at the time of payment is legal tender for payment of public and private debts. Payments in respect of the Notes represented by a Global Note (including principal, premium, if any, and interest) will be made by wire transfer of immediately available funds to the accounts specified by DTC, as Depositary.

3. Paying Agent and Security Registrar

Initially, the Trustee will act as Paying Agent and Security Registrar. The Company may appoint and change any Paying Agent or Security Registrar without notice to the Holders. The Company may act as Paying Agent or Security Registrar.

4. Indenture

The Company issued the Notes under an Indenture dated as of November 14, 2000, by and between the Company, in its own capacity and as successor to NiSource Finance Corp., and the Trustee (as successor trustee) (as amended and supplemented, the “Indenture”) and pursuant to an Officers’ Certificate of the Company dated June 27, 2025 (the “Officers’ Certificate”). The terms of the Notes include those stated in the Indenture and the Officers’ Certificate and those made part of the Indenture by reference to the Trust Indenture Act of 1939 (15 U.S.C. sections 77aaa-77bbb) as in effect on the date of the Officers’ Certificate (the “Act”). Capitalized terms used herein and defined in the Indenture but not defined herein have the respective meanings ascribed thereto in the Indenture. The Notes are subject to all such terms, and Holders of Notes are referred to the Indenture and the Act for a statement of those terms.

The Notes are senior unsecured obligations of the Company. The Notes issued on the original issue date will be treated as a single class for all purposes under the Indenture. The Indenture contains covenants that limit the ability of the Company and its Subsidiaries (other than Utilities) to incur additional indebtedness and create liens on assets unless the total amount of all the secured debt would not exceed 10% of Consolidated Net Tangible Assets (excluding the Utilities). These covenants are subject to important exceptions and qualifications.

5. Optional Redemption

Prior to April 15, 2035 (three months prior to the maturity date of the Notes) (the “Par Call Date”), the Company will have the right to redeem the Notes, at its option, in whole or in part, at any time and from time to time, at a Redemption Price (expressed as a percentage of principal amount and rounded to three decimal places) equal to the greater of (1)(a) the sum of the present values of the remaining scheduled payments of principal and interest thereon discounted to the Redemption Date (assuming the Notes matured on the Par Call Date) on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 20 basis points less (b) interest accrued to the Redemption Date, and (2) 100% of the principal amount of the Notes to be redeemed, plus, in either case, accrued and unpaid interest thereon to, but excluding, the Redemption Date.

On or after the Par Call Date, the Company will have the right to redeem the Notes, at its option, in whole or in part, at any time and from time to time, at a Redemption Price equal to 100% of the principal amount of the Notes being redeemed plus accrued and unpaid interest thereon to, but excluding, the Redemption Date.

“Treasury Rate” means, with respect to any Redemption Date, the yield determined by the Company in accordance with the following two paragraphs.

The Treasury Rate shall be determined by the Company after 4:15 p.m., New York City time (or after such time as yields on U.S. government securities are posted daily by the Board of Governors of the Federal Reserve System), on the third Business Day preceding the Redemption Date based upon the yield or yields for the most recent day that appear after such time on such day in the most recent statistical release published by the Board of Governors of the Federal Reserve System designated as “Selected Interest Rates (Daily)—H.15” (or any successor designation or publication) (“H.15”) under the caption “U.S. government securities—Treasury constant maturities—Nominal” (or any successor caption or heading) (“H.15 TCM”). In determining the Treasury Rate, the Company shall select, as applicable: (1) the yield for the Treasury constant maturity on H.15 exactly equal to the period from the Redemption Date to the Par Call Date (the “Remaining Life”); or (2) if there is no such Treasury constant maturity on H.15 exactly equal to the Remaining Life, the two yields – one yield corresponding to the Treasury constant maturity on H.15 immediately shorter than and one yield corresponding to the Treasury constant maturity on H.15 immediately longer than the Remaining Life – and shall interpolate to the Par Call Date on a straight-line basis (using the actual number of days) using such yields and rounding the result to three decimal places; or (3) if there is no such Treasury constant maturity on H.15 shorter than or longer than the Remaining Life, the yield for the single Treasury constant maturity on H.15 closest to the Remaining Life. For purposes of this paragraph, the applicable Treasury constant maturity or maturities on H.15 shall be deemed to have a maturity date equal to the relevant number of months or years, as applicable, of such Treasury constant maturity from the Redemption Date.

If on the third Business Day preceding the Redemption Date H.15 TCM is no longer published, the Company shall calculate the Treasury Rate based on the rate per annum equal to the semi-annual equivalent yield to maturity at 11:00 a.m., New York City time, on the second Business Day preceding such Redemption Date of the United States Treasury security maturing on, or with a maturity that is closest to, the Par Call Date, as applicable. If there is no United States Treasury security maturing on the Par Call Date but there are two or more United States Treasury securities with a maturity date equally distant from the Par Call Date, one with a maturity date preceding the Par Call Date and one with a maturity date following the Par Call Date, the Company shall select the United States Treasury security with a maturity date preceding the Par Call Date. If there are two or more United States Treasury securities maturing on the Par Call Date or two or more United States Treasury securities meeting the criteria of the preceding sentence, the Company shall select from among these two or more United States Treasury securities the United States

Treasury security that is trading closest to par based upon the average of the bid and asked prices for such United States Treasury securities at 11:00 a.m., New York City time. In determining the Treasury Rate in accordance with the terms of this paragraph, the semi-annual yield to maturity of the applicable United States Treasury security shall be based upon the average of the bid and asked prices (expressed as a percentage of principal amount) at 11:00 a.m., New York City time, of such United States Treasury security, and rounded to three decimal places.

The Trustee shall have no duty to calculate the Redemption Price.

6. Notice of Redemption

Notice of any redemption will be mailed or electronically delivered (or otherwise transmitted in accordance with the depository's procedures) at least 10 days but not more than 60 days before the Redemption Date to each Holder of Notes to be redeemed in accordance with Section 106 of the Indenture. In the case of a partial redemption, if the Notes to be redeemed are held in certificated form, selection of the Notes for redemption will be made by the Trustee, by lot. No Notes of a principal amount of \$2,000 or less will be redeemed in part. If any Note is to be redeemed in part only, the notice of redemption that relates to such Note will state the portion of the principal amount of the Note to be redeemed. A new Note in a principal amount equal to the unredeemed portion of the original Note will be issued in the name of the Holder of the original Note upon surrender for cancellation of the original Note. For so long as the Notes are held by DTC (or another depository), the redemption of the Notes, including selection of the Notes for redemption, shall be done in accordance with the policies and procedures of the depository and may be made on a pro rata pass-through distribution of principal basis. The Company will not know the exact Redemption Price until approximately two (2) to three (3) Business Days before the Redemption Date. Therefore, the notice of redemption will only describe how the Redemption Price will be calculated. Unless the Company defaults in payment of the Redemption Price, on and after the Redemption Date interest will cease to accrue on the Notes or portions thereof called for redemption.

7. Additional Notes

The Company may, without the consent of the Holders of the Notes, create and issue additional Notes ranking equally with the Notes in all respects, including having the same terms (except for the price to public, the issue date and the initial interest accrual date and the first Interest Payment Date, as applicable), so that such additional Notes shall be consolidated and form a single series with the Notes and shall have the same terms as to status, redemption or otherwise as the Notes. Such additional Notes will have the same CUSIP number as the Notes being authenticated on the date hereof, provided that such additional Notes are part of the same issue as the Notes being authenticated on the date hereof for U.S. federal income tax purposes. If such additional Notes are not part of the same issue for U.S. federal income tax purposes, such additional Notes must be issued with a separate CUSIP number. No additional Notes may be issued if an Event of Default has occurred and is continuing with respect to the Notes.

8. Denominations; Transfer; Exchange

The Notes are in registered form without coupons in denominations of \$2,000 principal amount and integral multiples of \$1,000. A Holder may transfer or exchange Notes in accordance with the Indenture. The Security Registrar may require a Holder, among other things, to furnish appropriate endorsements or transfer documents and to pay any taxes and fees required by law or permitted by the Indenture. The Security Registrar need not register the transfer or exchange of any Notes selected for redemption (except, in the case of a Note to be redeemed in part, the portion of the Note not to be redeemed) for a period of fifteen (15) Business Days before a selection of Notes to be redeemed.

9. Persons Deemed Owners

The registered Holder of this Note may be treated as the owner of it for all purposes.

10. Unclaimed Money

If money for the payment of principal or interest remains unclaimed for two years, the Trustee or Paying Agent shall pay the money back to the Company at its request. After any such payment, Holders entitled to the money must look only to the Company and not to the Trustee or the Paying Agent for payment.

11. Satisfaction and Discharge

Under the Indenture, the Company can terminate its obligations with respect to the Notes not previously delivered to the Trustee for cancellation when those Notes have become due and payable or will become due and payable at their Stated Maturity within one year or are to be called for redemption within one year under arrangements satisfactory to the Trustee for giving notice of redemption. The Company may terminate its obligations with respect to the Notes by depositing with the Trustee, as funds in trust dedicated solely for that purpose, an amount sufficient to pay and discharge the entire indebtedness on the Notes. In that case, the Indenture will cease to be of further effect and the Company's obligations will be satisfied and discharged with respect to the Notes (except as to the Company's obligations to pay all other amounts due under the Indenture and to provide certain Officers' Certificates and Opinions of Counsel to the Trustee). At the expense of the Company, the Trustee will execute proper instruments acknowledging the satisfaction and discharge.

12. Amendment, Waiver

Subject to certain exceptions set forth in the Indenture, (i) the Indenture may be amended with the written consent of the Holders of a majority in principal amount of the then Outstanding Securities of each series affected by such amendment, (ii) the Notes may be amended with the written consent of the Holders of at least a majority in principal amount of the Outstanding Notes and (iii) any default or noncompliance with any provision may be waived with the written consent of the Holders of a majority in principal amount of the Outstanding Notes. Subject to certain exceptions set forth in the Indenture, without the consent of any Holder, the Company and the Trustee shall be entitled to amend the Indenture to, among other things, cure any ambiguity, defect or inconsistency, or to evidence the succession of another Person as obligor under the Indenture, or to add to the Company's covenants or to surrender any right or power conferred on the Company under the Indenture, or to add events of default, or to secure the Notes, or to evidence or provide for the acceptance or appointment by a successor Trustee or facilitate the administration of the trusts under the Indenture by more than one trustee, or to conform the Indenture to any amendment of the Act.

13. Defaults and Remedies

Under the Indenture, Events of Default include: (i) a default by the Company in the payment of any interest upon any Note and the continuance of such default for 60 days; (ii) a default by the Company in the payment of principal of or any premium on any Note when due at Maturity, on redemption, by declaration or otherwise, and the continuance of such default for three (3) Business Days; (iii) a default by the Company in the performance of or breach of any covenant or warranty in the Indenture and continuance of such default for 90 days after written notice has been given to the Company by the Trustee or to the Company and the Trustee by the Holders of at least 33% in principal amount of the Outstanding Notes; (iv) a default by the Company under any bond, debenture, note or other evidence of indebtedness for money

borrowed by the Company, or the Company defaults under any mortgage, indenture or instrument under which there may be issued, secured or evidenced indebtedness constituting a failure to pay in excess of \$50,000,000 of the principal or interest when due and payable, subject to certain cure rights; or (v) certain events of bankruptcy, insolvency or reorganization involving the Company. If an Event of Default occurs and is continuing, the Trustee or the Holders of at least 33% in principal amount of the Outstanding Notes may declare all the Notes to be due and payable immediately.

Holders may not enforce the Indenture or the Notes except as provided in the Indenture. The Trustee may refuse to enforce the Indenture or the Notes unless it receives indemnity or security satisfactory to it. Subject to certain limitations, Holders of a majority in principal amount of the Notes may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from Holders notice of any continuing default (except a default in payment of principal or interest) if it determines that withholding notice is in the interest of the Holders.

14. Trustee Dealings with the Company

Subject to certain limitations imposed by the Act, the Trustee under the Indenture, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with and collect obligations owed to it by the Company or its Affiliates and may otherwise deal with the Company or its Affiliates with the same rights it would have if it were not Trustee.

15. No Recourse Against Others

A director, officer, employee or stockholder, as such, of the Company or the Trustee shall not have any liability for any obligations of the Company under the Notes or the Indenture or for any claim based on, in respect of or by reason of such obligations or their creation. By accepting a Note, each Holder waives and releases all such liability. The waiver and release are part of the consideration for the issue of the Notes.

16. Authentication

This Note shall not be valid until an authorized signatory of the Trustee (or an Authenticating Agent) signs the certificate of authentication on the other side of this Note in accordance with requirements set forth in the Indenture and the Officers' Certificate.

17. Abbreviations

Customary abbreviations may be used in the name of a Holder or an assignee, such as TEN COM (=tenants in common), TEN ENT (=tenants by the entireties), JT TEN (=joint tenants with rights of survivorship and not as tenants in common), CUST (=custodian), and U/G/M/A (=Uniform Gift to Minors Act).

18. CUSIP and ISIN Numbers

Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused the applicable CUSIP number to be printed on the Notes and has directed the Trustee to use such CUSIP number in any notice of redemption as a convenience to the Holders. To the extent such number has been issued, the Company has caused the applicable ISIN number to be similarly printed on the Notes and has similarly instructed the Trustee. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption and reliance may be placed only on the other identification numbers placed thereon.

19. Governing Law.

THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO CONTRARY CONFLICT OF LAWS OR CHOICE OF LAWS PROVISIONS OF THE STATE OF NEW YORK OR ANY OTHER JURISDICTION.

The Company will furnish to any Holder upon written request and without charge to the Holder a copy of the Indenture. Requests may be made to:

NiSource Inc.

801 East 86th Avenue

Merrillville, Indiana 46410

Attention: Corporate Secretary

ASSIGNMENT FORM

To assign this Note, fill in the form below: I or
we assign and transfer this Note to

(Print or type assignee's name, address and zip
code) (Insert assignee's soc. Sec. or tax I.D. No.)

and irrevocably appoint _____ agent to transfer this Note on the books of the Company. The agent may substitute another to act
for him.

Date: _____

Your Signature: _____

Sign exactly as your name appears on the other side of this
Note.

Signature Guarantee:

Signature must be guaranteed

Signature

Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Security Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("STAMP") or such other "signature guarantee program" as may be determined by the Security Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.



June 27, 2025

NiSource Inc.
801 East 86th Avenue
Merrillville, Indiana 46410

NiSource Inc.
5.350% Notes due 2035
5.850% Notes due 2055

Ladies and Gentlemen:

We refer to the Registration Statement on Form S-3 (File No. 333-268084) (the “Registration Statement”), filed by NiSource Inc., a Delaware corporation (the “Company”), with the Securities and Exchange Commission (the “SEC”). Pursuant to the Registration Statement, the Company is offering \$900,000,000 aggregate principal amount of its 5.350% Notes due 2035 and \$750,000,000 additional aggregate principal amount of its 5.850% Notes due 2055 (together, the “Notes”), as described in the Company’s Prospectus, dated November 1, 2022 (the “Base Prospectus”) and Prospectus Supplement, dated June 23, 2025 (the “Prospectus Supplement” and, together with the Base Prospectus, the “Prospectus”). The additional 5.850% Notes due 2055 are part of the same series of debt securities issued by the Company on March 27, 2025. The Registration Statement became effective upon filing on November 1, 2022. This opinion letter is being furnished in accordance with the requirements of Item 16 of Form S-3 and Item 601(b)(5)(i) of Regulation S-K promulgated under the Securities Act of 1933, as amended (the “Securities Act”).

The Notes are being issued under that certain indenture dated as of November 14, 2000 (the “Original Indenture”), between the Company (as successor to NiSource Finance Corp.) and The Bank of New York Mellon, as successor trustee (the “Trustee”), as supplemented by the Second Supplemental Indenture dated as of November 20, 2017 (the “Supplemental Indenture” and, together with the Original Indenture, the “Indenture”), and are being offered to the public in accordance with the Terms Agreement, dated June 23, 2025 (the “Terms Agreement”), among the Company and BMO Capital Markets Corp., BNP Paribas Securities Corp., J.P. Morgan Securities LLC, PNC Capital Markets LLC, Scotia Capital (USA) Inc. and U.S. Bancorp Investments, Inc., as lead underwriters of the underwriters named therein. The Terms Agreement incorporates by reference the provisions of that certain Underwriting Agreement dated November 30, 2017 (the “Underwriting Agreement” and, together with the Terms Agreement, the “Agreements”). Capitalized terms used and not defined herein shall have the meanings assigned to them in the Registration Statement or the Indenture.

Documents Reviewed

In connection with this opinion letter, we have examined the following documents:

- (a) the Registration Statement;

-
- (b) the Base Prospectus;
 - (c) the Prospectus Supplement;
 - (d) the Original Indenture;
 - (e) the Supplemental Indenture;
 - (f) the global note certificates, dated June 27, 2025, representing the Notes of each series;
 - (g) the Terms Agreement; and
 - (h) the Underwriting Agreement.

The documents referred to in clauses (d) through (f) above are referred to collectively as the “Subject Documents” and each, individually, as a “Subject Document.”

In addition we have examined and relied upon the following:

(i) a certificate from the Assistant Corporate Secretary of the Company certifying as to (A) true and correct copies of the Amended and Restated Certificate of Incorporation, as amended, and the Amended and Restated Bylaws of the Company, as amended (together, the “Organizational Documents”) and (B) the resolutions of the Board of Directors of the Company authorizing (1) the filing of the Registration Statement by the Company and (2) the offer, sale and issuance of the Notes by the Company pursuant to the Agreements (the “Authorizing Resolutions”); and

(ii) originals, or copies identified to our satisfaction as being true copies, of such other records, documents, instruments, certificates of officers of and statements of the Company, and certificates and assurances of public officials, as we have deemed necessary for the purposes of this opinion letter.

“Applicable Law” means the Delaware General Corporation Law (the “DGCL”) and the laws of the State of New York.

Assumptions Underlying Our Opinions

For all purposes of the opinions expressed herein, we have assumed, without independent investigation, the following:

(a) Factual Matters. To the extent that we have reviewed and relied upon (i) certificates of the Company or authorized representatives thereof, (ii) representations of the Company set forth in the Subject Documents and (iii) certificates and assurances from public officials, all of such certificates, representations and assurances are accurate with regard to factual matters and all official records (including filings with public authorities) are properly indexed and filed and are accurate and complete.

(b) Authentic and Conforming Documents. All documents submitted to us as originals are authentic, complete and accurate, and all documents submitted to us as copies conform to authentic original documents.

(c) Signatures; Legal Capacity. The signatures of individuals who have signed or will sign the Subject Documents are genuine. All individuals who have signed or will sign the Subject Documents have the legal capacity to execute such Subject Documents.

(d) Organizational Status, Power and Authority of Certain Parties. All parties to the Subject Documents (other than any individual) (i) are validly existing and in good standing in their respective jurisdictions of formation, except that no such assumption is made as to the Company as of the date hereof and (ii) have the power and authority to execute, deliver and perform the Subject Documents and the documents required or permitted to be delivered and performed thereunder, except that no such assumption is made as to the Company as of the date hereof.

(e) Authorization, Execution and Delivery of Subject Documents by Certain Parties. The Subject Documents and the documents required or permitted to be delivered thereunder have been duly authorized by all necessary corporate, limited liability company, business trust, partnership or other action on the part of the parties thereto and have been duly executed and delivered by such parties, except that no such assumptions are made as to the Company as of the date hereof.

(f) Subject Documents Binding on Certain Parties. The Subject Documents and the documents required or permitted to be delivered thereunder are valid and binding obligations enforceable against the parties thereto in accordance with their terms, except that no such assumption is made as to the Company as of the date hereof.

(g) Noncontravention. Neither the issuance of the Notes by the Company or the execution and delivery of the Subject Documents by any party thereto nor the performance by such party of its obligations thereunder will conflict with or result in a breach of (i) the certificate or articles of incorporation, bylaws, certificate or articles of organization, operating agreement, certificate of limited partnership, partnership agreement, trust agreement or other similar organizational documents of any such party, except that no such assumption is made as to the Company as to the Organizational Documents as of the date hereof, (ii) any law or regulation of any jurisdiction applicable to any such party except that no such assumption is made as to the Company as to any Applicable Law as of the date hereof, or (iii) any order, writ, injunction or decree of any court or governmental instrumentality or agency applicable to any such party or any agreement or instrument to which any such party may be a party or by which its properties are subject or bound, except that no such assumption is made as to the Company as to the Subject Documents as of the date hereof.

(h) Governmental Approvals. All consents, approvals and authorizations of, or filings with, all governmental authorities that are required as a condition to the issuance of the Notes by the Company or to the execution and delivery of the Subject Documents by the parties thereto or the performance by such parties of their obligations thereunder have been obtained or made, except that no such assumption is made with respect to any consent, approval, authorization or filing that is applicable to the Company as of the date hereof.

(i) No Mutual Mistake, Amendments, etc. There has not been any mutual mistake of fact, fraud, duress or undue influence in connection with the issuance of the Notes as contemplated by the Registration Statement and the Prospectus. There are no oral or written statements or agreements that modify, amend or vary, or purport to modify, amend or vary, any of the terms of the Subject Documents except for, in the case of the terms of the Indenture, the officers' certificates establishing the terms of the Notes.

Our Opinions

Based on and subject to the foregoing and the exclusions, qualifications, limitations and other assumptions set forth in this opinion letter, we are of the opinion that:

1. **Organizational Status**. The Company is a validly existing corporation under the laws of the Delaware and is in good standing under such laws.
2. **Power and Authority**. The Company has the corporate power and authority to issue the Notes.

3. **Validity of the Notes**. When (i) the Notes have been issued and sold as contemplated by the Registration Statement, the Agreements and the Prospectus, (ii) the Company has received the consideration provided for in the Prospectus Supplement and the Agreements, and (iii) the Notes have been authenticated in accordance with the provisions of the Indenture, the Notes will constitute the valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, under the laws of State of New York.

Matters Excluded from Our Opinions

We express no opinion with respect to the following matters:

(a) **Indemnification and Change of Control**. The enforceability of any agreement relating to (i) indemnification, contribution or exculpation from costs, expenses or other liabilities or (ii) changes in the organizational control or ownership of any party, which agreement (in the case of clause (i) or clause (ii)) is contrary to public policy or Applicable Law.

(b) **Jurisdiction, Venue, etc.** The enforceability of any agreement to submit to the jurisdiction of any specific federal or state court (other than the enforceability in a court of the State of New York of any such agreement to submit to the jurisdiction of a court of the State of New York), to waive any objection to the laying of the venue, to waive the defense of *forum non conveniens* in any action or proceeding referred to therein, to waive trial by jury, to effect service of process in any particular manner or to establish evidentiary standards, and any agreement regarding the choice of law governing any Subject Document (other than the enforceability in a court of the State of New York or in a federal court sitting in the State of New York and applying New York law to any such agreement that the laws of the State of New York shall govern).

(c) **Remedies**. The enforceability of any provision in any Subject Document to the effect that rights or remedies are not exclusive, that every right or remedy is cumulative and may be exercised in addition to any other right or remedy, that the election of some particular remedy does not preclude recourse to one or more others or that failure to exercise or delay in exercising rights or remedies will not operate as a waiver of any such right or remedy.

Qualifications and Limitations Applicable to Our Opinions

The opinions set forth above are subject to the following qualifications and limitations:

- (a) **Applicable Law**. Our opinions are limited to the Applicable Law, and we do not express any opinion concerning any other law.

(b) Bankruptcy. Our opinions are subject to the effect of any applicable bankruptcy, insolvency (including, without limitation, laws relating to preferences, fraudulent transfers and equitable subordination), reorganization, moratorium and other similar laws affecting creditors' rights generally.

(c) Equitable Principles. Our opinions are subject to the effect of general principles of equity (regardless of whether considered in a proceeding in equity or at law), including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing. In applying such principles, a court, among other things, might limit the availability of specific equitable remedies (such as injunctive relief and the remedy of specific performance), might not allow a creditor to accelerate maturity of debt or exercise other remedies upon the occurrence of a default deemed immaterial or for non-credit reasons or might decline to order a debtor to perform covenants in a Subject Document.

(d) Unenforceability of Certain Provisions. Provisions contained in the Notes or the Subject Documents which require waivers or amendments to be made only in writing may be unenforceable or ineffective, in whole or in part. The inclusion of such provisions, however, does not render any of the Notes or the Subject Documents invalid as a whole.

(e) Choice of New York Law and Forum. To the extent that any of our opinions relate to the enforceability of the choice of New York law or any choice of New York forum provisions of any Subject Document, our opinion is rendered in reliance upon N.Y. Gen. Oblig. Law §§ 5-1401 and 5-1402 and N.Y. CPLR 327(b) and is subject to the qualification that such enforceability may be limited by principles of public policy, comity and constitutionality. We express no opinion as to whether a United States federal court would have subject-matter or personal jurisdiction over a controversy arising under the Subject Documents.

Miscellaneous

The foregoing opinions are being furnished only for the purpose referred to in the first paragraph of this opinion letter. Our opinions are based on statutes, regulations and administrative and judicial interpretations which are subject to change. We undertake no responsibility to update or supplement these opinions subsequent to the date hereof. Headings in this opinion letter are intended for convenience of reference only and shall not affect its interpretation. We hereby consent to the filing of this opinion as an exhibit to the Company's Current Report on Form 8-K filed on the date hereof, to the incorporation by reference of this opinion of counsel into the Registration Statement, and to the reference to our firm in the Prospectus Supplement under the caption "Legal Matters." In giving this consent, we do not admit that we are within the category of persons whose consent is required by Section 7 of the Securities Act or the rules and regulations of the SEC promulgated thereunder.

Very truly yours,

/s/ McGuireWoods LLP

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant To Section 13 OR 15(d) of The
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): August 6, 2025

NiSource Inc.

(Exact name of registrant as specified in its charter)

DE

(State or other jurisdiction
of incorporation or organization)

001-16189

Commission
file number

35-2108964

(I.R.S. Employer
Identification No.)

801 East 86th Avenue

Merrillville, IN

(Address of principal executive offices)

46410

(Zip Code)

Registrant's telephone number, including area code (877) 647-5990

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions.

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	NI	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On August 6, 2025, NiSource Inc. (the “Company”) reported its financial results for the period ended June 30, 2025. The Company’s press release, dated August 6, 2025, is attached as Exhibit 99.1.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

Exhibit Number	Description
99.1	Press Release, dated August 6, 2025, issued by NiSource Inc.
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Schema Document
101.CAL	Inline XBRL Calculation Linkbase Document
101.LAB	Inline XBRL Labels Linkbase Document
101.PRE	Inline XBRL Presentation Linkbase Document
101.DEF	Inline XBRL Definition Linkbase Document
104	Cover page Interactive Data File (formatted as inline XBRL, and contained in Exhibit 101.)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NiSource Inc.

(Registrant)

Date: August 6, 2025

By:

/s/ Gunnar J. Gode

Gunnar J. Gode

Senior Vice President, Chief Accounting and Tax Officer
(Principal Accounting Officer)

**FOR IMMEDIATE RELEASE**

August 6, 2025

FOR ADDITIONAL INFORMATION**Media**

media@nsource.com

Investors

investors@nsource.com

NiSource announces second quarter results

- 2025 non-GAAP adjusted EPS guidance narrowed to upper half of range
- Reaffirming expected annual 6%-8% 2025-2029 non-GAAP adjusted EPS growth

MERRILLVILLE, Ind. - NiSource Inc. (NYSE: NI) today announced, on a GAAP basis, net income available to common shareholders for the three months ended June 30, 2025, of \$102.2 million, or \$0.22 of earnings per diluted share, compared to net income available to common shareholders of \$85.8 million, or \$0.19 of earnings per diluted share, for the same period of 2024. For the six months ended June 30, 2025, on a GAAP basis NiSource's net income available to common shareholders was \$577.0 million, or \$1.22 diluted earnings per share, compare to net income available to common shareholders of \$430.1 million, or \$0.95 diluted earnings per share, for the same period of 2024.

NiSource also reported second quarter 2025 non-GAAP adjusted net income available to common shareholders of \$101.9 million, or \$0.22 of adjusted earnings per share ("EPS") compared to non-GAAP adjusted net income available to common shareholders of \$94.7 million, or \$0.21 of adjusted EPS, for the same period of 2024. For the six months ended June 30, 2025, NiSource's non-GAAP adjusted net income available to common shareholders of \$564.2 million, or \$1.19 adjusted EPS, compared to non-GAAP adjusted net income available to common shareholders of \$477.5 million, or \$1.06 adjusted EPS, for the same period of 2024. Schedule 1 of this press release contains a complete reconciliation of GAAP measures to non-GAAP measures. **

NiSource is narrowing 2025 non-GAAP adjusted EPS guidance to the upper half of \$1.85-\$1.89. Annual rate base growth of 8%-10% and non-GAAP adjusted EPS growth of 6%-8% annually is driven by \$19.4 billion of capital expenditures for the 2025-2029 period.

"Our dedicated team of employees and contractors work hard to serve our customers and communities every day. As we look ahead, we remain focused on strong execution of our strategy and operations," said NiSource President and CEO, Lloyd Yates. "Our base capital plan includes critical investments to ensure reliability for our customers and the increased 2025 earnings expectations is driven by our dedication and ability to deliver on our financial commitments while supporting the growth and reliability of our systems."

****Non-GAAP Disclosure Statement**

This press release includes financial results and guidance for NiSource with respect to adjusted net income available to common shareholders and adjusted EPS, which are non-GAAP financial measures as defined by the SEC. 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 guidance on adjusted EPS, NiSource reminds investors that it does not provide a GAAP equivalent of its guidance on adjusted EPS due to the impact of unpredictable factors such as fluctuations in weather, impact of asset sales and impairments and other unusual or infrequent items included in the comparable GAAP measures, which may be material. The company is not able to estimate the impact of such factors on the comparable GAAP measures and, as such, the company is not able to provide a reconciliation of its non-GAAP adjusted EPS guidance to the comparable GAAP equivalents without unreasonable efforts.

Additional Information

Additional information for the quarter ended June 30, 2025, is available on the Investors section of www.nisource.com and includes segment and financial information and a presentation. The company alerts investors that it intends to use the Investors section of its website www.nisource.com and the company's social media channels to disseminate important information about the company to its investors. Investors are advised to look at NiSource's website and social media channels for future important information about the company.

About NiSource

NiSource Inc. (NYSE: NI) is one of the largest fully-regulated utility companies in the United States, serving approximately 3.3 million natural gas customers and 500,000 electric customers across six states through its local Columbia Gas and NIPSCO brands. The mission of our approximately 7,700 employees is to deliver safe, reliable energy that drives value to our customers. NiSource is a member of the Dow Jones Sustainability - North America Index and is on Forbes lists of America's Best Employers for Women and Diversity. Learn more about NiSource's record of leadership in sustainability, investments in the communities it serves and how we live our vision to be an innovative and trusted energy partner at www.NiSource.com.

The content of our website is not incorporated by reference into this document or any other report or document NiSource files with the Securities and Exchange Commission ("SEC").

NI-F

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Forward-Looking Statements

This Press Release 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. Forward-looking statements in this press release include, but are not limited to, statements concerning our guidance on adjusted EPS, 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 Press Release include, among other things: our ability to execute our business plan or growth strategy, including utility infrastructure investments, or business opportunities, such as data center development and related generation sources and transmission capabilities to meet potential load growth; our ability to manage data center growth in our service territories; potential incidents and other operating risks associated with our business; our ability to work successfully with our third-party investors; our ability to adapt to, and manage costs related to, advances in technology, including alternative energy sources and changes in laws and regulations; our increased dependency on 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 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 demand; our ability to attract, retain or re-skill a qualified, diverse workforce and maintain good labor relations; our ability to manage new initiatives and organizational changes; the performance and quality of third-party suppliers and service providers; our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals, including our Net Zero Goal, including any future associated impact from business opportunities such as data center development as those opportunities evolve; potential cybersecurity attacks or security breaches; increased requirements and costs related to cybersecurity; the actions of activist stockholders; any damage to our reputation; the impacts of natural disasters, potential terrorist attacks or other catastrophic events; the physical impacts of climate change and the transition to a lower carbon future; our debt obligations; any changes to our credit rating or the credit rating of certain of our subsidiaries; adverse economic and capital market conditions, including increases in inflation or interest rates, recession, or changes in investor sentiment; economic regulation and the impact of regulatory rate reviews; our ability to obtain expected financial or regulatory outcomes; 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; the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation; compliance with changes in, or new interpretations of applicable laws, regulations and tariffs, including impacts of state and federal orders on our ability to carry out our business plan and growth strategy; the cost of compliance with environmental laws and regulations and the costs of associated liabilities; changes in tax laws or the interpretation thereof; and other matters set forth in 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 fiscal year ended December 31, 2024 and matters set forth in our subsequent Quarterly Reports on Form 10-Q, some 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.

Schedule 1 - Reconciliation of Consolidated Net Income Available to Common Shareholders to Adjusted Net Income Available to Common Shareholders (Non-GAAP) *(unaudited)*

<i>(in millions, except per share amounts)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
GAAP Net Income Available to Common Shareholders	\$ 102.2	\$ 85.8	\$ 577.0	\$ 430.1
Adjustments to Operating Income:				
Operating Revenues:				
Weather - compared to normal ⁽¹⁾	(0.3)	12.1	(17.1)	45.0
Total adjustments to operating income	(0.3)	12.1	(17.1)	45.0
Income Taxes:				
Tax effect of above items ⁽²⁾	—	(3.2)	4.3	(11.6)
Preferred Dividends:				
Preferred dividends redemption premium ⁽³⁾	—	—	—	14.0
Total adjustments to net income	(0.3)	8.9	(12.8)	47.4
Adjusted Net Income Available to Common Shareholders	\$ 101.9	\$ 94.7	\$ 564.2	\$ 477.5
Diluted Average Common Shares	472.1	450.2	472.3	449.8
GAAP Diluted Earnings Per Share⁽⁴⁾	\$ 0.22	\$ 0.19	\$ 1.22	\$ 0.95
Adjustments to diluted earnings per share	—	0.02	(0.03)	0.11
Adjusted Earnings Per Share	\$ 0.22	\$ 0.21	\$ 1.19	\$ 1.06

⁽¹⁾Represents the estimated impact of actual weather during the period compared to expected normal weather. Beginning in 2024, the adjustment for NIPSCO Operations excludes the impact of non-controlling interest.

⁽²⁾Represents income tax expense associated with adjustments to GAAP amounts calculated using the applicable statutory tax rates for legal entities.

⁽³⁾Represents the difference between the carrying value on the redemption date of the Series B Preferred Stock and the total amount of consideration paid to redeem.

⁽⁴⁾GAAP Diluted Earnings Per Share includes the effects of income allocated to participating securities. Please refer to Note 5, "Earnings Per Share," within the Company's Quarterly Report on Form 10-Q for the period ended June 30, 2025.

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant To Section 13 OR 15(d)
of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): September 22, 2025

NiSource Inc.
(Exact name of registrant as specified in its charter)

DE
(State or other jurisdiction
of incorporation)

001-16189
Commission
File Number

35-2108964
(I.R.S. Employer
Identification No.)

801 East 86th Avenue
Merrillville, IN
(Address of principal executive offices)

46410
(Zip Code)

Registrant's telephone number, including area code (877) 647-5990

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions.

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	NI	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 7.01 Regulation FD Disclosure

On September 18, 2025, Northern Indiana Public Service Company LLC (“NIPSCO”) (the “Company”), a subsidiary of NiSource Inc., entered into an agreement (the “Contract”) with a large, investment grade company (the “Customer”), pursuant to which the Company has agreed to provide electric service to Customer’s data centers pursuant to a capacity commitment beginning in 2027 and increasing annually to the end of 2032. The Contract will be submitted to the Indiana Utility Regulatory Commission (“IURC”) for approval, which will include a mechanism to flow savings back to retail customers for use of the existing system beginning in 2027.

In order to meet demand under the Contract, NIPSCO Generation LLC, a subsidiary of NiSource Inc., expects to construct new dispatchable generation and has entered into engineering, procurement, and construction contracts, and equipment supply contracts, with respect thereto.

The Company expects to finance the project through a combination of debt and equity financing, which may include minority equity investments in subsidiaries, and may also pursue other funding sources, structures, or partnerships as market conditions and strategic considerations evolve.

The Company expects to provide additional information regarding the Contract, including updating its financial plan to incorporate the financial ramifications of the Contract, in connection with its earnings conference call for the quarter ending September 30, 2025 and its Quarterly Report on Form 10-Q for such quarter.

The information set forth in this Item 7.01 of this Report is being furnished pursuant to Item 7.01 of Form 8-K and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any of the Company’s filings under the Securities Act of 1933 or the Securities Exchange Act of 1934, whether made before or after the date hereof and regardless of any general incorporation language in such filings, except to the extent expressly set forth by specific reference in such a filing.

Note regarding forward-looking statements

This Report contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements include statements concerning our provision of power to the Customer under the Contract and our construction of new generation and battery storage facilities. Investors and prospective investors should understand that many factors govern whether any forward-looking statement contained herein will be or can be realized. 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 Report include, but are not limited to, the receipt, timing and terms of required regulatory approvals in connection with the Contract and the ability to comply with any conditions associated with such regulatory approvals; the ability of key suppliers and contractors to timely satisfy their obligations under existing or future contracts and in compliance with the terms of such contracts; the impact of applicable tariffs, if any, and other economic factors; the impact of natural disasters or other severe weather events; our ability to perform our obligations under the Contract, including construction of new generation on-time and effectively and their technological feasibility; capital market conditions, including the availability of credit and our ability to obtain financing on acceptable terms; the performance of Customer of its obligations under the Contract; the ability of Customer to implement its plans to construct data centers; the impact of public involvement, intervention or litigation with respect to these projects; any early termination of the Contract and other matters as set forth in Part I, 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 fiscal year ended December 31, 2024 and matters set forth in our subsequent Quarterly Reports on Form 10-Q, some of which are beyond our control.

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 changes assumptions, the occurrence of anticipated or unanticipated events or changes to the future results over time or otherwise, except as required by law.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
104	Cover page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NiSource Inc.

(Registrant)

Date: September 22, 2025

By:

/s/ Kimberly S. Cuccia

Kimberly S. Cuccia

Executive Vice President, General Counsel and Corporate Secretary

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant To Section 13 OR 15(d) of The
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): October 29, 2025

NiSource Inc.

(Exact name of registrant as specified in its charter)

DE

(State or other jurisdiction
of incorporation or organization)

001-16189

Commission
file number

35-2108964

(I.R.S. Employer
Identification No.)

**801 East 86th Avenue
Merrillville, IN**

(Address of principal executive offices)

46410

(Zip Code)

Registrant's telephone number, including area code (877) 647-5990

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions.

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
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Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	NI	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On October 29, 2025, NiSource Inc. (the “Company”) reported its financial results for the period ended September 30, 2025. The Company’s press release, dated October 29, 2025, is attached as Exhibit 99.1.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

Exhibit Number	Description
99.1	Press Release, dated October 29, 2025, issued by NiSource Inc.
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
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101.CAL	Inline XBRL Calculation Linkbase Document
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101.DEF	Inline XBRL Definition Linkbase Document
104	Cover page Interactive Data File (formatted as inline XBRL, and contained in Exhibit 101.)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NiSource Inc.

(Registrant)

Date: October 29, 2025

By:

/s/ Gunnar J. Gode

Gunnar J. Gode

Senior Vice President, Chief Accounting and Tax Officer
(Principal Accounting Officer)

**FOR IMMEDIATE RELEASE**

October 29, 2025

FOR ADDITIONAL INFORMATION**Media**

media@nsource.com

Investors

investors@nsource.com

NiSource announces third quarter results

- Reaffirming upper half of 2025 non-GAAP adjusted EPS guidance
- Introducing 2026 non-GAAP consolidated adjusted EPS guidance
- Extending base plan expected non-GAAP adjusted EPS annual growth guidance of 6%-8% to 2026-2030
- Introducing 2026-2033 consolidated non-GAAP adjusted EPS compound annual growth rate of 8%-9%
- Announcing consolidated capital expenditure plan of \$28.0 billion, inclusive of ~\$7.0 billion of capital investment related to data centers

MERRILLVILLE, Ind. - NiSource Inc. (NYSE: NI) today announced, on a GAAP basis, net income available to common shareholders for the three months ended September 30, 2025, of \$94.7 million, or \$0.20 of earnings per diluted share, compared to net income available to common shareholders of \$85.7 million, or \$0.19 of earnings per diluted share, for the same period of 2024. For the nine months ended September 30, 2025, on a GAAP basis, NiSource's net income available to common shareholders was \$671.7 million, or \$1.42 of earnings per diluted share, compared to net income available to common shareholders of \$515.8 million, or \$1.14 of earnings per diluted share, for the same period of 2024.

NiSource also reported third quarter 2025 non-GAAP adjusted net income available to common shareholders of \$91.8 million, or \$0.19 of adjusted earnings per share ("EPS"), compared to non-GAAP adjusted net income available to common shareholders of \$89.9 million, or \$0.20 of adjusted EPS, for the same period of 2024. For the nine months ended September 30, 2025, NiSource's non-GAAP adjusted net income available to common shareholders was \$656.0 million, or \$1.38 of adjusted EPS, compared to non-GAAP adjusted net income available to common shareholders of \$567.4 million, or \$1.26 of adjusted EPS, for the same period of 2024. Schedule 1 of this press release contains a complete reconciliation of GAAP measures to non-GAAP measures. **

NiSource is reaffirming the upper half of its 2025 non-GAAP adjusted EPS guidance of \$1.85-\$1.89. In 2026, non-GAAP consolidated adjusted EPS is expected to be in the range of \$2.02-\$2.07. NiSource is extending its base capital plan to 2030, with base plan non-GAAP adjusted EPS growth expected to be 6%-8% annually, driven by \$21.0 billion in base plan capital expenditures and 8%-10% rate base growth from 2026 to 2030. The newly consolidated capital expenditure plan of \$28.0 billion total is approximately \$8.6 billion more than the prior five-year plan, fueled by nearly \$7.0 billion in strategic data center investments. This marks a 45% increase and supports an expected consolidated non-GAAP adjusted EPS compound annual growth rate (CAGR) of 8%-9% for 2026 through 2033.

"This is an exciting moment for NiSource," said President and CEO Lloyd Yates. "With GenCo approved and our new data center agreement in place, we're advancing transformative growth

while protecting customers from the costs of large-load development, reinforcing that customer affordability remains at the heart of our strategy.

"This project ensures growth pays for growth, energizes Indiana's economy, and strengthens our ability to deliver reliable service through a more resilient, future-ready grid.

"I want to thank our employees and contractors for their outstanding dedication," Yates added. "Their work continues to drive meaningful value for our customers, regulators, and shareholders. We're proud to lead the way in responsible growth, demonstrating how thoughtful stakeholder engagement and innovative regulatory structures can unlock transformative opportunities. We're proud to lead the way in advancing economic development while maintaining the integrity of our financial plan."

****Non-GAAP Disclosure Statement**

This press release includes financial results and guidance for NiSource with respect to adjusted net income available to common shareholders adjusted EPS, base plan adjusted EPS and consolidated adjusted EPS, which are non-GAAP financial measures as defined by the SEC. Commencing in 2026, the company will begin to present base plan adjusted EPS and consolidated adjusted EPS. As presented herein, guidance with respect to base plan adjusted EPS, including annual base plan adjusted EPS growth, excludes, in addition to the items historically excluded from adjusted EPS, the impact of data center operations and development activities relating to provision of electric service to current and future data center customers in NIPSCO's Indiana service territory. The company is providing guidance regarding base plan adjusted EPS because it expects that the earnings from its data center operations and development activities described above will experience a different growth profile compared to the base plan adjusted EPS growth. Providing guidance with respect to base plan adjusted EPS growth, together with guidance regarding consolidated adjusted EPS growth, will provide investors with the same information that management considers to evaluate the company's ongoing business performance and provide greater transparency into the performance of different aspects of our business that are impacted by distinct trends and factors. Consolidated adjusted EPS represents base plan adjusted EPS together with adjusted EPS from our data center operations and development activities described above. 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 guidance on adjusted EPS, base plan adjusted EPS and consolidated adjusted EPS, NiSource reminds investors that it does not provide a GAAP equivalent of its guidance on adjusted EPS due to the impact of unpredictable factors such as fluctuations in weather, impact of asset sales and impairments and other unusual or infrequent items included in the comparable GAAP measures, which may be material. The company is not able to estimate the impact of such factors on the comparable GAAP measures and, as such, the company is not able to provide a reconciliation of its non-GAAP base plan adjusted EPS guidance or its non-GAAP consolidated adjusted EPS guidance to the comparable GAAP equivalents without unreasonable efforts.

Additional Information

Additional information for the quarter ended September 30, 2025, is available on the Investors section of www.nisource.com and includes segment and financial information and a presentation. The company alerts investors that it intends to use the Investors section of its website, www.nisource.com, and the company's social media channels to disseminate important information about the company to its investors. Investors are advised to look at NiSource's website and social media channels for future important information about the company.

About NiSource

NiSource Inc. (NYSE: NI) is one of the largest fully-regulated utility companies in the United States, serving approximately 3.3 million natural gas customers and 500,000 electric customers across six states through its local Columbia Gas and NIPSCO brands. The mission of our approximately 7,700 employees is to deliver safe, reliable energy that drives value to our customers. NiSource is a member of the Dow Jones Sustainability - North America Index and is on Forbes lists of America's Best Employers for Women and Diversity. Learn more about NiSource's record of leadership in sustainability, investments in the communities it serves and how we live our vision to be an innovative and trusted energy partner at www.NiSource.com.

The content of our website is not incorporated by reference into this document or any other report or document NiSource files with the Securities and Exchange Commission ("SEC").

NI-F

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Forward-Looking Statements

This Press Release 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. Forward-looking statements in this press release include, but are not limited to, statements concerning our guidance on adjusted EPS, 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 Press Release include, among other things: our ability to execute our business plan or growth strategy, including utility infrastructure investments, or business opportunities, such as data center development and related generation sources and transmission capabilities to meet potential load growth; our ability to manage data center growth in our service territories; potential incidents and other operating risks associated with our business; our ability to work successfully with our third-party investors; our ability to adapt to, and manage costs related to, advances in technology, including alternative energy sources and changes in laws and regulations; our increased dependency on 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 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 demand; our ability to attract, retain or re-skill a qualified, diverse workforce and maintain good labor relations; our ability to manage new initiatives and organizational changes; the performance and quality of third-party suppliers and service providers; our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals, including our Net Zero Goal, including any future associated impact from business opportunities such as data center development as those opportunities evolve; potential cybersecurity attacks or security breaches; increased requirements and costs related to cybersecurity; the actions of activist stockholders; any damage to our reputation; the impacts of natural disasters, potential terrorist attacks or other catastrophic events; the physical impacts of climate change and the transition to a lower carbon future; our debt obligations; any changes to our credit rating or the credit rating of certain of our subsidiaries; adverse economic and capital market conditions, including increases in inflation or interest rates, recession, or changes in investor sentiment; economic regulation and the impact of regulatory rate reviews; our ability to obtain expected financial or regulatory outcomes; 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; the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation; compliance with changes in, or new interpretations of applicable laws, regulations and tariffs, including impacts of state and federal orders on our ability to carry out our business plan and growth strategy; the cost of compliance with environmental laws and regulations and the costs of associated liabilities; changes in tax laws or the interpretation thereof; our ability to construct, develop and place into service the generation and transmission assets we plan to construct to serve the customer under the data center contract (the "Contract Assets") and any future data center customers on time or at all and consistent with initial cost estimates, as well as the performance of these assets once constructed and placed into service; our ability to obtain the

significant additional financing that will be required to construct the Contract Assets and assets we may develop to support future data center contracts on favorable terms, if at all; our ability to recover our investments and realize our expected return under the data center contract and any future data center contracts; our ability to maintain our investment grade credit ratings as we finance and pursue our data center strategy, including our performance under the data center contract and any future data center contracts; our customers' performance under the data center contract and any future data center contracts and any decision by our customer or future customers to terminate the data center contract or future data center contracts or reduce the committed capacity thereunder; potential changes in the MISO accreditation treatment of generation resources and other matters set forth in 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 fiscal year ended December 31, 2024 and matters set forth in our subsequent Quarterly Reports on Form 10-Q, some 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.

Schedule 1 - Reconciliation of Consolidated Net Income Available to Common Shareholders to Adjusted Net Income Available to Common Shareholders (Non-GAAP) and Adjusted Earnings Per Share (Non-GAAP) (unaudited)

<i>(in millions, except per share amounts)</i>	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
GAAP Net Income Available to Common Shareholders	\$ 94.7	\$ 85.7	\$ 671.7	\$ 515.8
Adjustments to Operating Income:				
Operating Revenues:				
Weather - compared to normal ⁽¹⁾	(4.0)	5.6	(21.1)	50.6
Total adjustments to operating income	(4.0)	5.6	(21.1)	50.6
Income Taxes:				
Tax effect of above items ⁽²⁾	1.1	(1.4)	5.4	(13.0)
Preferred Dividends:				
Preferred dividends redemption premium ⁽³⁾	—	—	—	14.0
Total adjustments to net income	(2.9)	4.2	(15.7)	51.6
Adjusted Net Income Available to Common Shareholders (Non-GAAP)	\$ 91.8	\$ 89.9	\$ 656.0	\$ 567.4
Diluted Average Common Shares	473.7	454.5	472.8	451.4
GAAP Diluted Earnings Per Share⁽⁴⁾	\$ 0.20	\$ 0.19	\$ 1.42	\$ 1.14
Adjustments to diluted earnings per share	(0.01)	0.01	(0.04)	0.12
Adjusted Earnings Per Share (Non-GAAP)	\$ 0.19	\$ 0.20	\$ 1.38	\$ 1.26

⁽¹⁾Represents the estimated impact of actual weather during the period compared to expected normal weather. Beginning in 2024, the adjustment for NIPSCO Operations excludes the impact of non-controlling interest.

⁽²⁾Represents income tax expense associated with adjustments to GAAP amounts calculated using the applicable statutory tax rates for legal entities.

⁽³⁾Represents the difference between the carrying value on the redemption date of the Series B Preferred Stock and the total amount of consideration paid to redeem.

⁽⁴⁾GAAP Diluted Earnings Per Share includes the effects of income allocated to participating securities. Please refer to Note 5, "Earnings Per Share," within the Company's Quarterly Report on Form 10-Q for the period ended September 30, 2025.

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant To Section 13 OR 15(d)
of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): October 31, 2025

NiSource Inc.
(Exact name of registrant as specified in its charter)

DE
(State or other jurisdiction
of incorporation)

001-16189
Commission
File Number

35-2108964
(I.R.S. Employer
Identification No.)

801 East 86th Avenue
Merrillville, IN
(Address of principal executive offices)

46410
(Zip Code)

Registrant's telephone number, including area code (877) 647-5990

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions.

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	NI	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 1.01 Entry into a Material Definitive Agreement

On October 31, 2025, NiSource Inc. (the “Company”) entered into eleven separate equity distribution agreements, each dated October 31, 2025 (the “Equity Distribution Agreements”), (i) among the Company, Barclays Capital Inc., as sales agent and as forward seller, and Barclays Bank PLC, as forward purchaser, (ii) among the Company, BMO Capital Markets Corp., as sales agent and forward seller, and Bank of Montreal, as forward purchaser, (iii) among the Company and BNP Paribas Securities Corp., as sales agent and forward seller, and BNP PARIBAS, as forward purchaser, (iv) among the Company, BofA Securities, Inc., as sales agent and forward seller, and Bank of America, N.A., as forward purchaser, (v) between the Company and Goldman Sachs & Co. LLC, as sales agent, forward seller and forward purchaser, (vi) among the Company, J.P. Morgan Securities LLC, as sales agent and as forward seller, and JPMorgan Chase Bank, National Association, as forward purchaser, (vii) among the Company and Mizuho Securities USA LLC, as sales agent and forward seller, and Mizuho Markets Americas LLC, as forward purchaser, (viii) between the Company and Morgan Stanley & Co. LLC, as sales agent, forward seller and forward purchaser, (ix) among the Company, MUFG Securities Americas Inc., as sales agent and forward seller, and MUFG Securities EMEA plc, as forward purchaser, (x) among the Company and Scotia Capital (USA) Inc., as sales agent and forward seller, and The Bank of Nova Scotia, as forward purchaser and (xi) among the Company, Wells Fargo Securities, LLC, as sales agent (collectively with the other sales agents, the “Agents”) and as forward seller, and Wells Fargo Bank, National Association, as forward purchaser, relating to issuances, offers and sales of shares of the Company’s common stock, par value \$0.01 per share (“Common Stock”) through December 31, 2028.

In accordance with the terms of the Equity Distribution Agreements, the Company may offer and sell up to an aggregate gross sales price of \$1,500,000,000 of Common Stock (including shares of Common Stock that may be sold pursuant to the forward sale agreements described below, the “Shares”) from time to time through any of the Agents, acting in their capacity as sales agents or as forward sellers, as described below. The Shares may be offered and sold by any method or payment permitted by law to be an “at the market offering” as defined in Rule 415 under the Securities Act of 1933, as amended (the “Securities Act”), including by means of ordinary brokers’ transactions on the New York Stock Exchange, the existing trading market for shares of Common Stock, or otherwise at market prices prevailing at the time of sale, or sales made to or through a market maker or through an electronic communications network. The Shares may be offered and sold in amounts and at times to be determined by the Company from time to time, but the Company has no obligation to offer and sell any of the Shares. Actual sales will depend on a variety of factors to be determined by the Company from time to time, including (among others) market conditions, the trading price of the Common Stock and determinations by the Company of the appropriate sources of funding for the Company.

The Equity Distribution Agreements provide that, in addition to the issuance and sale of the Shares by the Company through the Agents in their capacity as agents, the Company may enter into forward sale agreements with the Agents or certain of their respective affiliates (when acting in its capacity under such a forward sale agreement, a “Forward Purchaser”). Concurrently with, and pursuant to, the Equity Distribution Agreements, the Company entered into eleven separate master forward sale confirmations (the “Master Forward Sale Confirmations”), each dated October 31, 2025, with Barclays Bank PLC, Bank of Montreal, BNP PARIBAS, Bank of America, N.A, Goldman Sachs & Co. LLC, JPMorgan Chase Bank, National Association, Mizuho Markets Americas LLC, Morgan Stanley & Co. LLC, MUFG Securities EMEA plc, The Bank of Nova Scotia and Wells Fargo Bank, National Association, respectively, as forward purchasers. In connection with each forward sale agreement under a Master Forward Sale Confirmation, the relevant Forward Purchaser will, at the Company’s request, attempt to borrow from third parties and, through the relevant Agent, sell a number of Shares equal to the number of Shares underlying the particular forward sale agreement to hedge the forward sale agreement (each Agent, when acting as agent for a Forward Purchaser, a “Forward Seller”).

The forward sale price per share under each forward sale agreement will initially equal the product of (1) an amount equal to one minus the applicable forward selling commission and (2) the volume-weighted average price per share at which the borrowed Shares were sold pursuant to the particular Equity Distribution Agreement by the relevant Forward Seller. Thereafter, the forward sale price will be subject to adjustment as described in the relevant forward sale agreement. The forward sale agreements will provide that the forward sale price, as well as the sales prices used to calculate the initial forward sale price, will be subject to increase or decrease based on a floating interest rate factor equal to the specified benchmark’s daily rate less a spread and subject to decrease by amounts related to expected dividends on the Common Stock during the term of the particular forward sale agreement. If the specified benchmark’s daily rate is less than the spread for a particular forward sale agreement on any day, the interest factor will result in a reduction of the applicable forward sale price for such day.

The Company will not initially receive any proceeds from the sale of borrowed Shares by a Forward Seller. If the Company elects to physically settle any forward sale agreement by issuing and delivering Shares, the Company will receive an amount of cash from the relevant Forward Purchaser equal to the product of the forward sale price per share under that particular forward sale agreement and the number of Shares underlying the particular forward sale agreement. The Company expects to receive proceeds from the sale of Shares by a Forward Seller upon future physical settlement of the relevant forward sale agreement with the relevant Forward Purchaser on dates specified by the Company on or prior to the maturity date of the relevant forward sale agreement. Although the Company expects to settle any forward sale agreement with a full physical settlement, it may, except in limited circumstances, elect a cash or net share settlement for all or a portion of its obligations under such forward sale agreement. If the Company elects to cash settle or net share settle a forward sale agreement, the Company may not (in the case of cash settlement) or will not (in the case of net share settlement) receive any proceeds, and the Company may owe cash (in the case of cash settlement) or Shares (in the case of net share settlement) to the relevant Forward Purchaser.

The Company will pay each Agent a commission of up to 2% of the sales price of all Shares issued by the Company and sold through the relevant Agent under the applicable Equity Distribution Agreement. The remaining sales proceeds, after deducting any expenses payable by the Company and any transaction fees imposed by any governmental, regulatory or self-regulatory organization in connection with the sales, will be the Company's net proceeds for the sale of the Shares. In connection with each forward sale agreement, the relevant Forward Seller will receive, in the form of a reduced initial forward sale price payable by the relevant Forward Purchaser under its forward sale agreement, a commission of up to 2% of the volume weighted average of the sales prices of all borrowed Shares sold during the applicable period by it as a Forward Seller.

The Shares will be issued pursuant to the Company's automatic shelf registration statement filed with the Securities and Exchange Commission (the "SEC") on October 30, 2025 (File No. 333-291167), a base prospectus, dated October 30, 2025, included as part of the registration statement, and a prospectus supplement, dated October 31, 2025, filed with the SEC pursuant to Rule 424(b) under the Securities Act.

The foregoing descriptions of the Equity Distribution Agreements and the Master Forward Sale Confirmations do not purport to be complete and are qualified in their entirety by reference to the terms and conditions of the forms of Equity Distribution Agreement and Master Forward Sale Confirmation, which are filed as Exhibits 1.1 and 1.2, respectively, and are incorporated by reference into this Item 1.01.

Item 8.01. Other items.

On October 31, 2025, the Company issued a press release announcing the establishment of an "at-the-market" equity offering program. The Company's press release, dated October 31, 2025, is filed as Exhibit 99.1 hereto and is incorporated by reference into this Item 8.01.

In connection with entering into the Equity Distribution Agreements, the Company delivered a termination notice on October 30, 2025 effectively terminating the equity distribution agreements entered into on February 22, 2024 with various banks in connection with the Company's previous "at-the-market" equity offering program.

Note Regarding Forward-Looking Statements

This Report contains "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements include statements concerning the offer and sale of Shares and the anticipated use of proceeds from any sales of Shares. Investors and prospective investors should understand that many factors govern whether any forward-looking statement contained herein will be or can be realized. 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. In addition to the risk that these assumptions prove to be inaccurate, factors that could cause actual results to differ materially from those contemplated by the forward-looking statements include factors disclosed in the Company's Annual Report on Form 10-K for the year ended December 31, 2024, the Company's Quarterly

Reports on Form 10-Q for the quarters ended March 31, 2025, June 30, 2025 and September 30, 2025, and its subsequent filings with the SEC, which are available on the Company's website at www.nisource.com and on the SEC's website at www.sec.gov. No information contained in, or that can be accessed through, the Company's website is incorporated by reference into this Current Report on Form 8-K (this "Current Report"), and no such information should be considered a part of this Current Report. All forward-looking statements are expressly qualified in their entirety by the foregoing cautionary statements. The Company undertakes no obligation to, and expressly disclaims any such obligation to, update or revise any forward-looking statements to reflect changes assumptions, the occurrence of anticipated or unanticipated events or changes to the future results over time or otherwise, except as required by law.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
1.1	Form of Equity Distribution Agreement
1.2	Form of Master Forward Sale Confirmation
5.1	Opinion of McGuireWoods LLP regarding the legality of the Shares
23.1	Consent of McGuireWoods LLP (included in Exhibit 5.1)
99.1	Press release, dated October 31, 2025, issued by NiSource Inc.
104	Cover page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NiSource Inc.

(Registrant)

Date: October 31, 2025

By: /s/ Shawn Anderson

Shawn Anderson

Executive Vice President and Chief Financial Officer

NISOURCE INC.
COMMON STOCK, PAR VALUE \$0.01 PER SHARE
EQUITY DISTRIBUTION AGREEMENT
October 31, 2025

To: [•]

To the Addressees:

NiSource Inc., a Delaware corporation (the “**Company**”), proposes from time to time (i) to issue and sell shares (the “**Primary Shares**”) of the Company’s common stock, par value \$0.01 per share (the “**Common Stock**”), through [•] (the “**Manager**”), acting as sales agent, and (ii) in consultation with the Forward Purchaser (as defined below) and the Manager, to instruct borrowed shares (the “**Forward Hedge Shares**”), and together with the Primary Shares, the “**Shares**”) of Common Stock to be sold through the Manager, acting in its capacity as agent for the Forward Purchaser as forward seller (the “**Forward Seller**”) for [•] or one or more of its affiliates (the “**Forward Purchaser**”) in connection with one or more Confirmations (as defined below), in each case on the terms set forth in this equity distribution agreement (this “**Agreement**”).

The Company has also entered into Equity Distribution Agreements (collectively, the “**Alternative Equity Distribution Agreements**”), each dated as of even date herewith, with each of [•],[•], [•] and [•] (each, in its capacity as sales agent and as forward seller thereunder, an “**Alternative Manager**”) and each of their related Alternative Forward Purchaser (as defined below) for the issuance and/or sale from time to time through the Alternative Managers of Shares on the terms set forth in the Alternative Equity Distribution Agreements and also may enter into one or more forward stock purchase transactions (collectively, the “**Alternative Confirmations**”) with [•],[•],[•] or [•] as a forward purchaser thereunder (the “**Alternative Forward Purchasers**”). This Agreement and the Alternative Equity Distribution Agreements are collectively referred to herein as the “**Equity Distribution Agreements**.” The Company, the Manager, the Forward Seller and the Forward Purchaser understand that the aggregate gross sales price of Shares to be sold pursuant to the Equity Distribution Agreements shall not exceed \$1,500,000,000 in the aggregate (the “**Maximum Program Amount**”).

The Company may enter into one or more forward stock purchase transactions with the Forward Purchaser as set forth in the applicable Confirmations. In connection therewith, the Forward Purchaser, through the Forward Seller, will effect sales of Forward Hedge Shares on the terms set forth in Section 2 of this Agreement. “**Confirmation**” means, for each Forward Sale (as defined below), the contract evidencing such Forward Sale between the Company and the Forward Purchaser, which shall be comprised of the Master Confirmation for Forward Sale, dated as of the date hereof, by and between the Company and the Forward Purchaser, including all provisions incorporated by reference therein (the “**Master Forward Confirmation**”), and the related “**Supplemental Confirmation**” and “**Pricing Report**” (each, as defined in the Master Forward Confirmation).

The Company has filed with the Securities and Exchange Commission (the “**Commission**”) a registration statement (File No. 333-291167), including a prospectus, on Form S-3, relating to the securities (the “**Shelf Securities**”), including the Shares, to be issued from time to time by the Company and/or to be sold through the Manager, the Forward Seller or the Alternative Managers as forward sellers pursuant to the Equity Distribution Agreements. The registration statement as of its most recent effective date, including the information (if any) deemed to be part of the registration statement at the time of effectiveness pursuant to Rule 430A or Rule 430B under the Securities Act of 1933, as amended (the “**Securities Act**”), is hereinafter referred to as the “**Registration Statement**”, and the related prospectus covering the Shelf Securities and filed as part of the Registration Statement, together with any amendments or supplements thereto as of the most recent effective date of the Registration Statement, is hereinafter referred to as the “**Basic Prospectus**”. “**Prospectus Supplement**” means the final prospectus supplement, relating to the Shares, filed by the Company with the Commission pursuant to Rule 424(b) under the Securities Act on or before the second business day after the date hereof, in the form furnished by the Company to the Manager, the Forward Seller or the Forward Purchaser, as applicable, in connection with the offering of the Shares. Except where the context otherwise requires, “**Prospectus**” means the Basic Prospectus, as supplemented by the Prospectus Supplement and the most recent Interim Prospectus Supplement (as defined below), if any. Notwithstanding the foregoing, if any revised basic prospectus, prospectus supplement or prospectus shall be provided to the Manager, the Forward Seller or the Forward Purchaser, as applicable, by the Company for use in connection with the offering and sale of the Shares which differs from the Basic Prospectus, Prospectus Supplement or Prospectus, as the case may be (whether or not such revised basic prospectus, prospectus supplement or prospectus is required to be filed by the Company pursuant to Rule 424(b) under the Securities Act), the terms “**Basic Prospectus**,” “**Prospectus Supplement**” and “**Prospectus**” shall refer to such revised basic prospectus, prospectus supplement or prospectus, as the case may be, from and after the time it is first provided to the Manager, the Forward Seller or the Forward Purchaser, as applicable, for such use. For purposes of this Agreement, “**free writing prospectus**” has the meaning set forth in Rule 405 under the Securities Act. “**Permitted Free Writing Prospectuses**” means the documents listed on Schedule I hereto or otherwise approved in writing by the Manager, the Forward Seller or the Forward Purchaser, as applicable, in accordance with Section 6(b), and “**broadly available road show**” means a “bona fide electronic road show” as defined in Rule 433(h)(5) under the Securities Act that has been made available without restriction to any person. As used herein, the terms “Registration Statement”, “Basic Prospectus”, “Prospectus Supplement”, “Interim Prospectus Supplement” and “Prospectus” shall include the documents, if any, incorporated by reference therein as of the date hereof. The terms “**supplement**”, “**amendment**” and “**amend**” as used herein with respect to the Registration Statement, the Basic Prospectus, the Prospectus Supplement, any Interim Prospectus Supplement or the Prospectus shall include all documents subsequently filed by the Company with the Commission pursuant to the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), that are deemed to be incorporated by reference therein (the “**Incorporated Documents**”).

1. *Representations and Warranties.* The Company represents and warrants to and agrees with the Manager, the Forward Seller and the Forward Purchaser:

(a) The Registration Statement has become effective; no stop order suspending the effectiveness of the Registration Statement is in effect; and no proceedings for such purpose or pursuant to Section 8(A) of the Securities Act are pending before or threatened by the Commission. The Company is a well-known seasoned issuer (as defined in Rule 405 under the Securities Act) eligible to use the Registration Statement as an automatic shelf registration statement, and the Company has not received notice that the Commission objects to the use of the Registration Statement as an automatic shelf registration statement.

(b) (i) (A) At the respective times the Registration Statement and each amendment thereto became effective, (B) at each deemed effective date with respect to the Manager pursuant to Rule 430B(f)(2) under the Securities Act (each, a “**Deemed Effective Time**”), (C) as of each time Shares are sold pursuant to this Agreement (each, a “**Time of Sale**”), (D) at each Settlement Date (as defined below) and (E) at all times during which a prospectus is required by the Securities Act to be delivered (whether physically or through compliance with Rule 172 under the Securities Act or any similar rule) in connection with any sale of Shares (the “**Delivery Period**”), the Registration Statement complied and will comply in all material respects with the requirements of the Securities Act and the rules and regulations under the Securities Act; (ii) the Basic Prospectus complied, or will comply, at the time it was, or will be filed, with the Commission, complies as of the date hereof (if filed with the Commission on or prior to the date hereof) and, as of each Time of Sale and at all times during the Delivery Period, will comply in all material respects with the rules and regulations under the Securities Act; (iii) each of the Prospectus Supplement, any Interim Prospectus Supplement and the Prospectus will comply, as of the date that such document is filed with the Commission, as of each Time of Sale, as of each Settlement Date and at all times during the Delivery Period, in all material respects with the rules and regulations under the Securities Act; and (iv) the Incorporated Documents, when they were filed with the Commission, conformed in all material respects to the requirements of the Exchange Act and the rules and regulations of the Commission thereunder, and any further Incorporated Documents so filed and incorporated by reference, when they are filed with the Commission, will conform in all material respects to the requirements of the Exchange Act and the rules and regulations of the Commission thereunder.

(c) (i) As of the date hereof, at the respective times the Registration Statement and each amendment thereto became effective and at each Deemed Effective Time, the Registration Statement did not and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; (ii) as of each Time of Sale, the Prospectus (as amended and supplemented at such Time of Sale) and any Permitted Free Writing Prospectus then in use, considered together (collectively, the “**General Disclosure Package**”), did not contain any untrue

statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; (iii) as of its date, the Prospectus did not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and (iv) at any Settlement Date, the Prospectus (as amended and supplemented at such Settlement Date) did not and will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided, however*, that this representation and warranty shall not apply to any statement or omission made in reliance upon and in conformity with information furnished in writing to the Company by the Manager, the Forward Seller or the Forward Purchaser, as applicable, expressly for use in the Prospectus or in the General Disclosure Package. For purposes of this Agreement, the only information so furnished in the Registration Statement, the Prospectus, the Prospectus Supplement (including any Interim Prospectus Supplement), the General Disclosure Package, any Permitted Free Writing Prospectus, any free writing prospectus that the Company has filed, or is required to file, pursuant to Rule 433(d) under the Securities Act, or any amendment or supplement thereto, shall be the Manager's or the Forward Seller's, as applicable, name on the cover of the Prospectus (as applicable, the "**Manager Information**").

(d) Any free writing prospectus that the Company is required to file pursuant to Rule 433(d) under the Securities Act has been, or will be, filed with the Commission in accordance with the requirements of the Securities Act and the applicable rules and regulations of the Commission thereunder. Each free writing prospectus that the Company has filed, or is required to file, pursuant to Rule 433(d) under the Securities Act or that was prepared by or on behalf of or used or referred to by the Company complies or will comply in all material respects with the requirements of the Securities Act and the applicable rules and regulations of the Commission thereunder. Each free writing prospectus, as of its issue date and at all subsequent times through the completion of the public offer and sale of the Shares or until any earlier date that the Company notified or notifies the Manager, the Forward Seller or the Forward Purchaser, as applicable, did not, does not and will not include any material information that conflicted, conflicts or will conflict with the information contained in the Registration Statement or the Prospectus. Each broadly available road show, if any, when considered together with the General Disclosure Package, does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. Except for the Permitted Free Writing Prospectuses, if any, and electronic road shows, if any, furnished to and approved by the Manager, the Forward Seller or the Forward Purchaser, as applicable, in accordance with Section 6(b), the Company has not prepared, used or referred to, and will not, prepare, use or refer to, any free writing prospectus.

(e) (i) (A) At the time of filing the Registration Statement, (B) at the time of the most recent amendment thereto for the purposes of complying with Section 10(a)(3) of the Securities Act (whether such amendment was by post-effective amendment, incorporated report filed pursuant to Section 13 or 15(d) of the Exchange Act or form of prospectus) and (C) at the time the Company or any person acting on its behalf (within the meaning, for this clause only, of Rule 163(c) under the Securities Act) made any offer relating to the Shelf Securities in reliance on the exemption of Rule 163 under the Securities Act, the Company was not an “ineligible issuer” as defined in Rule 405 under the Securities Act; and (ii)(A) at the time of filing of the Registration Statement, (B) at the earliest time thereafter that the Company or another offering participant made a bona fide offer (within the meaning of Rule 164(h)(2) under the Securities Act) of the Shares and (C) at the date hereof, the Company was not and is not an “ineligible issuer” as defined in Rule 405 under the Securities Act.

(f) The Company has been duly incorporated and is a validly existing corporation in good standing under the laws of the State of Delaware, with power and authority (corporate and other) to own its properties and conduct its business as described in each of the Registration Statement, the Prospectus and the General Disclosure Package; and the Company is duly qualified to transact business as a foreign corporation in good standing in all other jurisdictions in which its ownership or lease of property or the conduct of its business requires such qualification, or is subject to no material liability or disability by reason of the failure to be so qualified in any such jurisdiction; all of the issued and outstanding capital stock of the Company has been duly authorized and validly issued and is fully paid and nonassessable.

(g) Each significant subsidiary (as defined in Rule 405 under the Securities Act) of the Company (each direct and indirect significant subsidiary of the Company being hereinafter referred to as a “**Significant Subsidiary**” and all such direct and indirect significant subsidiaries of the Company being hereinafter referred to collectively as the “**Significant Subsidiaries**”) has been duly incorporated or duly formed and is a validly existing corporation or limited liability company, as the case may be, in good standing under the laws of the jurisdiction of its incorporation or formation, with power and authority (corporate or limited liability, and other) to own its properties and conduct its business as described in each of the Registration Statement, the Prospectus and the General Disclosure Package; and each Significant Subsidiary is duly qualified to do business as a foreign corporation or limited liability company, as the case may be, in good standing in all other jurisdictions in which its ownership or lease of property or the conduct of its business requires such qualification, or is subject to no material liability or disability by reason of the failure to be so qualified in any such jurisdiction; all of the issued and outstanding capital stock or other equity interests of each Significant Subsidiary has been duly authorized and validly issued and is fully paid and, to the extent applicable, nonassessable; and except as otherwise disclosed in each of the Registration Statement, the Prospectus and the General Disclosure Package, all of the capital stock or other equity interests of each Significant Subsidiary is owned by the Company, directly or through subsidiaries, free from liens, encumbrances and defects.

(h) The Primary Shares, any shares of Common Stock to be delivered by the Company to the Forward Purchaser pursuant to any Confirmation or to any Alternative Forward Purchaser pursuant to any Alternative Confirmation (the “**Confirmation Shares**”) and all other outstanding shares of capital stock of the Company have been duly authorized; all outstanding shares of capital stock of the Company are, and, when the Primary Shares and any Confirmation Shares have been delivered and paid for in accordance with this Agreement or any Confirmation, such shares of Common Stock will have been validly issued, fully paid and nonassessable and will conform to the descriptions thereof contained in each of the Registration Statement, the Prospectus and the General Disclosure Package; and the stockholders of the Company have no preemptive rights with respect to such shares of Common Stock.

(i) Except for the discounts and commissions payable by the Company to the Manager, the Forward Seller, the Forward Purchaser, any Alternative Manager or any Alternative Forward Purchaser in connection with the offering of the Shares contemplated herein or in any Alternative Equity Distribution Agreement or as otherwise disclosed in each of the Registration Statement, the Prospectus and the General Disclosure Package, there are no contracts, agreements or understandings between the Company and any person that would give rise to a valid claim against the Company, the Forward Purchaser, the Forward Seller, or the Manager for a brokerage commission, finder’s fee or other like payment in connection with the sale of the Shares.

(j) There are no contracts, agreements or understandings between the Company and any person granting such person the right to require the Company to file a registration statement under the Securities Act with respect to any securities of the Company owned or to be owned by such person or to require the Company to include such securities with the securities registered pursuant to the Registration Statement or with any securities being registered pursuant to any other registration statement filed by the Company under the Securities Act.

(k) The outstanding shares of Common Stock are listed on The New York Stock Exchange LLC (the “**Exchange**”), and the Primary Shares and any Confirmation Shares have been approved for listing on the Exchange, subject to notice of issuance.

(l) No consent, approval, authorization, or order of, or filing with, any governmental agency or body or any court is required for the consummation of the transactions contemplated by this Agreement and each Confirmation, in connection with the issuance and sale of the Shares by the Company, except such as have been obtained and made under the Securities Act, and such as may be required under the Federal Power Act, the Exchange Act and state securities laws.

(m) The execution, delivery and performance of this Agreement, any Confirmation and the issuance and sale of the Shares will not result in a breach or violation of any of the terms and provisions of, or constitute a default under, (i) the charter or by-laws of the Company or any subsidiary of the Company (each direct and indirect subsidiary of the Company being hereinafter referred to as a “**Subsidiary**” and all such direct and indirect subsidiaries of the Company being hereinafter referred to collectively as the “**Subsidiaries**”), (ii) any statute or any rule, regulation or order of any governmental agency or body or any court, domestic or foreign, having jurisdiction over the Company or any Subsidiary or any of their properties, or (iii) any agreement or instrument to which the Company or any Subsidiary is a party or by which the Company or any Subsidiary is bound or to which any of the properties of the Company or any Subsidiary is subject, except in the case of clauses (ii) and (iii) where such violation, breach or default would not, individually or in the aggregate, have a material adverse effect on the condition (financial or other), business, properties, or results of operations of the Company and the Subsidiaries taken as a whole (“**Material Adverse Effect**”) and would not materially and adversely affect the ability of the Company to perform its obligations under this Agreement, any Confirmation, or which would otherwise be material in the context of the sale of the Shares; and the Company has full power and authority to authorize, issue and sell the Shares as contemplated by this Agreement or any Confirmation.

(n) This Agreement has been duly authorized, executed and delivered by the Company.

(o) Except as disclosed in each of the Registration Statement, the Prospectus and the General Disclosure Package, the Company and the Subsidiaries have good and marketable title to all real properties and all other properties and assets owned by them, in each case free from liens, encumbrances and defects that would materially interfere with the use made or to be made thereof by them or would, individually or in the aggregate, have a Material Adverse Effect; and except as disclosed in each of the Registration Statement, the Prospectus and the General Disclosure Package, the Company and the Subsidiaries hold any leased real or personal property under valid and enforceable leases with no exceptions that would materially interfere with the use made or to be made thereof by them or would, individually or in the aggregate, have a Material Adverse Effect.

(p) The Company and the Subsidiaries possess adequate certificates, authorities or permits issued by appropriate governmental agencies or bodies necessary to conduct the business now operated by them and have not received any notice of proceedings relating to the revocation or modification of any such certificate, authority or permit that, if determined adversely to the Company or any of the Subsidiaries would, individually or in the aggregate, have a Material Adverse Effect.

(q) Except as disclosed in each of the Registration Statement, the Prospectus and the General Disclosure Package, neither the Company nor any Significant Subsidiary has any material contingent liability.

(r) Except as disclosed in each of the Registration Statement, the Prospectus and the General Disclosure Package, there are no pending actions, suits, proceedings or investigations against or affecting the Company or any Subsidiary or any of their respective properties, assets or operations that could, individually or in the aggregate, be reasonably expected to have a Material Adverse Effect or to affect materially and adversely the ability of the Company to perform its obligations under this Agreement and each Confirmation, or which are otherwise material in the context of the sale of the Shares; and, to the knowledge of the Company, no such actions, suits, proceedings or investigations are threatened.

(s) The financial statements of the Company included or incorporated by reference in each of the Registration Statement, the Prospectus and the General Disclosure Package present fairly the financial position of the entity presented and its consolidated subsidiaries as of the dates shown and their results of operations and cash flows for the periods shown, and, except as otherwise disclosed in each of the Registration Statement, the Prospectus and the General Disclosure Package, such financial statements have been prepared in conformity with generally accepted accounting principles in the United States applied on a consistent basis with all other financial statements presented for such entity; and any schedules included or incorporated by reference in each of the Registration Statement, the Prospectus and the General Disclosure Package present fairly the information required to be stated therein. The interactive data in eXtensible Business Reporting Language included or incorporated by reference in each of the Registration Statement, the General Disclosure Package and the Prospectus fairly presents the information called for in all material respects and is prepared in accordance with the Commission's rules and guidelines applicable thereto.

(t) Except as disclosed in each of the Registration Statement, the Prospectus and the General Disclosure Package, since the date of the latest audited financial statements included or incorporated by reference in each of the Registration Statement, the Prospectus and the General Disclosure Package, there has been no material adverse change, nor any development or event involving a prospective material adverse change, in the condition (financial or other), business, properties or results of operations of the Company and the Subsidiaries taken as a whole, and, except as disclosed in or contemplated by each of the Registration Statement, the Prospectus and the General Disclosure Package, there has been no dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock other than dividends or distributions made in the ordinary course of business consistent with past practice or pursuant to the terms of any outstanding preferred stock.

(u) The Company is not, and after giving effect to the offering and sale of the Shares, the consummation of the transactions contemplated by any Confirmation or any Alternative Confirmation and the application of the proceeds thereof as described in each of the Registration Statement, the Prospectus and the General Disclosure Package will not be, an “investment company” as defined in the Investment Company Act of 1940, as amended.

(v) [Reserved].

(w) The Company maintains a system of “disclosure controls and procedures” (as defined in Rule 13a-15(e) under the Exchange Act) that is designed to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Commission’s rules and forms, including controls and procedures designed to ensure that such information is accumulated and communicated to the Company’s management as appropriate to allow timely decisions regarding required disclosure. The Company has carried out evaluations of the effectiveness of their disclosure controls and procedures as required by Rule 13a-15 under the Exchange Act.

(x) The Company maintains a system of “internal control over financial reporting” (as defined in Rule 13a-15(f) under the Exchange Act) that complies with the requirements of the Exchange Act and has been designed by, or under the supervision of, its principal executive and principal financial officers, or persons performing similar functions, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles, including, but not limited to, internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with the Company’s management’s general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management’s general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

(y) The Master Forward Confirmation has been duly authorized, executed and delivered by the Company and constitutes, and any Supplemental Confirmation will be duly authorized, executed and delivered by the Company and will constitute, a valid and binding agreement of the Company, enforceable against the Company in accordance with its terms, except as the enforcement thereof may be limited by bankruptcy, insolvency (including, without limitation, all laws relating to fraudulent transfers), reorganization, moratorium or similar laws affecting enforcement of creditors’ rights generally and except as enforcement thereof is subject to general principles of equity (regardless of whether enforcement is considered in a proceeding in equity or at law). The description of the Master Forward Confirmation set forth in the Prospectus and the General Disclosure Package is correct in all material respects.

(z) Assuming that the Forward Seller complies with Rule 173 under the Securities Act in connection with the sales of Shares in an amount not greater than the Number of Shares (as defined in each applicable Confirmation) and assuming that the Forward Seller complies with the requirements of the letter dated October 6, 2003 submitted on behalf of Goldman, Sachs & Co. to Paula Dubberly of the staff of the Securities and Exchange Commission (the “Staff”), to which the Staff responded in an interpretive letter dated October 9, 2003, in connection with closing out open borrowings of Common Stock created in the course of the hedging activities set forth below, (i) the issuance and sale by the Company of the Confirmation Shares to the Forward Purchaser in settlement of any Confirmation in accordance with the terms thereof and the delivery by the Forward Purchaser or its affiliate of the Confirmation Shares during the term of and at settlement of any Confirmation to close out open borrowings of Common Stock created in the course of the hedging activities created by the Forward Purchaser or its affiliate relating to its exposure under any Confirmation will not require registration under the Securities Act, (ii) the Company will not have an obligation to file a prospectus supplement pursuant to Rule 424(b) under the Securities Act regulations in connection with any Confirmation Shares delivered to the Forward Purchaser or its affiliate by the Company upon such settlement, and (iii) no prospectus supplement will be required to be filed under Rule 424(b) under the Securities Act in connection with any Confirmation Shares delivered by the Forward Purchaser or its affiliate to close out open borrowings created in the course of the hedging activities created by the Forward Purchaser or its affiliate relating to its exposure under any Confirmation. Except for the Alternative Equity Distribution Agreements and as otherwise disclosed in each of the Registration Statement, the Prospectus and the General Disclosure Package, the Company has not entered into any other sales agreements or other similar arrangements with any agent or any other representative in respect of at the market offerings of the Shares in accordance with Rule 415(a)(4) under the Securities Act.

(aa) (i) None of the Company or any of the Subsidiaries or any director or officer thereof, or, to the Company’s knowledge, any employee, agent or representative thereof, has taken or will take any action in furtherance of an offer, payment, promise to pay, or authorization or approval of the payment, giving or receipt of money, property, gifts or anything else of value, directly or indirectly, to any government official (including any officer or employee of a government or government-owned or controlled entity or of a public international organization, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office) (“**Government Official**”) in order to influence official action, or to any person in violation of any applicable anti-corruption laws; (ii) the Company and the Subsidiaries and affiliates have conducted their businesses in compliance with applicable anti-corruption laws and have instituted and maintained and will continue to maintain policies and procedures reasonably designed to promote and

achieve compliance with such laws and with the representations and warranties contained herein; and (iii) neither the Company nor the Subsidiaries will use, directly or indirectly, the proceeds of the offering in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any person in violation of any applicable anti-corruption laws.

(bb) The operations of the Company and the Subsidiaries are and have been conducted at all times in material compliance with all applicable financial recordkeeping and reporting requirements, including those of the Bank Secrecy Act, as amended by Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act), and the applicable anti-money laundering statutes of jurisdictions where the Company and the Subsidiaries conduct business, the rules and regulations thereunder and any applicable related or similar rules, regulations or guidelines issued, administered or enforced by any governmental agency (collectively, the “**Anti-Money Laundering Laws**”), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of the Subsidiaries with respect to the Anti-Money Laundering Laws is pending or, to the best knowledge of the Company, threatened.

(cc) (i) None of the Company or any Subsidiary or any director or officer thereof, or, to the Company’s knowledge, any employee, agent, affiliate or representative thereof, is an individual or entity (“**Person**”) that is, or is owned or controlled by one or more Persons that are:

(A) the subject of any sanctions administered or enforced by the U.S. Department of the Treasury’s Office of Foreign Assets Control, the United Nations Security Council, the European Union, His Majesty’s Treasury, or other relevant sanctions authority (collectively, “**Sanctions**”), or

(B) located, organized or resident in a country or territory that is the subject of Sanctions (including, without limitation, the Crimea Region, the so-called Donetsk People’s Republic, the so-called Luhansk People’s Republic, or any other Covered Region of Ukraine identified pursuant to Executive Order 14065, Cuba, Iran, North Korea, Venezuela and Syria).

(ii) The Company will not, directly or indirectly, use the proceeds of the offering, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other Person:

(A) to fund or facilitate any activities or business of or with any Person or in any country or territory that, at the time of such funding or facilitation, is the subject of Sanctions; or

(B) in any other manner that will result in a violation of Sanctions by any Person (including any Person participating in the offering, whether as underwriter, advisor, investor or otherwise).

(iii) The Company and the Subsidiaries have not, since the more recent of April 24, 2019 or 10 years prior to the date of the Agreement, knowingly engaged in, are not now knowingly engaged in, and will not engage in, any dealings or transactions with any Person, or in any country or territory, that at the time of the dealing or transaction is or was the subject of Sanctions.

(dd) (i)(A) Except as disclosed in each of the Registration Statement, the Prospectus and the General Disclosure Package, there has been no security breach or other compromise of or relating to any of the Company's or any Subsidiary's information technology and computer systems, networks, hardware, software, data (including the data of their respective customers, employees, suppliers, vendors and any third-party data maintained by or on behalf of it), equipment or technology (collectively, "**IT Systems and Data**") and (B) the Company and the Subsidiaries have not been notified of, and have no knowledge of any event or condition that would reasonably be expected to result in, any security breach or other compromise to their IT Systems and Data, except as would not, in the case of this clause (i), individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; (ii) the Company and the Subsidiaries are presently in compliance with all applicable laws or statutes and all judgments, orders, rules and regulations of any court or arbitrator or governmental or regulatory authority, internal policies and contractual obligations relating to the privacy and security of IT Systems and Data and to the commercially reasonable protection of such IT Systems and Data from unauthorized use, access, misappropriation or modification, except as would not, in the case of this clause (ii), individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; and (iii) the Company and the Subsidiaries have implemented backup and disaster recovery technology reasonably consistent with industry standards and practices.

2. Sale of Securities. On the basis of the representations, warranties and agreements herein contained, but subject to the terms and conditions herein set forth, (x) the Company and the Manager agree that the Company may from time to time issue and sell Shares through the Manager, acting as sales agent (any such sale, a "**Direct Sale**") or (y) the Company may from time to time, in consultation with the Forward Purchaser and the Forward Seller, instruct Forward Hedge Shares to be sold through the Manager, acting as forward seller (any such sale, a "**Forward Sale**").

(a) If the Company wishes that the Manager or the Forward Seller, as applicable, sell Shares, then it shall instruct the Manager or the Forward Seller, as applicable, by email (including any price, time or size limits or other customary parameters or conditions) to sell such Shares on any Trading Day (as defined below) using a form substantially similar to that attached hereto as Exhibit A (the "**Transaction Confirmation**"). Such Transaction Confirmation shall also (i)

specify whether such Shares will be sold through the Manager, acting as sales agent in a Direct Sale, or through the Forward Seller in connection with a Forward Sale and (ii) if such Transaction Confirmation specifies that it relates to a Forward Sale, be accompanied by a duly executed Supplemental Confirmation, with terms corresponding to such Forward Sale. If the Manager, the Forward Seller or the Forward Purchaser, as applicable, wishes to accept the proposed terms included in the Transaction Confirmation and, if applicable, Supplemental Confirmation (which they may decline to do for any reason in their sole discretion) or, following discussion with the Company, wishes to accept amended terms, then the Manager, the Forward Seller or the Forward Purchaser, as applicable, will issue to the Company a notice by email (or other method mutually agreed to in writing by the parties hereto) setting forth the terms that the Manager, the Forward Seller and Forward Purchaser are willing to accept. Where the terms provided in the Transaction Confirmation and, if applicable, Supplemental Confirmation, are amended as provided for in the immediately preceding sentence, such terms will not be binding on the Company, the Manager or the Forward Seller and the Forward Purchaser, as applicable, until the Company confirms its acceptance of all of the terms of such Transaction Confirmation, as amended, by email or telephone, with confirmation to be provided promptly thereafter by email (or other method mutually agreed to in writing by the parties hereto), along with, to the extent necessary, a duly executed amended Supplemental Confirmation with terms corresponding to such amended Transaction Confirmation. Notwithstanding the foregoing, the Company and the Manager and/or Forward Seller may elect that, with respect to any Direct Sale or Forward Sale, the Manager shall deliver the applicable Transaction Confirmation and, if applicable, Supplemental Confirmation, to the Company, which may acknowledge and agree to such Transaction Confirmation and, if applicable, Supplemental Confirmation, in writing. No Transaction Confirmation may be delivered if an ex-dividend date or ex-date, as applicable for any dividend or distribution payable by the Company on the Common Stock, is scheduled to occur during the period from, and including, the first scheduled Trading Day of the related Forward Hedge Selling Period (as defined in the Transaction Confirmation) to, and including, the last scheduled Trading Day of such Forward Hedge Selling Period. No selling period for the Shares may overlap in whole or in part with any “Unwind Period” (as defined in the Transaction Confirmation) under any Confirmation or Alternative Confirmations. As used herein, “**Trading Day**” shall mean any trading day on the Exchange, other than a day on which the Exchange is scheduled to close prior to its regular closing time. The Company agrees that any offer to sell, any solicitation of an offer to buy, or any sales of Shares pursuant to this Agreement or the Alternative Equity Distribution Agreements shall be effected by or through only the Manager or the Forward Seller, as applicable, or an Alternative Manager under an Alternative Distribution Agreement, as applicable, on any single day, but in no event by more than one of them, and the Company shall in no event request that the Manager or the Forward Seller, as applicable, and the Alternative Managers sell Shares on the same day.

(b) Subject to the terms and conditions hereof and, with respect to a Forward Sale, the applicable Confirmation, the Manager or the Forward Seller, as applicable, shall use its commercially reasonable efforts to execute any Company order submitted to it hereunder to sell Shares with respect to which the Manager has agreed to act as sales agent, if a Direct Sale, or as the Forward Seller, if a Forward Sale, respectively. The Company acknowledges and agrees that (i) there can be no assurance that the Manager or the Forward Seller, as applicable, will be successful in selling the Shares; (ii) the Manager or the Forward Seller, as applicable, will incur no liability or obligation to the Company, the Forward Purchaser or any other person or entity if it does not sell Shares for any reason and (iii) the Manager or the Forward Seller, as applicable, shall be under no obligation to purchase Shares on a principal basis pursuant to this Agreement.

(c) The Company shall not authorize the issuance or sale of, and the Manager or the Forward Seller, as applicable, shall not sell, any Share at a price lower than the minimum price therefor designated by the Company pursuant to Section 2(a) of this Agreement. In addition, the Company, the Manager or the Forward Seller, as applicable, may, upon notice to the other party hereto by telephone (confirmed promptly by email), suspend an offering of the Shares pursuant to this Agreement; *provided, however*, that such suspension or termination shall not affect or impair the parties' respective obligations with respect to the Shares sold hereunder prior to the giving of such notice. Under no circumstances shall the aggregate offering price of Shares sold pursuant to this Agreement and the Alternative Equity Distribution Agreements exceed the Maximum Program Amount.

(d) The Manager or the Forward Seller, as applicable, shall provide written confirmation (which may be by email) to the Company following the close of trading on the Exchange each day in which Shares are sold under this Agreement setting forth (i) the amount of Shares sold on such day, (ii) the price or prices at which such Shares were sold on such day, (iii) the gross offering proceeds received from such sale, (iv) the aggregate Net Proceeds (as defined below) to the Company or the Forward Purchaser, as applicable, and (v) the commission payable by the Company to the Manager or the Forward Seller, as applicable, with respect to such sales, which shall be set forth and invoiced in periodic statements from the Manager to the Company, with payment to be made by the Company promptly after its receipt thereof.

(e) At each Time of Sale, Settlement Date and Representation Date (as defined below), the Company shall be deemed to have affirmed each representation and warranty contained in this Agreement. Any obligation of the Manager or the Forward Seller, as applicable, to use its commercially reasonable efforts to sell the Shares on behalf of the Company as sales agent or the Forward Seller, as applicable, shall be subject to the continuing accuracy of the representations and warranties of the Company herein, to the performance by the Company of its obligations hereunder and to the continuing satisfaction of the additional conditions specified in Section 5 of this Agreement.

(f) Notwithstanding any other provision of this Agreement, the Company, the Manager and the Forward Seller agree that no sales of Shares shall take place, the Company shall not request the sales of any Shares that would be sold, the Manager and the Forward Seller shall not be obligated to sell or offer to sell Shares, and the Company shall not request the amendment of the Transaction Confirmation and, if applicable, any Supplemental Confirmation, during (i) the period beginning on the first business day after the end of each calendar quarter through and including the end of the first business day following the date on which the Company files a Quarterly Report on Form 10-Q or an Annual Report on Form 10-K that includes consolidated financial statements as of and for the applicable fiscal periods to which such report relates or (ii) any other period in which the Company is in possession of material non-public information.

(g) Notwithstanding anything herein to the contrary, in the event that, in the Forward Purchaser's sole judgement, it (or its affiliate) (i) is unable, after using commercially reasonable efforts, to borrow and deliver for sale the full number of Forward Hedge Shares to be borrowed and sold pursuant to this Agreement or (ii) would incur a stock loan cost that is more than the rate set forth in the applicable Supplemental Confirmation, then the Forward Seller shall be required to sell on behalf of the Forward Purchaser (or its affiliate) only the aggregate number of Forward Hedge Shares that the Forward Purchaser (or its affiliate) is able to so borrow below such cost.

3. *Fee.* (a) (i) The compensation to the Manager for sales of the Primary Shares with respect to which the Manager acts as sales agent hereunder shall be an amount not to exceed 2.00% of the gross offering proceeds of the Shares sold pursuant to this Agreement and (ii) the compensation payable to the Forward Seller for sales of Forward Hedge Shares shall be an amount not to exceed 2.00% of the volume weighted average of the sales prices of all Forward Hedge Shares sold during the applicable period by the Forward Seller, unless the parties otherwise agree. The remaining proceeds shall constitute the net proceeds to the Company or the Forward Purchaser, as applicable, for such sales (the "**Net Proceeds**").

(b) If this Agreement is terminated by the Company prior to December 31, 2028 in accordance with the provisions of Section 10 of this Agreement and, at the time of the Company's notice of termination, the gross purchase price of the Shares sold pursuant to this Agreement is less than \$100,000,000, the Company shall reimburse the Manager or the Forward Seller, as applicable, for all of its reasonable out-of-pocket expenses, including the reasonable fees and disbursements of counsel for the Manager, the Forward Seller and the Forward Purchaser incurred by it in connection with the offering contemplated by this Agreement.

4. *Payment, Delivery and Other Obligations.* Settlement for sales of the Shares pursuant to this Agreement will occur on the first Trading Day (or such earlier day as is industry practice for regular-way trading) following the date on which such sales are made.

(a) On each date of settlement of any Direct Sale (each such day, a “**Direct Settlement Date**”), the Primary Shares sold through the Manager for settlement on such date shall be issued and delivered by the Company to the Manager against payment by the Manager of the Net Proceeds from the sale of such Primary Shares. Settlement for all such Primary Shares shall be effected by free delivery of the Primary Shares by the Company or its transfer agent to the Manager’s or its designee’s account (*provided* that the Manager shall have given the Company written notice of such designee prior to the Settlement Date) at The Depository Trust Company or by such other means of delivery as may be mutually agreed upon by the relevant parties hereto, which in all cases shall be freely tradable, transferable, registered shares in good deliverable form, in return for payment in same day funds delivered to the account designated by the Company. If the Company, or its transfer agent (if applicable), shall default on its obligation to deliver the Primary Shares on any Direct Settlement Date, the Company shall (i) hold the Manager harmless against any loss, claim, damage, or expense (including reasonable legal fees and expenses), as incurred, arising out of or in connection with such default by the Company and (ii) pay the Manager any commission, discount or other compensation to which it would otherwise be entitled absent such default.

(b) On each date of settlement for any Forward Sale (each such day, a “**Forward Settlement Date**”), the Forward Hedge Shares shall be delivered by the Forward Purchaser (or its affiliate) to the Forward Seller in book-entry form to the Forward Seller’s account at The Depository Trust Company against payment by the Forward Seller of the Net Proceeds from the sale of such Forward Hedge Shares in same day funds delivered to an account designated by the Forward Purchaser (or its affiliate), or by such other means of delivery as may be mutually agreed upon by the relevant parties hereto. For purposes of this Agreement, references to “**Settlement Date**” shall include any Direct Settlement Date and any Forward Settlement Date.

5. *Conditions to the Manager’s and Forward Seller’s Obligations.* The obligations of the Manager and the Forward Seller are subject to the following conditions:

(a) Since the later of (A) the date of this Agreement and (B) the immediately preceding Representation Date:

(i) there shall not have occurred any downgrading, nor shall any notice have been given of any intended or potential downgrading or of any review for a possible change that does not indicate the direction of the possible change, in the rating accorded any of the securities of the Company or any of the Subsidiaries by any “nationally recognized statistical rating organization”, as such term is defined in Section 3(a)(62) of the Exchange Act; and

(ii) there shall not have occurred any change, or any development involving a prospective change, in the condition, financial or otherwise, or in the earnings, business or operations of the Company and the Subsidiaries, taken as a whole, from the respective dates of the Registration Statement, the Prospectus and the General Disclosure Package that, in the Manager's or the Forward Seller's judgment, is material and adverse and that makes it, in the Manager's or the Forward Seller's judgment, impracticable to market the Shares on the terms and in the manner contemplated in the Prospectus.

(b) The Manager, the Forward Seller and the Forward Purchaser shall have received on each date specified in Section 6(l) of this Agreement a certificate, dated such date and signed by an executive officer or treasurer of the Company, to the effect set forth in Sections 5(a)(i) and 5(a)(ii) of this Agreement and to the effect that (i) the representations and warranties of the Company contained in this Agreement are true and correct as of such date; (ii) the Company has complied with all of the agreements and satisfied all of the conditions on its part to be performed or satisfied hereunder on or before such date; (iii) no stop order suspending the effectiveness of the Registration Statement has been issued and no proceeding for that purpose or pursuant to Section 8(A) of the Securities Act has been initiated or, to the knowledge of the Company, threatened by the Commission; (iv) the Prospectus Supplement, any Interim Prospectus Supplement and each Permitted Free Writing Prospectus have been timely filed with the Commission under the Securities Act (in the case of a Permitted Free Writing Prospectus, to the extent required by Rule 433 under the Securities Act), and all requests for additional information on the part of the Commission have been complied with or otherwise satisfied; (v) as of such date and as of each Time of Sale, if any, subsequent to the immediately preceding Representation Date, the Registration Statement did not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading; and (vi) as of such date and as of each Time of Sale, if any, subsequent to the immediately preceding Representation Date, the General Disclosure Package did not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided, however*, that no such certificate shall apply to any statements or omissions made in reliance upon and in conformity with the Manager Information.

The officer signing and delivering such certificate may rely upon the best of his or her knowledge as to proceedings threatened.

(c) (i) The Manager and, if applicable, the Forward Seller and the Forward Purchaser shall have received on each date specified in Section 6(m) of this Agreement, an opinion and negative assurance letter of outside counsel for the Company, dated such date, in form and substance reasonably satisfactory to the Manager and if applicable, the Forward Seller and the Forward Purchaser; and

(ii) The Manager and, if applicable, the Forward Seller and the Forward Purchaser shall have received on each date specified in Section 6(m) of this Agreement, an opinion of internal counsel for the Company, dated such date, in form and substance satisfactory to the Manager and, if applicable, the Forward Seller and the Forward Purchaser.

The opinions of counsel for the Company described in Sections 5(c)(i) and 5(c)(ii) of this Agreement shall be rendered to the Manager and, if applicable, the Forward Seller and the Forward Purchaser at the request of the Company and shall so state therein.

(d) The Manager, the Forward Seller and the Forward Purchaser shall have received on each date specified in Section 6(n) of this Agreement, an opinion and negative assurance letter of Hunton Andrews Kurth LLP, counsel for the Manager, the Forward Seller and the Forward Purchaser, dated such date, in form and substance reasonably satisfactory to the Manager.

(e) The Manager shall have received on each date specified in Section 6(o) of this Agreement, a letter dated such date in form and substance satisfactory to the Manager, from Deloitte & Touche LLP, independent public accountants for the Company, (i) confirming that they are an independent registered public accounting firm within the meaning of the Securities Act, the Exchange Act and the Public Company Accounting Oversight Board, (ii) stating, as of such date, the conclusions and findings of such firm with respect to the financial information and other matters ordinarily covered by accountants' "comfort letters" to underwriters in connection with registered public offerings (the first such letter, the "**Initial Comfort Letter**") and (iii) updating the Initial Comfort Letter with any information that would have been included in the Initial Comfort Letter had it been given on such date and modified as necessary to relate to the Registration Statement, the Prospectus Supplement, the Prospectus or any issuer free writing prospectus, as amended and supplemented to the date of such letter.

(f) All filings with the Commission required by Rule 424 under the Securities Act to have been filed by the Company by each Time of Sale or related Settlement Date shall have been made within the applicable time period prescribed for such filing by Rule 424 (without reliance on Rule 424(b)(8)).

(g) The Primary Shares and any Confirmation Shares shall have been approved for listing on the Exchange, subject only to a notice of issuance at or prior to the applicable Settlement Date.

(h) The Common Stock shall be an "actively-traded security" excepted from the requirements of Rule 101 of Regulation M under the Exchange Act by subsection (c)(1) of such rule.

6. *Covenants of the Company.* The Company covenants with the Manager, the Forward Seller and the Forward Purchaser as follows:

(a) To the extent not previously delivered or filed on the Commission's Electronic Data Gathering, Analysis and Retrieval system, to furnish to the Manager, the Forward Seller and the Forward Purchaser copies of the Registration Statement (excluding exhibits) and copies of the Prospectus (or the Prospectus as amended or supplemented) in such quantities as the Manager, the Forward Seller or the Forward Purchaser, as the case may be, may from time to time reasonably request, and, in case the Manager or the Forward Seller is required to deliver, under the Securities Act (whether physically or through compliance with Rule 172 under the Securities Act or any similar rule), a prospectus relating to the Shares after the nine-month period referred to in Section 10(a)(3) of the Securities Act, or after the time a post-effective amendment to the Registration Statement is required pursuant to Item 512(a) of Regulation S-K under the Securities Act, upon the request of the Manager, the Forward Seller or the Forward Purchaser, as the case may be, and at its own expense, the Company shall prepare and deliver to the Manager, the Forward Seller and the Forward Purchaser as many copies as the Manager, the Forward Seller or the Forward Purchaser may request of an amended Registration Statement or amended or supplemented prospectus complying with Item 512(a) of Regulation S-K or Section 10(a)(3) of the Securities Act, as the case may be.

(b) Before amending or supplementing the Registration Statement or the Prospectus, to furnish to the Manager a copy of each such proposed amendment or supplement and not to file any such proposed amendment or supplement to which the Manager, the Forward Seller and the Forward Purchaser reasonably object (other than (i) any prospectus supplement relating to the offering of Shelf Securities other than the Common Stock or (ii) by means of an Annual Report on Form 10-K, Quarterly Report on Form 10-Q, Current Report on Form 8-K or Registration Statement on Form 8-A or any amendments to any of the foregoing filed with the Commission under the Exchange Act and incorporated or deemed incorporated by reference into the Registration Statement or the Prospectus). To furnish to the Manager, the Forward Seller and the Forward Purchaser a copy of each proposed free writing prospectus relating to the Shares to be prepared by or on behalf of, used by, or referred to by the Company and not to use or refer to any proposed free writing prospectus to which the Manager, the Forward Seller and the Forward Purchaser reasonably object. Not to take any action that would result in the Manager, the Forward Seller or the Company being required to file with the Commission pursuant to Rule 433(d) under the Securities Act a free writing prospectus prepared by or on behalf of the Manager, the Forward Seller or the Forward Purchaser that the Manager, the Forward Seller or the Forward Purchaser otherwise would not have been required to file thereunder.

(c) To file promptly all reports and any definitive proxy or information statements required to be filed by the Company with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of the Prospectus Supplement and for the duration of the Delivery Period. For the duration of the Delivery Period, to include in its quarterly reports on Form 10-Q, and in its annual reports on Form 10-K, a summary detailing, for the relevant reporting period, (i) the number of Shares sold through the Manager and the

Forward Seller under this Agreement and through the Alternative Managers under the Alternative Equity Distribution Agreements during such fiscal quarterly period, (ii) the Net Proceeds received by the Company from such sales and (iii) the aggregate compensation deemed paid by the Company with respect to sales of Shares pursuant to this Agreement and the Alternative Equity Distribution Agreements, together with any other information that the Company reasonably believes is required to comply with the Exchange Act or any rules or regulations thereunder (or alternatively, to prepare a prospectus supplement (each, an “**Interim Prospectus Supplement**”) with such summary information and, at least once a quarter and subject to Section 6(b) of this Agreement, file such Interim Prospectus Supplement pursuant to Rule 424(b) under the Securities Act (and within the time periods required by Rule 424(b) and Rules 430A, 430B or 430C under the Securities Act)).

(d) To file any Permitted Free Writing Prospectus to the extent required by Rule 433 under the Securities Act and to provide copies of the Prospectus and such Prospectus Supplement and each Permitted Free Writing Prospectus (in each case, to the extent not previously delivered or filed on the Commission’s Electronic Data Gathering, Analysis and Retrieval system or any successor system thereto) to the Manager, the Forward Seller and the Forward Purchaser via electronic mail in “.pdf” format on such filing date to the respective electronic mail accounts designated by the Manager, the Forward Seller and the Forward Purchaser and, at the Manager’s, the Forward Seller’s or the Forward Purchaser’s request, to also furnish copies of the Prospectus and such Prospectus Supplement to the Exchange and each other exchange or market on which sales of the Shares were effected, in each case, as may be required by the rules or regulations of the Exchange or such other exchange or market.

(e) During the Delivery Period to advise the Manager, the Forward Seller and the Forward Purchaser, promptly after it receives notice thereof, of the issuance of any stop order by the Commission, of the suspension of the qualification of the Shares for offering or sale in any jurisdiction, of the initiation or threatening of any proceeding for any such purpose, or of any request by the Commission for the amending or supplementing of the Registration Statement, the Prospectus Supplement, the Prospectus or any Permitted Free Writing Prospectus or for additional information; and, in the event of the issuance of any such stop order or of any order preventing or suspending the use of any prospectus relating to the Shares or suspending any such qualification, to promptly use its best efforts to obtain its withdrawal.

(f) If, after the date hereof and during the Delivery Period, either (i) any event shall occur or condition exist as a result of which the Prospectus would include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, or (ii) for any other reason it shall be necessary during such same period to amend or supplement the Prospectus or to file any document in order to comply with the Securities Act or

the Exchange Act, to promptly advise the Manager, the Forward Seller and the Forward Purchaser by telephone (with confirmation in writing or electronic mail) and to promptly prepare and file, subject to Section 6(b) of this Agreement, with the Commission an amendment or supplement to the Registration Statement or the Prospectus which will correct such statement or omission or effect such compliance and, to the extent not previously delivered or filed on the Commission's Electronic Data Gathering, Analysis and Retrieval system, to furnish to the Manager, the Forward Seller and the Forward Purchaser as many copies as the Manager, the Forward Seller and the Forward Purchaser may reasonably request of such amendment or supplement.

(g) To use commercially reasonable efforts, to qualify the Shares for offer and sale under the securities or Blue Sky laws of such jurisdictions as the Manager shall reasonably request and to continue such qualifications in effect so long as necessary under such laws for the distribution of the Shares.

(h) To make generally available to the Company's security holders and to the Manager and the Forward Seller as soon as practicable an earnings statement covering a period of at least 12 months beginning with the first fiscal quarter of the Company occurring after the date of this Agreement which shall satisfy the provisions of Section 11(a) of the Securities Act and the rules and regulations of the Commission thereunder.

(i) Whether or not the transactions contemplated in this Agreement are consummated or this Agreement is terminated, to pay or cause to be paid all expenses incident to the performance of its obligations under this Agreement, including: (i) the fees, disbursements and expenses of the Company's counsel and the Company's accountants in connection with the registration and delivery of the Shares under the Securities Act and all other fees or expenses in connection with the preparation and filing of the Registration Statement, any Prospectus Supplement, the Prospectus, any free writing prospectus prepared by or on behalf of, used by, or referred to by the Company and amendments and supplements to any of the foregoing, including the filing fees payable to the Commission relating to the Shares (within the time required by Rule 456(b)(1), if applicable), all printing costs associated therewith, and the mailing and delivering of copies thereof to the Manager, the Forward Seller and the Forward Purchaser, in the quantities hereinabove specified, (ii) all costs and expenses related to the transfer and delivery of the Shares, including any transfer or other taxes payable thereon, (iii) the cost of printing or producing any Blue Sky or Legal Investment memorandum in connection with the offer and sale of the Shares under state securities laws and all expenses in connection with the qualification of the Shares for offer and sale under state securities laws as provided in Section 6(g) of this Agreement, including filing fees and the reasonable fees and disbursements of counsel for the Manager, the Forward Seller and the Forward Purchaser in connection with such qualification and in connection with the Blue Sky or Legal Investment memorandum, (iv) all filing fees and the reasonable fees and disbursements of counsel to the Manager, the Forward Seller and the Forward

Purchaser incurred in connection with the initial documentation of the offering contemplated by this Agreement, including any review and qualification by the Financial Industry Regulatory Authority, Inc. (up to, together with the expenses and fees pursuant to Section 6(i) of the Alternative Equity Distribution Agreements, \$200,000 in the aggregate, subject to the terms of Section 3(b) of this Agreement), (v) all costs and expenses incident to listing the Shares on the Exchange, (vi) the costs and charges of any transfer agent, registrar or depositary, and (vii) all other costs and expenses incident to the performance of the obligations of the Company hereunder for which provision is not otherwise made in this Section. It is understood, however, that except as provided in this Section 6, Section 3(b) and Section 8 of this Agreement, the Manager, the Forward Seller and the Forward Purchaser will pay all of its costs and expenses, including any advertising expenses connected with any offers the Manager, the Forward Seller and the Forward Purchaser may make.

(j) If the third anniversary of the initial effective date of the Registration Statement occurs before all the Shares have been sold, prior to such third anniversary, to file, subject to Section 6(b) of this Agreement, a new shelf registration statement and to take any other action necessary to permit the public offering of the Shares to continue without interruption (references herein to the Registration Statement shall include the new registration statement declared effective by the Commission).

(k) (i) To use its commercially reasonable efforts to cause the Primary Shares and any Confirmation Shares to be listed for trading on the Exchange; (ii) to reserve and keep available at all times, free of pre-emptive rights, Shares and any Confirmation Shares for the purpose of enabling the Company to satisfy its obligations under this Agreement and any Confirmation; and (iii) to engage and maintain, at its expense, a registrar and transfer agent for the Shares and any Confirmation Shares.

(l) Upon commencement of the offering of the Shares under this Agreement (and upon the recommencement of the offering of the Shares under this Agreement following the termination of a suspension of sales hereunder), and each time that (i) the Registration Statement or the Prospectus is amended or supplemented (other than a prospectus supplement relating solely to the offering of Shelf Securities other than the Shares), (ii) there is filed with the Commission any document incorporated by reference into the Prospectus (other than a Current Report on Form 8-K) or (iii) the Manager, the Forward Seller or the Forward Purchaser reasonably requests (such commencement date (and any such recommencement date, if applicable) and each such date referred to in (i), (ii) and (iii) above, a “**Representation Date**”), to furnish or cause to be furnished to the Manager, the Forward Seller and the Forward Purchaser forthwith a certificate dated and delivered as of such date, in form reasonably satisfactory to the Manager, the Forward Seller and the Forward Purchaser, to the effect that the statements contained in the certificate referred to in Section 5(b) of this Agreement are true and correct at the time of such commencement, recommencement, amendment, supplement or filing, as the case may be, as though made at and as of such time modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such certificate.

(m) On each Representation Date, the Company shall cause to be furnished to the Manager and, if such Representation Date relates to the execution of a Confirmation, the Forward Seller and the Forward Purchaser, dated as of such date, in form and substance satisfactory to the Manager, the Forward Seller and the Forward Purchaser, as applicable, a written opinion of the internal and outside counsel for the Company, each as described in Section 5(c) of this Agreement, modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such opinion.

(n) On each Representation Date, Hunton Andrews Kurth LLP, counsel to the Manager, the Forward Seller and the Forward Purchaser, shall furnish to the Manager, the Forward Seller and the Forward Purchaser a written opinion, dated as of such date in form and substance reasonably satisfactory to the Manager, the Forward Seller and the Forward Purchaser.

With respect to Sections 6(m) and 6(n) of this Agreement, in lieu of delivering such an opinion for dates subsequent to the commencement of the offering of the Shares under this Agreement such counsel may furnish the Manager, the Forward Seller and the Forward Purchaser with a letter (a “**Reliance Letter**”) to the effect that the Manager, the Forward Seller and the Forward Purchaser may rely on a prior opinion delivered under Section 6(m) or Section 6(n) of this Agreement, as the case may be, to the same extent as if it were dated the date of such letter (except that statements in such prior opinion shall be deemed to relate to the Registration Statement and the Prospectus as amended or supplemented as of such subsequent date).

(o) Upon commencement of the offering of the Shares under this Agreement (and upon the recommencement of the offering of the Shares under this Agreement following the termination of a suspension of sales hereunder), and each time that (i) the Registration Statement or the Prospectus is amended or supplemented to include additional financial information, (ii) the Company files an annual report on Form 10-K or quarterly report on Form 10-Q, (iii) there is furnished with the Commission by the Company any document which contains financial information, including any earnings release, or there is filed with the Commission any document (other than an annual report on Form 10-K or quarterly report on Form 10-Q) incorporated by reference into the Prospectus which contains additional or amended financial information or (iv) on such other dates as may be reasonably requested by the Manager, the Forward Seller and the Forward Purchaser, Deloitte & Touche LLP, independent public accountants of the Company, shall deliver to the Manager, the Forward Seller and the Forward Purchaser the comfort letter(s) described in Section 5(e) of this Agreement.

(p) To promptly reply to due diligence inquiries from the Manager, the Forward Seller or the Forward Purchaser and their respective representatives, including, without limitation, furnishing requested materials and making senior management and representatives of the Company's registered independent accounting firm available for due diligence conference calls, upon the reasonable request of the Manager, the Forward Seller or the Forward Purchaser.

(q) That it consents to the Manager or the Forward Seller trading in the Common Stock for the Manager's or the Forward Seller's own account and for the account of their respective clients at the same time as sales of the Shares occur pursuant to this Agreement.

(r) That each acceptance by the Company of an offer to purchase the Shares hereunder shall be deemed to be an affirmation to the Manager or the Forward Seller and the Forward Purchaser, as applicable, that the representations and warranties of the Company contained in or made pursuant to this Agreement are true and correct as of the date of such acceptance as though made at and as of such date, and an undertaking that such representations and warranties will be true and correct as of the Time of Sale and the Settlement Date for the Shares relating to such acceptance as though made at and as of each of such dates (except that (i) such representations and warranties shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented relating to such Shares and (ii) to the extent that such representations and warranties speak as of another date, such representations and warranties shall be true and correct as of such other date).

(s) Prior to instructing the Manager or the Forward Seller pursuant to Section 2 of this Agreement to make sales on any given day (or as otherwise agreed between the Company and the Manager or the Forward Seller), an authorized officer of the Company shall have approved the minimum price and maximum number of Shares to be sold on such day which minimum price shall not be less than the minimum consideration determined pursuant to the formula approved by the Board of Directors.

(t) Not to, or publicly disclose an intention to, sell, offer to sell, contract or agree to sell, hypothecate, pledge, grant any option to sell or otherwise dispose of or agree to dispose of, directly or indirectly, any shares of the Common Stock or securities convertible into or exchangeable or exercisable for the Common Stock or warrants or other rights to purchase the Common Stock or any other securities of the Company that are substantially similar to the Common Stock or permit the registration under the Securities Act of any shares of the Common Stock, except for (i) the registration of the Shares and the sales through the Manager or the Forward Seller pursuant to this Agreement or through the Alternative Managers pursuant to the Alternative Equity Distribution Agreements, (ii) any Confirmation Shares, (iii) any shares of Common Stock issued by the Company upon the exercise of an option or warrant or the conversion of a security outstanding on the date hereof and referred to in the Prospectus, (iv) any shares of

Common Stock or stock units issued or options to purchase Common Stock granted pursuant to existing employee benefit plans of the Company, including shares of Common Stock issued upon exercise of such options or (v) any shares of Common Stock or stock units issued pursuant to any non-employee director stock plan, dividend reinvestment plan or stock purchase plan of the Company, during the Delivery Period, without (A) giving the Manager or the Forward Seller at least three business days' prior written notice specifying the nature of the proposed sale and the date of such proposed sale and (B) the Manager or the Forward Seller suspending activity under this program for such period of time as requested by the Company.

7. *Covenants of the Manager and the Forward Seller.* The Manager and the Forward Seller covenant with the Company not to take any action that would result in the Company being required to file with the Commission under Rule 433(d) a free writing prospectus prepared by or on behalf of the Manager or the Forward Seller that otherwise would not be required to be filed by the Company thereunder, but for the action of the Manager or the Forward Seller.

8. *Indemnity and Contribution.* (a) The Company agrees to indemnify and hold harmless the Manager, the Forward Seller and the Forward Purchaser, their respective directors, officers, employees, agents and affiliates, and each person, if any, who controls the Manager, the Forward Seller or the Forward Purchaser within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act from and against any and all losses, claims, damages and liabilities (including, without limitation, any legal or other expenses reasonably incurred in connection with defending or investigating any such action or claim) caused by any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, the Prospectus, the Prospectus Supplement (including any Interim Prospectus Supplement), the General Disclosure Package, any free writing prospectus that the Company has filed, or is required to file, pursuant to Rule 433(d) under the Securities Act, or any amendment or supplement thereto, or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, except insofar as such losses, claims, damages or liabilities are caused by any such untrue statement or omission or alleged untrue statement or omission based upon the Manager Information.

(b) Each of the Manager, the Forward Seller and the Forward Purchaser agrees to indemnify and hold harmless the Company, its directors, its officers who sign the Registration Statement and each person, if any, who controls the Company within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act to the same extent as the foregoing indemnity from the Company to the Manager, but only with reference to information relating to the Manager, the Forward Seller or the Forward Purchaser furnished to the Company in writing by the Manager, the Forward Seller or the Forward Purchaser expressly for use in the Registration Statement, the Prospectus, the Prospectus Supplement (including any Interim Prospectus Supplement), the General Disclosure Package, any free writing prospectus that the Company has filed, or is required to file, pursuant to Rule 433(d) under the Securities Act, or any amendment or supplement thereto.

(c) In case any proceeding (including any governmental investigation) shall be instituted involving any person in respect of which indemnity may be sought pursuant to Section 8(a) or 8(b) of this Agreement, such person (the “**indemnified party**”) shall promptly notify the person against whom such indemnity may be sought (the “**indemnifying party**”) in writing (but failure to so notify an indemnifying party as provided in this Section 8(c) shall not relieve such indemnifying party from any liability hereunder to the extent it is not materially prejudiced (through the forfeiture of substantive rights and defenses) as a result thereof and in any event shall not relieve it from any liability which it may have otherwise than on account of this indemnity agreement), and the indemnifying party, upon request of the indemnified party, shall retain counsel reasonably satisfactory to the indemnified party to represent the indemnified party and any others the indemnifying party may designate in such proceeding and shall pay the fees and disbursements of such counsel related to such proceeding. In any such proceeding, any indemnified party shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such indemnified party unless (i) the indemnifying party and the indemnified party shall have mutually agreed to the retention of such counsel, (ii) the named parties to any such proceeding (including any impleaded parties) include both the indemnifying party and the indemnified party and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them or (iii) the named parties to any proceeding include the indemnified party and another party, and the indemnified party has legal defenses that the other party does not. It is understood that the indemnifying party shall not, in respect of the legal expenses of any indemnified party in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the fees and expenses of more than one separate firm (in addition to any local counsel) for all such indemnified parties and that all such fees and expenses shall be reimbursed as they are incurred. Such firm shall be designated in writing by the Manager, the Forward Seller or the Forward Purchaser, in the case of parties indemnified pursuant to Section 8(a) of this Agreement, and by the Company, in the case of parties indemnified pursuant to Section 8(b) of this Agreement. The indemnifying party shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent or if there be a final judgment for the plaintiff, the indemnifying party agrees to indemnify the indemnified party from and against any loss or liability by reason of such settlement or judgment. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second and third sentences of this paragraph, the indemnifying party agrees that it shall be liable for any settlement of any proceeding effected without its written consent if (i) such settlement is entered into more than 30 days after receipt by such indemnifying party of the aforesaid request and (ii) such indemnifying party shall not have reimbursed the indemnified party in accordance with such request prior

to the date of such settlement. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened proceeding in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement (i) includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such proceeding and (ii) does not include a statement as to or an admission of fault, culpability or failure to act by or on behalf of any indemnified party.

(d) To the extent the indemnification provided for in Section 8(a) or 8(b) of this Agreement is unavailable to an indemnified party or insufficient in respect of any losses, claims, damages or liabilities referred to therein, then each indemnifying party under such paragraph, in lieu of indemnifying such indemnified party thereunder, shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (i) in such proportion as is appropriate to reflect the relative benefits received by the each of Company, the Manager, the Forward Seller and the Forward Purchaser from the offering of the Shares or (ii) if the allocation provided by Section 8(d)(i) of this Agreement is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in Section 8(d)(i) of this Agreement but also the relative fault of each of the Company, the Manager, the Forward Seller and the Forward Purchaser in connection with the statements or omissions that resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefits received by each of the Company, the Manager, the Forward Seller and the Forward Purchaser in connection with the offering of the Shares pursuant to this Agreement shall be deemed to be in the same respective proportions as (i) in the case of the Company, (x) the net proceeds from the offering of the Primary Shares (before deducting expenses, if applicable, and, for the avoidance of doubt, without including proceeds from the offering of Primary Shares pursuant to the Alternative Equity Distribution Agreements) received by the Company, or (y) with respect to a Forward Sale, the proceeds that would be received by the Company upon physical settlement of each applicable Confirmation assuming that the aggregate amount payable by the Forward Purchaser under such Confirmation is equal to the aggregate amount of the net proceeds realized upon the sale of the Forward Hedge Shares with respect to such Forward Sale, (ii) in the case of the Manager, the total commissions received by the Manager in respect of the Primary Shares, (iii) in the case of the Forward Seller, the total commissions received by the Forward Seller in respect of the Forward Hedge Shares, and (iv) in the case of the Forward Purchaser, the Spread (as defined in the applicable Confirmation and net of any related stock borrow costs or other costs or expenses actually incurred) retained by the Forward Purchaser under such Confirmation. The relative fault of each of the Company, the Manager, the Forward Seller and the Forward Purchaser shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by each such party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(e) Each of the Company, the Manager, the Forward Seller and the Forward Purchaser agrees that it would not be just or equitable if contribution pursuant to this Section 8 were determined by *pro rata* allocation or by any other method of allocation that does not take account of the equitable considerations referred to in Section 8(d) of this Agreement. The amount paid or payable by an indemnified party as a result of the losses, claims, damages and liabilities referred to in Section 8(d) shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 8, the Manager, the Forward Seller and the Forward Purchaser shall not be required to contribute any amount in excess of (i) the total compensation received by the Manager in connection with the sale of Shares on behalf of the Company, (ii) the total compensation received by the Forward Seller in connection with the sale of Shares on behalf of the Forward Purchaser and (iii) the Spread (as defined in the applicable Confirmation and net of any related stock borrow costs or other costs or expenses actually incurred) retained by the Forward Purchaser pursuant to the relevant Confirmation(s). No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The remedies provided for in this Section 8 are not exclusive and shall not limit any rights or remedies which may otherwise be available to any indemnified party at law or in equity.

(f) The indemnity and contribution provisions contained in this Section 8 and the representations, warranties and other statements of the Company contained in this Agreement shall remain operative and in full force and effect regardless of (i) any termination of this Agreement, (ii) any investigation made by or on behalf of the Manager, the Forward Seller, the Forward Purchaser, any person controlling the Manager, the Forward Seller or the Forward Purchaser or any affiliate of the Manager, the Forward Seller or the Forward Purchaser or by or on behalf of the Company, its officers or directors or any person controlling the Company and (iii) acceptance of and payment for any of the Shares.

9. *Effectiveness.* This Agreement shall become effective upon the execution and delivery hereof by the parties hereto.

10. *Termination.* (a) The Company shall have the right, by giving written notice as hereinafter specified, to terminate this Agreement in its sole discretion at any time. Any such termination shall be without liability of any party to any other party, except that (i) with respect to any pending Direct Sale or Forward Sale through the Manager or the Forward Seller, respectively, the obligations of the Company, including, but not limited to, its obligations under Section 4 of this Agreement, shall remain in full force and effect notwithstanding such termination; and (ii) the provisions of Section 1, Section 3(b) and Section 8 of this Agreement shall remain in full force and effect notwithstanding such termination.

(b) The Manager, the Forward Seller and the Forward Purchaser shall have the right, by giving written notice as hereinafter specified, to terminate this Agreement in its sole discretion at any time. Any such termination shall be without liability of any party to any other party except that (i) with respect to any pending Direct Sale or Forward Sale through the Manager or the Forward Seller, respectively, the obligations of the Company, including, but not limited to, its obligations under Section 4 of this Agreement, shall remain in full force and effect notwithstanding such termination; and (ii) the provisions of Section 1, Section 3(b) and Section 8 of this Agreement shall remain in full force and effect notwithstanding such termination.

(c) Unless earlier terminated pursuant to this Section 10, this Agreement shall automatically terminate on the earlier of (i) the date that the aggregate offering price of the Shares sold pursuant to the Equity Distribution Agreements equals the Maximum Program Amount, or (ii) December 31, 2028; provided, however, that this Agreement will continue in effect for the duration of, and solely with respect to, any Confirmation entered into, but not yet settled, before December 31, 2028.

(d) This Agreement shall remain in full force and effect until and unless terminated pursuant to Section 10(a) Section 10(b) or Section 10(c) of this Agreement or otherwise by mutual agreement of the parties; *provided* that any such termination by mutual agreement or pursuant to this clause (d) shall in all cases be deemed to provide that Section 1, Section 3(b) and Section 8 of this Agreement shall remain in full force and effect.

(e) Subject to Section 10(c), any termination of this Agreement shall be effective on the date specified in such notice of termination; *provided* that such termination shall not be effective until the close of business on the date of receipt of such notice by the Manager, the Forward Seller and the Forward Purchaser or the Company, as the case may be. If such termination shall occur prior to the Settlement Date for any sale of Shares, such sale shall settle in accordance with the provisions of Section 4 of this Agreement.

11. *Entire Agreement.* (a) This Agreement represents the entire agreement among the Company, the Manager, the Forward Seller and the Forward Purchaser with respect to the preparation of any Registration Statement, Prospectus Supplement or the Prospectus, the conduct of the offering and the sale and distribution of the Shares.

(b) The Company acknowledges that in connection with the offering of the Shares: (i) the Manager, the Forward Seller and the Forward Purchaser have acted and will act at arm's length and neither is an agent of, or owes any fiduciary duties to, the Company or any other person, (ii) the Manager, the Forward Seller and the Forward Purchaser owe the Company only those duties

and obligations set forth in this Agreement, any Confirmations and prior written agreements (to the extent not superseded by this Agreement), if any, (iii) none of the activities of the Manager, the Forward Seller or the Forward Purchaser in connection with the transactions contemplated herein constitutes a recommendation, investment advice, or solicitation of any action by the Manager, the Forward Seller or the Forward Purchaser with respect to any entity or natural person, and (iv) the Manager, the Forward Seller and the Forward Purchaser may each have interests that differ from those of the Company. The Company waives to the full extent permitted by applicable law any claims it may have against the Manager, the Forward Seller or the Forward Purchaser arising from an alleged breach of fiduciary duty in connection with the sale and distribution of the Shares.

12. *Counterparts; Electronic Signatures.* This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same Agreement. The words “execution,” “executed,” “signed,” “signature,” and words of like import in this Agreement shall include images of manually executed signatures transmitted by facsimile, email or other electronic format (including, without limitation, “pdf,” “tif” or “jpg”) and other electronic signatures (including, without limitation, DocuSign and AdobeSign). The use of electronic signatures and electronic records (including, without limitation, any contract or other record created, generated, sent, communicated, received, or stored by electronic means) shall be of the same legal effect, validity and enforceability as a manually executed signature or use of a paper-based record-keeping system to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act and any other applicable law, including, without limitation, any state law based on the Uniform Electronic Transactions Act or the Uniform Commercial Code.

13. *Applicable Law.* This Agreement and any claims, controversy or dispute relating to or arising out of this Agreement shall be governed by and construed in accordance with the internal laws of the State of New York.

14. *Headings.* The headings of the sections of this Agreement have been inserted for convenience of reference only and shall not be deemed a part of this Agreement.

15. *Notices.* All communications hereunder shall be in writing and effective only upon receipt and if to the Manager or the Forward Seller shall be delivered, mailed or sent to [•]; if to the Forward Purchaser shall be delivered, mailed or sent to [•]; and if to the Company shall be delivered, mailed or sent to 801 East 86th Avenue, Merrillville, Indiana 46410, Attention: Tchapo Napoe, with a copy to the outside counsel for the Company, McGuireWoods LLP, 201 N. Tryon St., Suite 3000, Charlotte, NC 28202, Attention: Barlow Mann.

16. *No Assignment; Parties.* This Agreement and the rights, duties and obligations hereunder may not be assigned or delegated by the Company, the Manager, Forward Seller or the Forward Purchaser; *provided, however*, that if the Forward Purchaser assigns, transfers or sets over its rights, title and interest, powers, privileges and remedies pursuant to Section 20 of the Master Forward Confirmation, the Forward Purchaser may assign its rights and obligations under this Agreement to such successor Forward Purchaser. The Company shall have no obligation to release the Forward Purchaser from its obligations to the Company upon any such assignment or transfer, nor shall any such assignment or transfer relieve or otherwise discharge the Forward Purchaser from its obligations to the Company. This Agreement and the provisions hereof shall be binding upon and shall inure to the benefit of each of the parties and their respective successors and, to the extent provided in Section 8, the controlling persons, officers, directors, employees and agents and affiliates referred to in Section 8. This Agreement is not intended to confer any rights or benefits on any persons other than as set forth in Section 8 or elsewhere in this Agreement.

17. *Recognition of the U.S. Special Resolution Regimes.* (a) In the event that the Manager, the Forward Seller or the Forward Purchaser that is a Covered Entity (as defined below) becomes subject to a proceeding under a U.S. Special Resolution Regime (as defined below), the transfer from such Manager, Forward Seller or Forward Purchaser of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

(b) In the event that the Manager, the Forward Seller or the Forward Purchaser that is a Covered Entity or a BHC Act Affiliate (as defined below) of such Manager, Forward Seller or Forward Purchaser becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights (as defined below) under this Agreement that may be exercised against such Manager, Forward Seller or Forward Purchaser are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

As used in this Section 17:

“**BHC Act Affiliate**” has the meaning assigned to the term “affiliate” in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k).

“**Covered Entity**” means any of the following:

- (i) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);
- (ii) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or
- (iii) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

“Default Right” has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

“U.S. Special Resolution Regime” means each of (i) the Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd- Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

[Signature page follows]

Very truly yours,

NISOURCE INC.

By: _____
Name:
Title:

Accepted as of the date first written above

[•],
as Manager

By: _____
Name:
Title:

[•],
as Forward Seller

By: _____
Name:
Title:

[•],
as Forward Purchaser

By: _____
Name:
Title:

Permitted Free Writing Prospectuses

I-1

[[•] Letterhead]

_____, 20[•]

[]

[]

Attention: _____

VIA ELECTRONIC MAIL

TRANSACTION CONFIRMATION

Dear _____:

This Transaction Confirmation sets forth the terms of the agreement of [•] ([in its capacity as agent for the Company in connection with any Direct Sale of Primary Shares thereunder, the “**Manager**,”] [and] [in its capacity as agent for the Forward Purchaser in connection with any Forward Sale of Forward Hedge Shares thereunder, the “**Forward Seller**”]; [and [•] (as purchaser under any Forward Sale, the “**Forward Purchaser**”))] with NiSource Inc. (the “**Company**”) relating to the sale of shares of the Company’s common stock, par value \$0.01 per share, having an aggregate gross sales price of up to \$1,500,000,000 pursuant to the Equity Distribution Agreement among the Company, the Forward Purchaser and the Manager, dated October 31, 2025 (the “**Agreement**”). Unless otherwise defined below, capitalized terms defined in the Agreement shall have the same meanings when used herein.

This Transaction Confirmation relates to [a Direct Sale] [a Forward Sale].

By countersigning or otherwise indicating in writing the Company’s acceptance of this Transaction Confirmation (an “**Acceptance**”), the Company shall have agreed with the Manager or the Forward Seller, as applicable, to engage in the following transaction:

[Number of Shares to be sold][Aggregate Gross Price of Shares to be sold]:

Minimum price at which Shares may be sold:

Date(s) on which Shares may be sold:

Compensation to Manager or Forward Seller, as applicable (if different than the Agreement):

[To Add Other Applicable Terms for Forward Sale]

The transaction set forth in this Transaction Confirmation will not be binding on the Company or the Manager or the Forward Seller, as applicable, unless and until (i) in the case of a Direct Sale, the Company delivers its Acceptance or (ii) in the case of a Forward Sale, the Company delivers its Acceptance and a duly executed Supplemental Confirmation; *provided, however*, that, in either case, neither the Company nor the Manager or the Forward Seller, as applicable, will be bound by the terms of this Transaction Confirmation unless the Company delivers its Acceptance by [•] a.m./p.m. (New York time) on [the date hereof _____, 20[•]].

The transaction, if it becomes binding on the parties, shall be subject to all of the representations, warranties, covenants and other terms and conditions of the Agreement, except to the extent amended or modified hereby, all of which are expressly incorporated herein by reference. Each of the representations and warranties set forth in the Agreement shall be deemed to have been made at and as of every Time of Sale, every Settlement Date and every Representation Date.

If the foregoing conforms to your understanding of our agreement, please so indicate your Acceptance by signing below.

Very truly yours,

[•],
As Manager

By: _____
Name:
Title:

[•],
As Forward Purchaser

By: _____
Name:
Title:

[•],
As Forward Seller

By: _____
Name:
Title:

ACCEPTED as of the date
first above written

NISOURCE INC.

By: _____
Name:
Title:

[Note: The Company's Acceptance may also be evidenced by a separate written acceptance referencing this Transaction Confirmation and delivered in accordance with the Agreement]

To: NiSource Inc.
A/C: []
From: [Dealer]
Re: Issuer Share Forward Sale Transactions
Ref. No: []
Date: October 31, 2025

Ladies and Gentlemen:

The purpose of this communication (this “**Master Confirmation**”) is to set forth the terms and conditions of the transactions to be entered into from time to time between [] (“**Dealer**”), through its agent [] (the “**Agent**”), and NiSource Inc. (“**Counterparty**”) in accordance with the terms of the Equity Distribution Agreement, dated as of October 31, 2025 (the “**Equity Distribution Agreement**”), among [the Agent][], as manager, Dealer, and Counterparty on the Trade Dates specified herein (collectively, the “**Transactions**,” and each, a “**Transaction**”). This communication constitutes a “**Confirmation**” as referred to in the Agreement specified below. Each Transaction will be evidenced by a supplemental confirmation (each, a “**Supplemental Confirmation**”) substantially in the form of Exhibit A hereto and a pricing report furnished by Dealer pursuant thereto (each, a “**Pricing Report**”) substantially in the form of Exhibit B hereto. Each such Supplemental Confirmation and Pricing Report, together with this Master Confirmation, will be a “**Confirmation**” for purposes of the Agreement specified below. Each Confirmation will be a confirmation for purposes of Rule 10b-10 promulgated under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”).

1. Each Confirmation is subject to, and incorporates, the 2002 ISDA Equity Derivatives Definitions (the “**Equity Definitions**”), as published by the International Swaps and Derivatives Association, Inc. (“**ISDA**”). For purposes of the Equity Definitions, each Transaction will be deemed to be a Share Forward Transaction.

Each Confirmation shall supplement, form a part of and be subject to an agreement (the “**Agreement**”) in the form of the 2002 ISDA Master Agreement (the “**ISDA Form**”), as published by ISDA, as if Dealer and Counterparty had executed the ISDA Form on the date hereof (but without any Schedule except for (i) the election of New York law (without regard to New York’s choice of laws doctrine other than Title 14 of Article 5 of the New York General Obligations Law (the “**General Obligations Law**”)) as the governing law and US Dollars (“**USD**”) as the Termination Currency and (ii) the election that the “Cross Default” provisions of Section 5(a)(vi) of the Agreement shall apply to Dealer and Counterparty with a “Threshold Amount” in respect of Dealer of 3% of the stockholders’ equity of [Dealer/Dealer’s Parent] and a “Threshold Amount” in respect of Counterparty of USD 50 million; *provided that* (x) the

words “, or becoming capable at such time of being declared,” shall be deleted from clause (1) thereof and (y) “Specified Indebtedness” has the meaning specified in Section 14 of the Agreement, except that such term shall not include obligations in respect of deposits received in the ordinary course of Dealer’s banking business and (z) the following language shall be added to the end of such Section 5(a)(vi): “Notwithstanding the foregoing, a default under subsection (2) hereof shall not constitute an Event of Default if (X) the default was caused solely by error or omission of an administrative or operational nature; (Y) funds were available to enable the party to make the payment when due; and (Z) the payment is made within two Local Business Days of such party’s receipt of written notice of its failure to pay;”).

All provisions contained in the Agreement are incorporated into and shall govern each Confirmation except as expressly modified below. Each Confirmation evidences a complete and binding agreement between Dealer and Counterparty as to the terms of the relevant Transaction and replaces any previous agreement between the parties with respect to the subject matter hereof.

The Transactions hereunder shall be the sole Transactions under the Agreement. If there exists any ISDA Master Agreement between Dealer or any of its Affiliates and Counterparty or any confirmation or other agreement between Dealer or any of its Affiliates and Counterparty pursuant to which an ISDA Master Agreement is deemed to exist between Dealer or any of its Affiliates and Counterparty, then notwithstanding anything to the contrary in such ISDA Master Agreement, such confirmation or agreement or any other agreement to which Dealer or such other Affiliates and Counterparty are parties, the Transactions shall not be considered Transactions under, or otherwise governed by, such existing or deemed ISDA Master Agreement. In the event of any inconsistency among the Agreement, this Master Confirmation, any Supplemental Confirmation, any applicable Pricing Report and the Equity Definitions, the following will prevail in the order of precedence indicated: (i) such Pricing Report, (ii) such Supplemental Confirmation; (iii) this Master Confirmation; (iv) the Equity Definitions; and (iv) the Agreement.

2. The terms of the particular Transactions to which this Master Confirmation relates are as follows:

General Terms:

Trade Date:	For each Transaction, as specified in the Supplemental Confirmation for such Transaction, to be, subject to the provisions opposite the caption “Early Valuation” below, the last Trading Day of the Forward Hedge Selling Period for such Transaction.
Effective Date:	For each Transaction, as specified in the Supplemental Confirmation for such Transaction, to be the date that is one Settlement Cycle following the Trade Date for such Transaction, or such later date on which the conditions set forth in Section 3 of this Master Confirmation shall have been satisfied.

Buyer:	Dealer
Seller:	Counterparty
Trading Day:	Any Scheduled Trading Day for the Exchange other than a day on which the Exchange is scheduled to close prior to its Scheduled Closing Time.
Forward Hedge Selling Period:	For each Transaction, as specified in the Supplemental Confirmation for such Transaction, to be a period of consecutive Trading Days following the date of such Supplemental Confirmation; <i>provided</i> that, if prior to the scheduled end of any Forward Hedge Selling Period (x) any event occurs that would permit the Dealer to designate a Scheduled Trading Day as an Early Valuation Date or (y) a Bankruptcy Termination Event occurs, then the Forward Hedge Selling Period shall immediately terminate at the first such occurrence.
Maturity Date:	For each Transaction, as specified in the Supplemental Confirmation for such Transaction (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day).
Shares:	The shares of common stock, par value USD 0.01 per Share, of Counterparty (Ticker: "NI")
Number of Shares:	For each Transaction, initially, as specified in the Supplemental Confirmation for such Transaction, to be the number of Shares equal to the Actual Sold Forward Amount for the Forward Hedge Selling Period for such Transaction, as reduced on each Relevant Settlement Date (as defined under "Settlement Terms" below) by the number of Settlement Shares to which the related Valuation Date relates.
Actual Sold Forward Amount:	For each Transaction and the related Forward Hedge Selling Period, the number of Forward Hedge Shares that the Dealer (or its agent or affiliate) sold pursuant to the Equity Distribution Agreement during such Forward Hedge Selling Period.

Forward Hedge Share:	For each Transaction, any Share borrowed by the Dealer (or its agent or affiliate) and sold pursuant to the Equity Distribution Agreement by the Dealer (or its agent or affiliate) in connection with such Transaction.
Settlement Currency:	USD
Exchange:	The New York Stock Exchange
Related Exchange:	All Exchanges
Prepayment:	Not Applicable
Variable Obligation:	Not Applicable
Forward Price:	For each Transaction, on the Effective Date for such Transaction, the Initial Forward Price for such Transaction, and on any calendar day thereafter, the product of the Forward Price for such Transaction on the immediately preceding calendar day and $1 + \text{the Daily Rate} * (1/365)$; <i>provided</i> that the Forward Price for such Transaction on each Forward Price Reduction Date for such Transaction shall be the Forward Price for such Transaction otherwise in effect on such date <i>minus</i> the Forward Price Reduction Amount for such Forward Price Reduction Date. Notwithstanding the foregoing, to the extent Counterparty delivers Shares hereunder on or after a Forward Price Reduction Date and at or before the record date for an ordinary cash dividend with an ex-dividend date corresponding to such Forward Price Reduction Date (and, for the avoidance of doubt, the related dividend will be paid on such Shares), the Calculation Agent shall adjust the Forward Price to the extent it determines that such an adjustment is appropriate and necessary to preserve the economic intent of the parties by offsetting the economic effect of Dealer having received the benefit of both (i) the Forward Price Reduction Amount and (ii) the ordinary cash dividend with an ex-dividend date corresponding to such Forward Price Reduction Amount (taking into account Dealer's commercially reasonable hedge positions in respect of the Transaction).

Initial Forward Price:	For each Transaction, as specified in the Supplemental Confirmation for such Transaction, to be the product of (i) an amount equal to 1 <i>minus</i> the Forward Hedge Selling Commission Rate applicable to such Transaction; and (ii) the Volume-Weighted Hedge Price, subject to adjustment as set forth herein.
Forward Hedge Selling Commission Rate:	For each Transaction, as specified in the Supplemental Confirmation for such Transaction, to be a rate mutually agreed between the Dealer and the Counterparty but not in excess of 2%.
Volume-Weighted Hedge Price:	For each Transaction, as specified in the Supplemental Confirmation for such Transaction, to be the volume-weighted average of the Sales Prices per Share of the Forward Hedge Shares sold on each Trading Day of the Forward Hedge Selling Period for such Transaction, as determined by the Calculation Agent; <i>provided</i> that, solely for the purposes of calculating the Initial Forward Price, each such Sales Price (other than the Sales Price for the last day of the relevant Forward Hedge Selling Period) shall be subject to adjustment by the Calculation Agent in the same manner as the Forward Price pursuant to the definition thereof during the period from, and including, the date one Settlement Cycle immediately following the first Trading Day of the relevant Forward Hedge Selling Period on which the Forward Hedge Shares related to such Sales Price are sold to, and including, the Effective Date of such Transaction.
Sales Price:	For each Transaction and any related Forward Hedge Share, the actual sale execution price of such Forward Hedge Share sold by Dealer on the Exchange under the Equity Distribution Agreement.
Daily Rate:	For any day, the Overnight Bank Funding Rate (or if the Overnight Bank Funding Rate is no longer available, a successor rate selected by the Calculation Agent in its commercially reasonable discretion) <i>minus</i> the Spread.
Spread:	For each Transaction, as specified in the Supplemental Confirmation for such Transaction.
Overnight Bank Funding Rate:	For any day, the rate set forth for such day opposite the caption "Overnight bank funding rate" as displayed on the page "OBFR01 <Index> <GO>" on the BLOOMBERG Professional Service, or any successor page; <i>provided</i> that if no such rate appears for such day on such page, the Overnight Bank Funding Rate for such day shall be such rate for the immediately preceding day for which such a rate appears.

Forward Price Reduction Dates:	For each Transaction, as specified in Schedule I to the Supplemental Confirmation for such Transaction, to be each date set forth under the heading “Forward Price Reduction Date” in the Supplemental Confirmation for such Transaction.
Forward Price Reduction Amount:	For each Forward Price Reduction Date, the Forward Price Reduction Amount set forth opposite such date on Schedule I to the Supplemental Confirmation for such Transaction.
<u>Valuation:</u>	
Valuation Date:	For any Settlement (as defined below) with respect to any Transaction, if Physical Settlement is applicable, as designated in the relevant Settlement Notice (as defined below); or if Cash Settlement or Net Share Settlement is applicable, the last Unwind Date for such Settlement. Section 6.6 of the Equity Definitions shall not apply to any Valuation Date.
Unwind Dates:	For any Cash Settlement or Net Share Settlement with respect to any Settlement of any Transaction, each day on which Dealer (or its agent or affiliate) purchases Shares in the market in connection with unwinding its commercially reasonable hedge position in connection with such Settlement, starting on the First Unwind Date for such Settlement.
First Unwind Date:	For any Cash Settlement or Net Share Settlement with respect to any Settlement of any Transaction, as designated in the relevant Settlement Notice.
Unwind Period:	For any Cash Settlement or Net Share Settlement with respect to any Settlement of any Transaction, the period starting on the First Unwind Date for such Settlement and ending on the Valuation Date for such Settlement.

Cash Settlement Valuation Disruption:	If Cash Settlement is applicable with respect to any Transaction and any Unwind Date during the related Unwind Period is a Disrupted Day, the Calculation Agent shall determine whether (i) such Disrupted Day is a Disrupted Day in full, in which case the 10b-18 VWAP for such Disrupted Day shall not be included in the calculation of the Settlement Price, or (ii) such Disrupted Day is a Disrupted Day only in part, in which case the 10b-18 VWAP for such Disrupted Day shall be determined by the Calculation Agent based on Rule 10b-18 eligible transactions (as defined below) in the Shares on such Disrupted Day, taking into account the nature and duration of the relevant Market Disruption Event, and the weightings of the 10b-18 VWAP and the Forward Prices, as applicable for each Unwind Date during such Unwind Period shall be adjusted in a commercially reasonable manner by the Calculation Agent for purposes of determining the Settlement Price and the Relevant Forward Price, as applicable, to account for the occurrence of such partially Disrupted Day, with such adjustments based on, among other factors, the duration of any Market Disruption Event and the volume, historical trading patterns and price of the Shares.
Market Disruption Event:	The definition of “Market Disruption Event” in Section 6.3(a) of the Equity Definitions is hereby amended by deleting the words “at any time during the one-hour period that ends at the relevant Valuation Time, Latest Exercise Time, Knock-in Valuation Time or Knock-out Valuation Time, as the case may be” and inserting the words “at any time on any Exchange Business Day during the Unwind Period” after the word “material,” in the third line thereof.
Early Closure:	Section 6.3(d) of the Equity Definitions is hereby amended by deleting the remainder of the provision following the term “Scheduled Closing Time” in the fourth line thereof.
<u>Settlement Terms:</u>	
Settlement:	With respect to any Transaction, any Physical Settlement, Cash Settlement or Net Share Settlement of all or any portion of such Transaction.
Settlement Notice:	For any Transaction, subject to “Early Valuation” below, Counterparty may elect to effect a Settlement of all or any portion of such Transaction by designating one or more Scheduled Trading Days following the Effective Date for such Transaction and on or prior to the Maturity Date for such Transaction to be Valuation Dates (or, with respect to Cash Settlements or Net Share Settlements of such Transaction, First Unwind Dates, each of which First Unwind Dates shall occur no later than the 60 th Scheduled

Trading Day immediately preceding the Maturity Date for such Transaction) in a written notice to Dealer (a “**Settlement Notice**”) delivered no later than the applicable Settlement Method Election Date for such Transaction, which notice shall also specify (i) the number of Shares (the “**Settlement Shares**”) for such Settlement (not to exceed the number of Undesignated Shares for such Transaction as of the date of such Settlement Notice) and (ii) the Settlement Method applicable to such Settlement; *provided* that (A) Counterparty may not designate a First Unwind Date for a Cash Settlement or a Net Share Settlement of any Transaction if, as of the date of such Settlement Notice, any Shares have been designated as Settlement Shares for a Cash Settlement or a Net Share Settlement of such Transaction for which the related Relevant Settlement Date has not occurred; and (B) if the number of Undesignated Shares as of the Maturity Date for such Transaction is not zero, then the Maturity Date for such Transaction shall be a Valuation Date for a Physical Settlement of such Transaction and the number of Settlement Shares for such Settlement shall be the number of Undesignated Shares for such Transaction as of the Maturity Date for such Transaction (*provided* that if such Maturity Date occurs during the period from the time any Settlement Notice is given for a Cash Settlement or Net Share Settlement of such Transaction until the related Relevant Settlement Date, inclusive, then the provisions set forth below opposite “Early Valuation” shall apply to such Transaction as if the Maturity Date for such Transaction were the Early Valuation Date for such Transaction).

Undesignated Shares:

For any Transaction, as of any date, the Number of Shares for such Transaction *minus* the number of Shares designated as Settlement Shares for Settlements of such Transaction for which the related Relevant Settlement Date has not occurred.

Settlement Method Election:

For any Transaction, applicable; *provided* that:

- (i) Net Share Settlement shall be deemed to be included as an additional settlement method under Section 7.1 of the Equity Definitions;

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- (ii) Counterparty may elect Cash Settlement or Net Share Settlement for any Settlement of any Transaction only if Counterparty represents and warrants to Dealer in the Settlement Notice containing such election that, as of the date of such Settlement Notice, (A) Counterparty is not aware of any material nonpublic information concerning itself or the Shares, (B) Counterparty is electing the settlement method and designating the First Unwind Date specified in such Settlement Notice in good faith and not as part of a plan or scheme to evade compliance with Rule 10b-5 (“**Rule 10b-5**”) under the Exchange Act, or any other provision of the federal securities laws, (C) Counterparty is not “insolvent” (as such term is defined under Section 101(32) of the U.S. Bankruptcy Code (Title 11 of the United States Code) (the “**Bankruptcy Code**”)), (D) Counterparty would be able to purchase a number of Shares equal to the greater of (x) the number of Settlement Shares designated in such Settlement Notice and (y) a number of Shares with a value as of the date of such Settlement Notice equal to the product of (I) such number of Settlement Shares and (II) the applicable Forward Price on the date of such Settlement Notice in compliance with the laws of Counterparty’s jurisdiction of organization and (E) such election, and settlement in accordance therewith, does not and will not violate or conflict with any law or regulation applicable to Counterparty, or any order or judgment of any court or other agency of government applicable to it or any of its assets, and any governmental consents that are required to have been obtained by Counterparty with respect to such election or settlement have been obtained and are in full force and effect and all conditions of any such consents have been complied with; and

(iii) Notwithstanding any election to the contrary in any Settlement Notice, Physical Settlement shall be applicable for any Settlement of any Transaction:

- (A) to all of the Settlement Shares designated in such Settlement Notice if, at any time from the date such Settlement Notice is received by Dealer until the related First Unwind Date, inclusive, (I) the trading price per Share on the Exchange (as determined by Dealer in a commercially reasonable manner) is below the Threshold Price or (II) Dealer determines, in its good faith and commercially reasonable judgment, that it would, after using commercially reasonable efforts, be unable to purchase a number of Shares in the market sufficient to unwind a commercially reasonable hedge position in respect of the portion of the Transaction represented by such Settlement Shares and satisfy its delivery obligation hereunder, if any, by the Maturity Date (x) in a manner that (A) would, if Dealer were Counterparty or an affiliated purchaser of Counterparty and taking into account any other Transactions hereunder or any other issuer forward or similar transactions with overlapping unwind periods, be in compliance with the safe harbor provided by Rule 10b-18(b) under the Exchange Act and (B) based on advice of counsel, would not raise material risks under applicable securities laws or (y) due to the lack of sufficient liquidity in the Shares (each, a “**Trading Condition**”); or
- (B) to all or a portion of the Settlement Shares designated in such Settlement Notice if, on any day during the relevant Unwind Period, (I) the trading price per Share on the Exchange (as determined by Dealer in a commercially reasonable manner) is below the Threshold Price or (II) Dealer determines, in its good faith and commercially reasonable judgment or based on advice of counsel, as applicable, that a Trading Condition has occurred with respect to such Transaction, in which case the provisions set forth below in the fourth paragraph opposite “Early Valuation” shall apply as if such day were the Early Valuation Date for such Transaction and (x) for purposes of clause (i) of such paragraph, such day shall be the last

Unwind Date of such Unwind Period and the “Unwound Shares” shall be calculated to, and including, such day and (y) for purposes of clause (ii) of such paragraph, the “Remaining Shares” shall be equal to the number of Settlement Shares designated in such Settlement Notice *minus* the Unwound Shares determined in accordance with clause (x) of this sentence.

Threshold Price:

For each Transaction, as specified in the Supplemental Confirmation for such Transaction, to be 50% of the Initial Forward Price for such Transaction.

Electing Party:

Counterparty

Settlement Method Election Date:

With respect to any Settlement of any Transaction, (x) the second Scheduled Trading Day immediately preceding the Valuation Date for such Transaction, in the case of Physical Settlement, or (y) the fifth Scheduled Trading Day immediately preceding the First Unwind Date for such Transaction, in the case of Cash Settlement or Net Share Settlement.

Default Settlement Method:

Physical Settlement

Physical Settlement:

Notwithstanding Section 9.2(a)(i) of the Equity Definitions, on the Settlement Date for any Physical Settlement of any Transaction, Dealer shall pay to Counterparty an amount in USD equal to the Forward Price for such Transaction on the relevant Valuation Date *multiplied by* the number of Settlement Shares for such Settlement, and Counterparty shall deliver to Dealer such Settlement Shares. If, on any Settlement Date, the Settlement Shares to be delivered by Counterparty to Dealer hereunder are not so delivered (the “**Deferred Shares**”), and a Forward Price Reduction Date occurs during the period from, and including, such Settlement Date to, but excluding, the date such Settlement Shares are actually delivered to Dealer, then the portion of the amount payable by Dealer to Counterparty in respect of the Deferred Shares shall be reduced by an amount equal to the Forward Price Reduction Amount for such Forward Price Reduction Date, multiplied by the number of Deferred Shares.

Settlement Date:	For any Settlement of any Transaction to which Physical Settlement is applicable, the Valuation Date for such Settlement.
Net Share Settlement:	On the Net Share Settlement Date for any Settlement of any Transaction to which Net Share Settlement is applicable, if the Net Share Settlement Amount for such Settlement is greater than zero, Counterparty shall deliver a number of Shares equal to such Net Share Settlement Amount (rounded down to the nearest integer) to Dealer, and if such Net Share Settlement Amount is less than zero, Dealer shall deliver a number of Shares equal to the absolute value of such Net Share Settlement Amount (rounded down to the nearest integer) to Counterparty, in either case, in accordance with Section 9.4 of the Equity Definitions, with such Net Share Settlement Date deemed to be a "Settlement Date" for purposes of such Section 9.4, and, in either case, plus cash in lieu of any fractional Shares included in such Net Share Settlement Amount but not delivered due to rounding required hereby, valued at the relevant Settlement Price.
Net Share Settlement Date:	For any Settlement of any Transaction to which Net Share Settlement is applicable, the date that follows the Valuation Date for such Settlement by one Settlement Cycle.
Net Share Settlement Amount:	For any Settlement of any Transaction to which Net Share Settlement is applicable, an amount equal to the Forward Cash Settlement Amount for such Settlement <i>divided by</i> the Settlement Price for such Settlement.
Forward Cash Settlement Amount:	Notwithstanding Section 8.5(c) of the Equity Definitions, the Forward Cash Settlement Amount for any Cash Settlement or Net Share Settlement of any Transaction shall be equal to (i) the number of Settlement Shares for such Settlement <i>multiplied by</i> (ii) an amount equal to (A) the Settlement Price for such Settlement <i>minus</i> (B) the Relevant Forward Price for such Settlement.
Relevant Forward Price:	For any Cash Settlement of any Transaction, the arithmetic average of the Forward Prices for such Transaction on each Unwind Date relating to such Settlement.

For any Net Share Settlement of any Transaction, the weighted average of the Forward Prices for such Transaction on each Unwind Date relating to such Settlement (weighted based on the number of Shares purchased by Dealer or its agent or affiliate on each such Unwind Date in connection with unwinding its commercially reasonable hedge position in connection with such Settlement, as determined by the Calculation Agent).

Settlement Price:

For any Cash Settlement of any Transaction, the arithmetic average of the 10b-18 VWAP on each Unwind Date relating to such Settlement, *plus* a commercially reasonable amount determined by the Calculation Agent that in no event will exceed USD 0.02.

For any Net Share Settlement of any Transaction, the weighted average price of the purchases of Shares made by Dealer (or its agent or affiliate) during the Unwind Period for such Settlement in connection with unwinding its commercially reasonable hedge position relating to such Settlement (weighted based on the number of Shares purchased by Dealer or its agent or affiliate on each Unwind Date in connection with unwinding its commercially reasonable hedge position in connection with such Settlement, as determined by the Calculation Agent), *plus* a commercially reasonable amount determined by the Calculation Agent that in no event will exceed USD 0.02.

10b-18 VWAP:

For any Exchange Business Day, as determined by the Calculation Agent based on the 10b-18 Volume Weighted Average Price per Share as reported in the composite transactions for United States exchanges and quotation systems for the regular trading session (including any extensions thereof) of the Exchange on such Exchange Business Day (without regard to pre-open or after hours trading outside of such regular trading session for such Exchange Business Day), as published by Bloomberg at 4:15 p.m. New York City time (or 15 minutes following the end of any extension of the regular trading session) on such Exchange Business Day, on Bloomberg page “NI <Equity> AQR_SEC” (or any successor thereto), or if such price is not so reported on such Exchange Business Day for any reason or is, in the Calculation Agent’s reasonable determination, erroneous, such 10b-18 VWAP shall be as reasonably determined by the Calculation Agent. For purposes of calculating the 10b-18 VWAP for such Exchange Business Day, the Calculation Agent will

include only those trades that are reported during the period of time during which Counterparty could purchase its own shares under Rule 10b-18(b)(2) and are effected pursuant to the conditions of Rule 10b-18(b)(3), each under the Exchange Act (such trades, “**Rule 10b-18 eligible transactions**”).

Unwind Activities:

The times and prices at which Dealer (or its agent or affiliate) purchases any Shares during any Unwind Period in connection with unwinding its commercially reasonable hedge position in respect of each Transaction shall be determined by Dealer in a commercially reasonable manner. Without limiting the generality of the foregoing, in the event that Dealer concludes, in its reasonable discretion based on advice of counsel, that it is appropriate with respect to any legal, regulatory or self-regulatory requirements or related policies and procedures (whether or not such requirements, policies or procedures are imposed by law or have been voluntarily adopted by Dealer) (a “**Regulatory Disruption**”), for it to refrain from purchasing Shares in connection with unwinding its commercially reasonable hedge position in respect of such Transaction on any Scheduled Trading Day that would have been an Unwind Date but for the occurrence of a Regulatory Disruption, Dealer will notify Counterparty in writing that a Regulatory Disruption has occurred on such Scheduled Trading Day with respect to such Transaction, in which case Dealer shall, to the extent practicable in its good faith discretion, specify the nature of such Regulatory Disruption, and, for the avoidance of doubt, such Scheduled Trading Day shall not be an Unwind Date for such Transaction and such Regulatory Disruption shall be deemed to be a Market Disruption Event; *provided* that Dealer may exercise its right to suspend under this sentence only in good faith in relation to events or circumstances that are not the result of actions of it or any of its Affiliates that are taken with the intent to avoid its obligations under the Transactions.

Relevant Settlement Date:

For any Settlement of any Transaction, the Settlement Date, Cash Settlement Payment Date or Net Share Settlement Date for such Settlement, as the case may be.

Other Applicable Provisions:	To the extent Dealer is obligated to deliver Shares under any Transaction, the provisions of Sections 9.2 (last sentence only), 9.8, 9.9, 9.10, 9.11 and 9.12 of the Equity Definitions will be applicable as if “Physical Settlement” applied to such Transaction; <i>provided</i> that the Representation and Agreement contained in Section 9.11 of the Equity Definitions shall be modified by excluding any representations therein relating to restrictions, obligations, limitations or requirements under applicable securities laws that exist as a result of the fact that Counterparty is the issuer of the Shares.
<u>Share Adjustments:</u>	
Potential Adjustment Events:	Notwithstanding anything to the contrary in the Equity Definitions, none of (i) an Extraordinary Dividend, (ii) the issuance of stock-based awards in the ordinary course pursuant to the Counterparty’s employee and director’s benefit plans or (iii) the issuance of stock in the ordinary course under the Counterparty’s employee stock purchase plan shall constitute a Potential Adjustment Event. For the avoidance of doubt, a cash dividend on the Shares that differs from expected dividends as of the first Trading Day of the Forward Hedge Selling Period for such Transaction shall not be a Potential Adjustment Event under Section 11.2(e)(vii) of the Equity Definitions with respect to such Transaction.
Extraordinary Dividend:	For any Transaction, any dividend or distribution on the Shares with an ex-dividend date occurring on any day following the first Trading Day of the Forward Hedge Selling Period for such Transaction (other than (i) any dividend or distribution of the type described in Section 11.2(e) (i) or Section 11.2(e)(ii)(A) of the Equity Definitions or (ii) a regular, quarterly cash dividend in an amount equal to or less than the Regular Dividend Amount for such calendar quarter for such Transaction that has an ex-dividend date no earlier than the Forward Price Reduction Date occurring in the relevant quarter for such Transaction).
Regular Dividend Amount:	For each Transaction and each calendar quarter, the amount set forth under the heading “Regular Dividend Amount” in the Supplemental Confirmation for such Transaction and such calendar quarter, as specified in Schedule I to the Supplemental Confirmation for such Transaction.
Method of Adjustment:	Calculation Agent Adjustment.

Extraordinary Events:

Extraordinary Events:

The consequences that would otherwise apply under Article 12 of the Equity Definitions to any applicable Extraordinary Event (excluding any Change in Law, Failure to Deliver, Hedging Disruption, Increased Cost of Hedging, Increased Cost of Stock Borrow, Loss of Stock Borrow or any Extraordinary Event that also constitutes a Bankruptcy Termination Event, but including, for the avoidance of doubt, any other applicable Additional Disruption Event) shall not apply.

Tender Offer:

Applicable; *provided* that Section 12.1(d) of the Equity Definitions shall be amended by replacing the reference therein to “10%” with a reference to “20%”.

Delisting:

In addition to the provisions of Section 12.6(a)(iii) of the Equity Definitions, it shall also constitute a Delisting if the Exchange is located in the United States and the Shares are not immediately re-listed, re-traded or re-quoted on any of the New York Stock Exchange, the NASDAQ Global Select Market or the NASDAQ Global Market (or their respective successors); if the Shares are immediately re-listed, re-traded or re-quoted on any such exchange or quotation system, such exchange or quotation system shall be deemed to be the Exchange.

Additional Disruption Events:

Change in Law:

Applicable; *provided* that (A) any determination as to whether (i) the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law) or (ii) the promulgation of or any change in or public announcement of the formal or informal interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), in each case, constitutes a “Change in Law” shall be made without regard to Section 739 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 or any similar legal certainty provision in any legislation enacted, or rule or regulation promulgated, on or after the Trade Date, (B) Section 12.9(a)(ii) of the Equity Definitions is hereby amended (i) by adding the words “(including, for the avoidance of doubt and without limitation, adoption or promulgation of new regulations authorized or mandated by existing statute)” after the

word “regulation” in the second line thereof and (ii) by replacing the words “the interpretation” with the words “or public announcement of any formal or informal interpretation” in the third line thereof and (C) the words “, unless the illegality is due to an act or omission of the party seeking to elect termination of the Transaction with the intent to avoid its obligations under the terms of the Transaction” are added immediately following the word “Transaction” in the fifth line thereof; and *provided further* that Section 12.9(a)(ii) of the Equity Definitions is hereby amended by adding the phrase “and/or Hedge Position” after the word “Shares” in clause (X) thereof and (iii) by immediately following the word “Transaction” in clause (X) thereof, adding the phrase “in the manner contemplated by the Hedging Party on the Trade Date”.

Failure to Deliver:

Applicable with respect to a Transaction if Dealer is required to deliver Shares under such Transaction; otherwise, Not Applicable.

Hedging Disruption:

Applicable

Increased Cost of Hedging:

Applicable; *provided* that Section 12.9(b)(vi) of the Equity Definitions shall be amended by (i) adding “or” before clause (B) of the second sentence thereof, (ii) deleting clause (C) of the second sentence thereof and (iii) deleting the third and fourth sentences thereof.

Increased Cost of Stock Borrow:

Applicable; *provided* that Section 12.9(b)(v) of the Equity Definitions shall be amended by (i) adding “or” before clause (B) of the second sentence thereof, (ii) deleting clause (C) of the second sentence thereof and (iii) deleting the third, fourth and fifth sentences thereof. For the avoidance of doubt, upon the announcement of any event that, if consummated, would result in a Merger Event or Tender Offer, the term “rate to borrow Shares” as used in Section 12.9(a)(viii) of the Equity Definitions shall include any commercially reasonable cost borne or amount payable by the Hedging Party in respect of maintaining or reestablishing its hedge position with respect to the relevant Transaction, including, but not limited to, any assessment or other amount payable by the Hedging Party to a lender of Shares in respect of any merger or tender offer premium, as applicable.

Initial Stock Loan Rate:	For each Transaction, as specified in the Supplemental Confirmation for such Transaction.
Loss of Stock Borrow:	Applicable; <i>provided</i> that Section 12.9(b)(iv) of the Equity Definitions shall be amended by (i) deleting clause (A) of the first sentence thereof in its entirety and (ii) replacing the words “neither the Non-Hedging Party nor the Lending Party lends” with “the Lending Party does not lend” in the second sentence thereof.
Maximum Stock Loan Rate:	For each Transaction, as specified in the Supplemental Confirmation for such Transaction.
Hedging Party:	For all applicable Additional Disruption Events, Dealer
Determining Party:	For all applicable Extraordinary Events, Dealer
<u>Early Valuation:</u>	
Early Valuation:	For any Transaction, notwithstanding anything to the contrary herein, in the Agreement, in any Supplemental Confirmation or in the Equity Definitions, at any time (x) following the occurrence of a Hedging Event with respect to such Transaction, the declaration by Issuer of an Extraordinary Dividend, or an ISDA Event with respect to such Transaction or (y) if an Excess Section 13 Ownership Position, an Excess NYSE Ownership Position or an Excess Regulatory Ownership Position exists, Dealer (or, in the case of such an ISDA Event that is an Event of Default or Termination Event, the party entitled to designate an Early Termination Date in respect of such event pursuant to Section 6 of the Agreement) shall have the right to designate any Scheduled Trading Day to be the “Early Valuation Date” for such Transaction, in which case the provisions set forth in this “Early Valuation” Section shall apply to such Transaction, in the case of an Event of Default or Termination Event, in lieu of Section 6 of the Agreement. For the avoidance of doubt, any amount calculated pursuant to this “Early Valuation” Section as a result of an Extraordinary Dividend shall not be adjusted by the value associated with such Extraordinary Dividend.

Dealer covenants and agrees with Counterparty that Dealer will not knowingly cause the occurrence of an Excess Section 13 Ownership Position, an Excess NYSE Ownership Position or an Excess Regulatory Ownership Position on any day during the term of any Transaction for the purpose, in whole or in part, of causing the occurrence of an Early Valuation Date.

If an Early Valuation Date for a Transaction occurs on a date that is not during an Unwind Period for such Transaction, then such Early Valuation Date shall be a Valuation Date for a Physical Settlement of such Transaction, and the number of Settlement Shares for such Settlement shall be the Number of Shares on such Early Valuation Date; *provided* that Dealer may in its sole discretion permit Counterparty to elect Cash Settlement or Net Share Settlement in respect of such Transaction. Notwithstanding anything to the contrary in this Master Confirmation, any Supplemental Confirmation, the Agreement or the Equity Definitions, if Dealer designates an Early Valuation Date with respect to a Transaction following the occurrence of an ISDA Event and such Early Valuation Date is to occur before the date that is one Settlement Cycle after the last day of the Forward Hedge Selling Period for such Transaction, then, for purposes of such Early Valuation Date, (i) a Supplemental Confirmation relating to such Transaction shall, notwithstanding the provisions under Section 3 of this Master Confirmation, be deemed to be effective; and (ii) the Forward Price shall be deemed to be the Initial Forward Price (calculated assuming that the last Trading Day of such Forward Hedge Selling Period were the day immediately following the date Dealer so notifies Counterparty of such designation of an Early Valuation Date for purposes of such Early Valuation Date).

If an Early Valuation Date for a Transaction occurs during an Unwind Period for such Transaction, then (i) (A) the last Unwind Date of such Unwind Period shall be deemed to be such Early Valuation Date, (B) a Settlement shall occur in respect of such Unwind Period, and the Settlement Method elected by Counterparty in respect of such Settlement shall apply, and (C) the number of Settlement Shares for such Settlement shall be the number of Unwound Shares for such Unwind Period on such Early Valuation Date, and (ii) (A) such Early Valuation Date shall be a Valuation Date for an additional Physical Settlement of such Transaction (*provided* that Dealer may in its sole discretion elect that the Settlement Method elected by Counterparty for the Settlement described in clause (i) of this sentence shall apply) and (B) the number of Settlement Shares for such additional Settlement shall be the number of Remaining Shares on such Early Valuation Date.

Notwithstanding the foregoing, in the case of a Nationalization or Merger Event, if at the time of the related Relevant Settlement Date the Shares have changed into cash or any other property or the right to receive cash or any other property, the Calculation Agent shall adjust the nature of the Shares as it determines appropriate to account for such change such that the nature of the Shares is consistent with what shareholders receive in such event.

ISDA Event:

(i) Any Event of Default or Termination Event, other than an Event of Default or Termination Event that also constitutes a Bankruptcy Termination Event, that gives rise to the right of either party to designate an Early Termination Date pursuant to Section 6 of the Agreement or (ii) the announcement of any event or transaction on or after the first Trading Day of the Forward Hedge Selling Period for such Transaction that, if consummated, would result in a Merger Event, Tender Offer, Nationalization, Delisting or Change in Law, in each case, as determined by the Calculation Agent.

Amendment to Merger Event:

Section 12.1(b) of the Equity Definitions is hereby amended by deleting the remainder of such Section beginning with the words “in each case if the Merger Date is on or before” in the fourth to last line thereof.

Hedging Event:

In respect of any Transaction, the occurrence of any of the following events on or following the first Trading Day of the Forward Hedge Selling Period: (i) (x) a Loss of Stock Borrow in connection with which Counterparty does not refer the Hedging Party to a satisfactory Lending Party within the required time period as provided in Section 12.9(b)(iv) of the Equity Definitions or (y) a Hedging Disruption, (ii) (A) an Increased Cost of Stock Borrow or (B) an Increased Cost of Hedging in connection with which, in the case of sub-clause (A) or (B), Counterparty does not elect, and so notify the Hedging Party of its election, in each case, within the required time period to either amend such Transaction pursuant to Section 12.9(b)(v)(A) or Section 12.9(b)(vi)(A) of the Equity Definitions, as applicable, or pay an amount determined by the

Calculation Agent that corresponds to the relevant Price Adjustment pursuant to Section 12.9(b)(v) (B) or Section 12.9(b)(vi)(B) of the Equity Definitions, as applicable, or (iii) the occurrence of a Market Disruption Event during an Unwind Period for such Transaction and the continuance of such Market Disruption Event for at least eight Scheduled Trading Days. In respect of any Transaction, if a Hedging Event occurs with respect to such Transaction on or after the first Trading Day of the Forward Hedge Selling Period for such Transaction and prior to the Trade Date for such Transaction, the Calculation Agent may reduce the Initial Forward Price to account for such Hedging Event and any costs or expenses reasonably incurred by Dealer as a result of such Hedging Event.

Remaining Shares:

For any Transaction, on any day, the Number of Shares for such Transaction as of such day (or, if such day occurs during an Unwind Period for such Transaction, the Number of Shares for such Transaction as of such day *minus* the Unwound Shares for such Transaction for such Unwind Period on such day).

Unwound Shares:

For any Transaction, for any Unwind Period in respect of such Transaction on any day, the aggregate number of Shares with respect to which Dealer has unwound its commercially reasonable hedge position in respect of such Transaction in connection with the related Settlement as of such day.

Acknowledgements:

Non-Reliance:

Applicable

Agreements and Acknowledgements Regarding Hedging Activities:

Applicable

Additional Acknowledgements:

Applicable

Calculation Agent:

Dealer; *provided* that, following the occurrence and during the continuation of an Event of Default pursuant to Section 5(a)(vii) of the Agreement with respect to which Dealer is the sole Defaulting Party, Counterparty shall have the right to select a leading dealer in the market for U.S. corporate equity derivatives reasonably acceptable to Dealer to replace Dealer as the Calculation Agent, and the parties shall work in good faith to execute any appropriate

documentation required by such replacement Calculation Agent. Following any determination or calculation by the Calculation Agent hereunder, upon a written request by Counterparty, the Calculation Agent will, within a commercially reasonable period of time following such request, provide to Counterparty by e-mail to the e-mail address provided by Counterparty in such written request a report (in a commonly used file format for the storage and manipulation of financial data) displaying in reasonable detail the basis for such determination or calculation, as the case may be; *provided* that Dealer shall not be required to disclose any proprietary or confidential models of Dealer or any information that is proprietary or subject to contractual, legal or regulatory obligations to not disclose such information.

Payments and Deliveries:

Counterparty Payment and Delivery Instructions: To be provided by Counterparty
Dealer Payment and Delivery Instructions: To be provided by Dealer

Contact Details:

Counterparty's Contact Details for Purpose of Giving Notice: To be provided by Counterparty
Dealer's Contact Details for Purpose of Giving Notice: To be provided by Dealer
Dealer's Contact Details for Trade Affirmations and Settlements: To be provided by Dealer
Dealer's Contact Details for Trade Confirmations: To be provided by Dealer

Offices:

Office of Counterparty: Not Applicable; Counterparty is not a Multibranch Party.
Office of Dealer: For each Transaction, as specified in the Supplemental Confirmation for such Transaction.

3. Effectiveness.

The effectiveness of each Supplemental Confirmation and the related Transaction on the Effective Date for such Supplemental Confirmation shall be subject to the following conditions except to the extent previously waived by Dealer in writing:

(a) the representations and warranties of Counterparty contained in the Equity Distribution Agreement, and any certificate delivered pursuant thereto by Counterparty shall be true and correct on such Effective Date as if made as of such Effective Date;

(b) Counterparty shall have performed all of the obligations required to be performed by it under the Equity Distribution Agreement on or prior to such Effective Date;

(c) all of the conditions set forth in Section 5 of the Equity Distribution Agreement shall have been satisfied;

(d) such Supplemental Confirmation shall be dated during the period commencing on the date of the Equity Distribution Agreement and expiring on the earlier to occur of (i) the date on which the gross sale price of Shares sold pursuant to the Equity Distribution Agreement and any similar agreement or agreements with one or more other dealers and dated the date thereof is equal to or exceeds USD 1.5 billion and (ii) the date on which the Equity Distribution Agreement is terminated;

(e) all of the representations and warranties of Counterparty hereunder and under the Agreement shall be true and correct on such Effective Date as if made as of such Effective Date; and

(f) Counterparty shall have performed all of the obligations required to be performed by it hereunder and under the Agreement on or prior to such Effective Date, including without limitation its obligations under Section 5 and Section 6 of this Master Confirmation.

(g) Counterparty shall have delivered to Dealer an opinion of counsel in form and substance reasonably satisfactory to Dealer, with respect to the matters set forth in Section 3(a) of the Agreement and that the maximum number of Shares initially issuable under such Transaction have been duly authorized and, upon issuance pursuant to the terms of such Transaction, will be validly issued, fully paid and nonassessable.

Notwithstanding the foregoing or any other provision of this Master Confirmation or any Supplemental Confirmation, if in respect of any Transaction on or prior to 9:00 a.m., New York City time, on any Forward Hedge Settlement Date, in connection with establishing its commercially reasonable hedge position in respect of such Transaction Dealer, in its sole judgment, it (or its affiliate) (x) is unable, after using commercially reasonable efforts, to borrow and deliver for sale the full number of Shares to be borrowed and sold pursuant to the Equity Distribution Agreement on such Forward Hedge Settlement Date or (y) would incur a stock loan cost of more than a rate equal to the Maximum Stock Loan Rate for such Transaction with respect to all or any portion of such full number of Shares, then the effectiveness of the related Supplemental Confirmation and such Transaction shall be limited to the number of Shares Dealer is so able to borrow in connection with establishing its commercially reasonable hedge

position of such Transaction at a cost of not more than a rate equal to the Maximum Stock Loan Rate for such Transaction, which, for the avoidance of doubt, may be zero. “**Forward Hedge Settlement Date**” will mean a Trading Day that is one Settlement Cycle immediately following the Trading Day on which the sale of any Forward Hedge Shares occurs pursuant to the Equity Distribution Agreement.

4. **Additional Mutual Representations and Warranties.** In addition to the representations and warranties in the Agreement, each party represents and warrants to the other party that it is an “eligible contract participant”, as defined in the U.S. Commodity Exchange Act (as amended), and an “accredited investor” as defined in Section 2(a)(15)(ii) of the Securities Act of 1933 (as amended) (the “**Securities Act**”), and is entering into each Transaction hereunder as principal and not for the benefit of any third party.

5. **Additional Representations, Warranties and Agreements of Counterparty.** Counterparty represents and warrants to Dealer that the representations and warranties of Counterparty which are set forth in Section 1 of the Equity Distribution Agreement are true and correct as of the date hereof and, except to the extent previously waived by Dealer in writing, will be deemed to have represented and warranted to Dealer that such representations and warranties are true and correct as of the date of each Supplemental Confirmation, each Trade Date for any Transaction and each Forward Hedge Settlement Date for any Transaction. Such representations and warranties hereby are deemed to be repeated to Dealer on the date hereof and on each such other date as if set forth herein. In addition to the representations and warranties in Section 1 of the Equity Distribution Agreement, the Agreement and those contained elsewhere herein, Counterparty represents and warrants to Dealer, and agrees with Dealer, that:

(a) without limiting the generality of Section 13.1 of the Equity Definitions, it acknowledges that Dealer is not making any representations or warranties with respect to the treatment of any Transaction, including without limitation ASC Topic 260, *Earnings Per Share*, ASC Topic 815, *Derivatives and Hedging*, ASC Topic 480, *Distinguishing Liabilities from Equity*, ASC 815-40, *Derivatives and Hedging — Contracts in Entity’s Own Equity* (or any successor issue statements) or under the Financial Accounting Standards Board’s Liabilities & Equity Project;

(b) it shall not take any action to reduce or decrease the number of authorized and unissued Shares below the sum of (i) the aggregate Number of Shares across all Transactions hereunder *plus* (ii) the total number of Shares issuable upon settlement (whether by physical settlement, net share settlement or otherwise) of any other transaction or agreement to which it is a party;

(c) it will not repurchase any Shares if, immediately following such repurchase, the aggregate Number of Shares across all Transactions hereunder would be equal to or greater than [4.5%] [8.5%] of the number of then-outstanding Shares and it will notify Dealer promptly upon the announcement or consummation of any repurchase of Shares in an amount that, taken together with the amount of all repurchases since the date of the last such notice (or, if no such notice has been given, since the Trade Date), exceeds 0.5% of the number of then-outstanding Shares;

(d) it is not entering into this Master Confirmation or any Supplemental Confirmation to create actual or apparent trading activity in the Shares (or any security convertible into or exchangeable for Shares), or to raise or depress or otherwise manipulate the price of the Shares (or any security convertible into or exchangeable for Shares) for the purpose of inducing the purchase or sale of the Shares (or any security convertible into or exchangeable for Shares) by others;

(e) it is not aware of any material non-public information regarding itself or the Shares; it is entering into this Master Confirmation and each Supplemental Confirmation and will provide any Settlement Notice in good faith and not as part of a plan or scheme to evade compliance with Rule 10b-5 or any other provision of the federal securities laws and will act in good faith with respect to this Master Confirmation and each Supplemental Confirmation; it has not entered into or altered any hedging transaction relating to the Shares corresponding to or offsetting any Transaction; and it has consulted with its own advisors as to the legal aspects of its adoption and implementation of this Master Confirmation and each Supplemental Confirmation under Rule 10b5-1 under the Exchange Act ("**Rule 10b5-1**");

(f) as of the date hereof and the Trade Date for each Transaction no state or local (including non-U.S. jurisdictions) law, rule, regulation or regulatory order applicable to the Shares would give rise to any reporting, consent, registration or other requirement (including without limitation a requirement to obtain prior approval from any person or entity) as a result of Dealer or its affiliates owning or holding (however defined) Shares; *provided* that Counterparty makes no such representation or warranty regarding any such requirement that is applicable generally to the ownership of equity securities by Dealer;

(g) as of the date hereof, the Trade Date for each Transaction and the date of any payment or delivery by Counterparty or Dealer under any Transaction, it is not and will not be "insolvent" (as such term is defined under Section 101(32) of the Bankruptcy Code);

(h) it is not as of the date hereof, and on the Trade Date for each Transaction and after giving effect to the transactions contemplated hereby and by each Supplemental Confirmation will not be, required to register as an "investment company" as such term is defined in the Investment Company Act of 1940, as amended;

(i) as of the date hereof and the Trade Date for each Transaction it: (i) is an "institutional account" as defined in FINRA Rule 4512(c); and (ii) is capable of evaluating investment risks independently, both in general and with regard to all transactions and investment strategies involving a security or securities, and will exercise independent judgment in evaluating any recommendations of Dealer or its associated persons; and

(j) IT UNDERSTANDS AS OF THE DATE HEREOF AND AS OF THE TRADE DATE FOR EACH TRANSACTION THAT EACH TRANSACTION IS SUBJECT TO COMPLEX RISKS WHICH MAY ARISE WITHOUT WARNING AND MAY AT TIMES BE VOLATILE AND THAT LOSSES MAY OCCUR QUICKLY AND IN UNANTICIPATED MAGNITUDE AND IS WILLING TO ACCEPT SUCH TERMS AND CONDITIONS AND ASSUME (FINANCIALLY AND OTHERWISE) SUCH RISKS.

6. Additional Covenants of Counterparty.

(a) Counterparty acknowledges and agrees that any Shares delivered by Counterparty to Dealer on any Settlement Date or Net Share Settlement Date for any Transaction will be (i) newly issued, (ii) approved for listing or quotation on the Exchange, subject to official notice of issuance, and (iii) registered under the Exchange Act, and, when delivered by Dealer (or an affiliate of Dealer) to securities lenders from whom Dealer (or an affiliate of Dealer) borrowed Shares in connection with hedging its exposure to such Transaction, will be freely saleable without further registration or other restrictions under the Securities Act in the hands of those securities lenders, irrespective of whether any such stock loan is effected by Dealer or an affiliate of Dealer (provided that such Shares may be subject to resale restrictions if the status of any such securities lender would cause any such resale restrictions to apply by virtue of its share ownership in Counterparty, status as an “affiliate” of Counterparty or otherwise). Accordingly, Counterparty agrees that any Shares so delivered will not bear a restrictive legend and will be deposited in, and the delivery thereof shall be effected through the facilities of, the Clearance System. In addition, Counterparty represents and agrees that any such Shares shall be, upon such delivery, duly and validly authorized, issued and outstanding, fully paid and nonassessable, free of any lien, charge, claim or other encumbrance.

(b) Counterparty agrees that Counterparty shall not enter into or alter any hedging transaction relating to the Shares corresponding to or offsetting any Transaction. Without limiting the generality of the provisions set forth opposite the caption “Unwind Activities” in Section 2 of this Master Confirmation, Counterparty acknowledges that it has no right to, and agrees that it will not seek to, control or influence Dealer’s decision to make any “purchases or sales” (within the meaning of Rule 10b5-1(c)(1)(i)(B)(3)) under or in connection with any Transaction, including, without limitation, Dealer’s decision to enter into any hedging transactions.

(c) Counterparty acknowledges and agrees that any amendment, modification, waiver or termination of this Master Confirmation or any Supplemental Confirmation must be effected in accordance with the requirements for the amendment or termination of a “plan” as defined in Rule 10b5-1(c). Without limiting the generality of the foregoing, any such amendment, modification, waiver or termination shall be made in good faith and not as part of a plan or scheme to evade the prohibitions of Rule 10b-5, and no such amendment, modification or waiver shall be made at any time at which Counterparty or any officer, director, manager or similar person of Counterparty is aware of any material non-public information regarding Counterparty or the Shares.

(d) Counterparty shall promptly provide notice thereof to Dealer (i) upon the occurrence of any event that would constitute an Event of Default or a Termination Event in respect of which Counterparty is a Defaulting Party or an Affected Party, as the case may be, and (ii) upon announcement of any event that, if consummated, would constitute an Extraordinary Event or Potential Adjustment Event.

(e) Neither Counterparty nor any of its “affiliated purchasers” (as defined by Rule 10b-18 under the Exchange Act (“**Rule 10b-18**”)) shall take any action that would cause any purchases of Shares by Dealer or any of its Affiliates in connection with any Cash Settlement or Net Share Settlement of any Transaction or any corresponding settlement of any other issuer forward sale or similar transaction with Dealer not to meet the requirements of the safe harbor provided by Rule 10b-18 if such purchases were made by Counterparty. Without limiting the generality of the foregoing, during any Unwind Period for any Transaction, except with the prior written consent of Dealer, Counterparty will not, and will cause its affiliated purchasers (as defined in Rule 10b-18) not to, directly or indirectly (including by means of a derivative instrument) purchase, offer to purchase, place any bid or limit order that would effect a purchase of, or announce or commence any tender offer relating to, any Shares (or equivalent interest, including a unit of beneficial interest in a trust or limited partnership or a depository share) or any security convertible into or exchangeable for the Shares. However, the foregoing shall not (i) limit Counterparty’s ability, pursuant to any issuer “plan” (as defined in Rule 10b-18), to re-acquire Shares from employees in connection with such plan or program, (ii) limit Counterparty’s ability to withhold Shares to cover tax liabilities associated with such a plan, (iii) prohibit any purchases effected by or for an issuer “plan” by an “agent independent of the issuer” (each as defined in Rule 10b-18), (iv) otherwise restrict Counterparty’s or any of its affiliates’ ability to repurchase Shares under privately negotiated, off-exchange transactions with any of its employees, officers, directors, affiliates or any third party that are not expected to result in market transactions or (v) limit Counterparty’s ability to grant stock and options to “affiliated purchasers” (as defined in Rule 10b-18) or the ability of such affiliated purchasers to acquire such stock or options in connection with any issuer “plan” (as defined in Rule 10b-18) for directors, officers and employees or any agreements with respect to any such plan for directors, officers or employees of any entities that are acquisition targets of Counterparty, and in connection with any such purchase under (i) through (v) above, Counterparty will be deemed to represent to Dealer that such purchase does not constitute a “Rule 10b-18 purchase” (as defined in Rule 10b-18).

(f) Counterparty will not take, or permit to be taken, any action to cause any “restricted period” (as such term is defined in Regulation M promulgated under the Exchange Act (“**Regulation M**”)) to occur in respect of Shares or any security with respect to which the Shares are a “reference security” (as such term is defined in Regulation M) during any Unwind Period for any Transaction.

(g) Counterparty shall: (i) prior to the opening of trading in the Shares on any day on which Counterparty makes, or expects to be made, any public announcement (as defined in Rule 165(f) under the Securities Act) of any Merger Transaction during any Unwind Period, notify Dealer of such public announcement; (ii) promptly notify Dealer following any such announcement that such announcement has been made; (iii) promptly (but in any event prior to the next opening of the regular trading session on the Exchange) provide Dealer with written notice specifying (A) Counterparty’s average daily Rule 10b-18 purchases (as defined in Rule 10b-18) during the three full calendar months immediately preceding the announcement date for the Merger Transaction that were not effected through Dealer or its affiliates and (B) the number of Shares purchased pursuant to the proviso in Rule 10b-18(b)(4) under the Exchange Act for the three full calendar months preceding such announcement date. Such written notice shall be deemed to be a certification by Counterparty to Dealer that such information is true and correct. In addition, Counterparty shall promptly notify Dealer of the earlier to occur of the completion of such transaction and the completion of the vote by target shareholders. Counterparty acknowledges that any such notice may result in a Regulatory

Disruption, a Trading Condition or, if such notice relates to an event that is also an ISDA Event, an Early Valuation, or may affect the length of any ongoing Unwind Period; accordingly, Counterparty acknowledges that its delivery of such notice must comply with the standards set forth in Section 6(c) of this Master Confirmation. **“Merger Transaction”** means any merger, acquisition or similar transaction involving a recapitalization as contemplated by Rule 10b-18(a)(13)(iv) under the Exchange Act. For the avoidance of doubt, a Merger Transaction or the announcement thereof shall not give either party the right to designate an Early Valuation Date for any Transaction and/or to accelerate or preclude an election by Counterparty of Physical Settlement for any Settlement of any Transaction, unless such Merger Transaction or the announcement thereof is also an ISDA Event.

7. **Termination on Bankruptcy.** The parties hereto agree that, notwithstanding anything to the contrary in the Agreement or the Equity Definitions, each Transaction constitutes a contract to issue a security of Counterparty as contemplated by Section 365(c)(2) of the Bankruptcy Code and that a Transaction and the obligations and rights of Counterparty and Dealer (except for any liability as a result of breach of any of the representations or warranties provided by Counterparty in Section 4 or Section 5 of this Master Confirmation) shall immediately terminate, without the necessity of any notice, payment (whether directly, by netting or otherwise) or other action by Counterparty or Dealer, if, on or prior to the final Settlement Date, Cash Settlement Payment Date or Net Share Settlement Date, as the case may be, for such Transaction an Insolvency Filing occurs or any other proceeding commences with respect to Counterparty under the Bankruptcy Code (a **“Bankruptcy Termination Event”**).

8. Additional Provisions.

(a) Dealer acknowledges and agrees that Counterparty’s obligations under the Transactions are not secured by any collateral and that neither this Master Confirmation nor any Supplemental Confirmation is intended to convey to Dealer rights with respect to the transactions contemplated hereby and by any Supplemental Confirmation that are senior to the claims of common stockholders in any U.S. bankruptcy proceedings of Counterparty; *provided* that nothing herein shall limit or shall be deemed to limit Dealer’s right to pursue remedies in the event of a breach by Counterparty of its obligations and agreements with respect to this Master Confirmation, any Supplemental Confirmation or the Agreement; *provided further* that nothing herein shall limit or shall be deemed to limit Dealer’s rights in respect of any transaction other than the Transactions.

(b) *[Reserved]*

(c) The parties hereto intend for:

(i) each Transaction to be a “securities contract” as defined in Section 741(7) of the Bankruptcy Code, and the parties hereto to be entitled to the protections afforded by, among other Sections, Sections 362(b)(6), 362(b)(27), 362(o), 546(e), 546(j), 555 and 561 of the Bankruptcy Code;

(ii) the rights given to Dealer pursuant to “Early Valuation” in Section 2 of this Master Confirmation to constitute “contractual rights” to cause the liquidation of a “securities contract” and to set off mutual debts and claims in connection with a “securities contract”, as such terms are used in Sections 555 and 362(b)(6) of the Bankruptcy Code;

(iii) any cash, securities or other property provided as performance assurance, credit support or collateral with respect to the Transactions to constitute “margin payments” and “transfers” under a “securities contract” as defined in the Bankruptcy Code;

(iv) all payments for, under or in connection with the Transactions, all payments for Shares and the transfer of Shares to constitute “settlement payments” and “transfers” under a “securities contract” as defined in the Bankruptcy Code; and

(v) any or all obligations that either party has with respect to this Master Confirmation, any Supplemental Confirmation or the Agreement to constitute property held by or due from such party to margin, guaranty or settle obligations of the other party with respect to the transactions under the Agreement (including the Transactions) or any other agreement between such parties.

(d) Notwithstanding any other provision of the Agreement, this Master Confirmation or any Supplemental Confirmation, in no event will Counterparty be required to deliver in the aggregate in respect of all Settlement Dates, Net Share Settlement Dates or other dates on which Shares are delivered in respect of any amount owed under any Transaction a number of Shares greater than two times the Number of Shares for such Transaction as of the Trade Date for such Transaction (the “**Capped Number**”). The Capped Number shall be subject to adjustment only on account of (x) Potential Adjustment Events of the type specified in (1) Sections 11.2(e)(i) through (vi) of the Equity Definitions or (2) Section 11.2(e)(vii) of the Equity Definitions so long as, in the case of this sub-clause (2), such event is within Issuer’s control, and (y) Merger Events requiring corporate action of Issuer (or any surviving entity of the Issuer hereunder in connection with any such Merger Event). Counterparty represents and warrants to Dealer (which representation and warranty shall be deemed to be repeated for all Transactions on each day that any Transaction is outstanding) that the aggregate Capped Number across all Transactions hereunder is equal to or less than the number of authorized but unissued Shares that are not reserved for future issuance in connection with transactions in the Shares (other than the Transactions) on the date of the determination of such aggregated Capped Number. In the event Counterparty shall not have delivered the full number of Shares otherwise deliverable under any Transaction as a result of this Section 8(d) (the resulting deficit for such Transaction, the “**Deficit Shares**”), Counterparty shall be continually obligated to deliver Shares, from time to time until the full number of Deficit Shares have been delivered pursuant to this paragraph, on a pro rata basis across all Transactions hereunder, when, and to the extent that, (A) Shares are repurchased, acquired or otherwise received by Counterparty or any of its subsidiaries after the date hereof (whether or not in exchange for cash, fair value or any other consideration), (B) authorized and unissued Shares reserved for issuance in respect of other transactions prior to such date which prior to the relevant date become no longer so reserved or (C) Counterparty additionally authorizes any unissued Shares that are not reserved for transactions other than the Transactions (such events as set forth in clauses (A), (B) and (C) above, collectively, the “**Share Issuance Events**”). Counterparty shall promptly notify Dealer of the occurrence of any of the Share

Issuance Events (including the number of Shares subject to clause (A), (B) or (C) and the corresponding number of Shares to be delivered for each Transaction) and, as promptly as reasonably practicable, deliver such Shares thereafter. Counterparty shall not, until Counterparty's obligations under the Transactions have been satisfied in full, use any Shares that become available for potential delivery to Dealer as a result of any Share Issuance Event for the settlement or satisfaction of any transaction or obligation other than the Transactions or reserve any such Shares for future issuance for any purpose other than to satisfy Counterparty's obligations to Dealer under the Transactions.

(e) The parties intend for this Master Confirmation and each Supplemental Confirmation to constitute a "Contract" as described in the letter dated October 6, 2003 submitted on behalf of Goldman, Sachs & Co. to Paula Dubberly of the staff of the Securities and Exchange Commission (the "Staff") to which the Staff responded in an interpretive letter dated October 9, 2003.

(f) The parties intend for each Transaction (taking into account purchases of Shares in connection with any Cash Settlement or Net Share Settlement of any Transaction) to comply with the requirements of Rule 10b5-1(c)(1)(i)(A) under the Exchange Act and for this Master Confirmation and each Supplemental Confirmation to constitute a binding contract or instruction satisfying the requirements of 10b5-1(c) and to be interpreted to comply with the requirements of Rule 10b5-1(c).

(g) Notwithstanding any provisions of the Agreement, all communications relating to the Transactions or the Agreement shall be transmitted to Dealer exclusively in accordance with its contact details for purposes of giving notice in Section 2 of this Master Confirmation.

(h) Counterparty acknowledges that:

(i) during the term of the Transactions, Dealer and its affiliates may buy or sell Shares or other securities or buy or sell options or futures contracts or enter into swaps or other derivative securities in order to establish, adjust or unwind its hedge position with respect to the Transactions;

(ii) Dealer and its affiliates may also be active in the market for the Shares and derivatives linked to the Shares other than in connection with hedging activities in relation to the Transactions, including acting as agent or as principal and for its own account or on behalf of customers;

(iii) Dealer shall make its own determination as to whether, when or in what manner any hedging or market activities in Counterparty's securities shall be conducted and shall do so in a manner that it deems appropriate to hedge its price and market risk with respect to the Forward Price and the Settlement Price for each Transaction;

(iv) any market activities of Dealer and its affiliates with respect to the Shares may affect the market price and volatility of the Shares, as well as the Forward Price and the Settlement Price for each Transaction, each in a manner that may be adverse to Counterparty; and

(v) each Transaction is a derivatives transaction; Dealer may purchase or sell shares for its own account at an average price that may be greater than, or less than, the price received by Counterparty under the terms of the relevant Transaction.

(i) Counterparty and Dealer agree and acknowledge that (A) the Transactions contemplated by this Master Confirmation will be entered into in reliance on the fact that this Master Confirmation and each Supplemental Confirmation hereto form a single agreement between Counterparty and Dealer, and Dealer would not otherwise enter into such Transactions; (B) this Master Confirmation, together with each Supplemental Confirmation hereto, is a “qualified financial contract,” as such term is defined in Section 5-701(b)(2) of the General Obligations Law; (C) each Supplemental Confirmation hereto, regardless of whether transmitted electronically or otherwise, constitutes a “confirmation in writing sufficient to indicate that a contract has been made between the parties” hereto, as set forth in Section 5-701(b)(3)(b) of the General Obligations Law; and (D) this Master Confirmation and each Supplemental Confirmation hereto constitute a prior “written contract,” as set forth in Section 5-701(b)(1)(b) of the General Obligations Law, and each party hereto intends and agrees to be bound by this Master Confirmation and such Supplemental Confirmation.

(j) Counterparty and Dealer agree that, notwithstanding anything to the contrary herein, upon the execution and delivery of any Supplemental Confirmation relating to a Transaction by Counterparty, each of the representations, warranties, covenants, agreements and other provisions of this Master Confirmation and the Supplemental Confirmation for such Transaction (including, without limitation, Dealer’s right to designate an Early Valuation Date in respect of such Transaction pursuant to the provisions opposite the caption “Early Valuation” in Section 2 of this Master Confirmation and the termination of such Transaction following a Bankruptcy Termination Event as described in Section 7 of this Master Confirmation) shall govern, and be applicable to, such Transaction as of the first Trading Day of the Forward Hedge Selling Period for such Transaction as if the Trade Date for such Transaction were such first Trading Day.

(k) Tax Matters.

(i) Payer Tax Representations. For the purpose of Section 3(e) of the Agreement, each of Dealer and Counterparty makes the following representation: It is not required by any applicable law, as modified by the practice of any relevant governmental revenue authority, of any Relevant Jurisdiction to make any deduction or withholding for or on account of any Tax from any payment (other than interest under Section 9(h) of the Agreement) to be made by it to the other party under the Agreement. In making this representation, it may rely on (i) the accuracy of any representations made by the other party pursuant to Section 3(f) of the Agreement, (ii) the satisfaction of the agreement contained in Section 4(a)(i) or Section 4(a)(iii) of the Agreement and the accuracy and effectiveness of any document provided by the other party pursuant to Section 4(a)(i) or Section 4(a)(iii) of the Agreement and (iii) the satisfaction of the agreement of the other party contained in Section 4(d) of the Agreement, except that it will not be a breach of this representation where reliance is placed on clause (ii) above and the other party does not deliver a form or document under Section 4(a)(iii) of the Agreement by reason of material prejudice to its legal or commercial position.

(ii) Change of Account. Section 2(b) of the Agreement is hereby amended by the addition of the following after the word “delivery” in the first line thereof: “to another account in the same legal and tax jurisdiction”.

(iii) “Tax” as used in this clause (k) and “Indemnifiable Tax” as defined in Section 14 of the Agreement shall not include (A) any tax imposed or collected pursuant to Sections 1471 through 1474 of the Code, any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code (a “**FATCA Withholding Tax**”) and (B) any tax imposed or collected pursuant to Section 871(m) of the Code or any current or future regulations or official interpretation thereof (a “**Section 871(m) Withholding Tax**”). For the avoidance of doubt, each of a FATCA Withholding Tax and a Section 871(m) Withholding Tax is a Tax the deduction or withholding of which is required by applicable law for purposes of Section 2(d) of the Agreement.

9. **Indemnification.** Counterparty agrees to indemnify and hold harmless Dealer, its affiliates and their respective directors, officers, employees, and controlling persons (Dealer and each such person being an “**Indemnified Party**”) from and against any and all losses (excluding, for the avoidance of doubt, financial losses resulting from the economic terms of the Transactions), claims, damages and liabilities (or actions in respect thereof), joint or several, incurred by or asserted against such Indemnified Party which arise out of, are in connection with, or relate to any breach of any covenant or representation made by Counterparty in this Master Confirmation and any Supplemental Confirmation. In addition, Counterparty will reimburse any Indemnified Party for all reasonable expenses (including reasonable counsel fees and expenses) as they are incurred in connection with the investigation of, preparation for or defense or settlement of any pending or threatened claim covered by this Section 9 or any action, suit or proceeding arising therefrom, whether or not such Indemnified Party is a party thereto and whether or not such claim, action, suit or proceeding is initiated or brought by or on behalf of Counterparty. Counterparty will not be liable under the foregoing indemnification provision to the extent that any loss, claim, damage, liability or expense is found in a nonappealable judgment by a court of competent jurisdiction to have resulted from Dealer’s breach of any covenant or representation, willful misconduct, gross negligence or bad faith in performing the services that are subject of the Transactions. If for any reason the foregoing indemnification is unavailable to any Indemnified Party or insufficient to hold harmless any Indemnified Party, then Counterparty shall contribute, to the maximum extent permitted by law, to the amount paid or payable by the Indemnified Party as a result of such loss, claim, damage or liability. Counterparty also agrees that no Indemnified Party shall have any liability to Counterparty or any person asserting claims on behalf of or in right of Counterparty in connection with or as a result of any matter referred to in this Master Confirmation and any Supplemental Confirmation except to the extent that any losses, claims, damages, liabilities or expenses incurred by Counterparty result from the gross negligence, willful misconduct or bad faith of the Indemnified Party. The provisions of this Section 9 shall survive the completion of the Transactions contemplated by this Master Confirmation and any Supplemental Confirmation and any assignment and/or delegation of the Transactions made pursuant to the Agreement, this Master Confirmation or any Supplemental Confirmation shall inure to the benefit of any permitted assignee of Dealer. For the avoidance of doubt, any payments due as a result of this provision may not be used to set off any obligation of Dealer upon settlement of the Transactions.

10. **Beneficial Ownership.** Notwithstanding anything to the contrary in the Agreement, this Master Confirmation or any Supplemental Confirmation, in no event shall Dealer be entitled to receive, or be deemed to receive, or have the “right to acquire” (within the meaning of NYSE Rule 312.04(g)) Shares to the extent that, upon such receipt of such Shares, (i) the “beneficial ownership” (within the meaning of Section 13 of the Exchange Act and the rules promulgated thereunder) of Shares by Dealer, any of its affiliates’ business units subject to aggregation with Dealer for purposes of the “beneficial ownership” test under Section 13 of the Exchange Act and all persons who may form a “group” (within the meaning of Rule 13d-5(b)(1) under the Exchange Act) with Dealer with respect to “beneficial ownership” of any Shares (collectively, “**Dealer Group**”) would be equal to or greater than the lesser of (x) 4.5% of the outstanding Shares (such condition, an “**Excess Section 13 Ownership Position**”), and (y) 4.9% of the outstanding Shares as of the Trade Date for any Transaction (such number of Shares, the “**Threshold Number of Shares**” and such condition, the “**Excess NYSE Ownership Position**”) or (ii) Dealer, Dealer Group or any person whose ownership position would be aggregated with that of Dealer or Dealer Group (Dealer, Dealer Group or any such person, a “**Dealer Person**”) under Section 203 of the Delaware General Corporation Law or any state or federal bank holding company or banking laws, or any federal, state or local laws, regulations or regulatory orders (including, without limitation, the Federal Power Act) applicable to ownership of Shares (“**Applicable Laws**”), would own, beneficially own, constructively own, control, hold the power to vote or otherwise meet a relevant definition of ownership in excess of a number of Shares equal to (x) the lesser of (A) the maximum number of Shares that would be permitted under Applicable Laws and (B) the number of Shares that would give rise to reporting or registration obligations or other requirements (including obtaining prior approval by a state or federal regulator) of a Dealer Person under Applicable Laws and with respect to which such requirements have not been met or the relevant approval has not been received or that would give rise to any consequences under the constitutive documents of Counterparty or any contract or agreement to which Counterparty is a party, in each case *minus* (y) 1% of the number of Shares outstanding on the date of determination (such condition described in clause (ii), an “**Excess Regulatory Ownership Position**”). Dealer shall notify Counterparty promptly if, at any time, an Excess Section 13 Ownership Position, an Excess NYSE Ownership Position or an Excess Regulatory Ownership Position has occurred or would occur as a result of a delivery by Counterparty to Dealer. If any delivery owed to Dealer under any Transaction is not made, in whole or in part, as a result of this provision, (i) Counterparty’s obligation to make such delivery shall not be extinguished and Counterparty shall make such delivery as promptly as practicable after, but in no event later than one Exchange Business Day after, Dealer gives notice to Counterparty that such delivery would not result in (x) Dealer Group directly or indirectly so beneficially owning in excess of the lesser of (A) 4.5% of the outstanding Shares and (B) the Threshold Number of Shares or (y) the occurrence of an Excess Regulatory Ownership Position and (ii) if such delivery relates to a Physical Settlement of any Transaction, notwithstanding anything to the contrary herein, Dealer shall not be obligated to satisfy the portion of its payment obligation with respect to such Transaction corresponding to any Shares required to be so delivered until the date Counterparty makes such delivery.

11. Non-Confidentiality. The parties hereby agree that (i) effective from the date of commencement of discussions concerning the Transactions, Counterparty and each of its employees, representatives, or other agents may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the Transactions and all materials of any kind, including opinions or other tax analyses, provided by Dealer and its affiliates to Counterparty relating to such tax treatment and tax structure; *provided* that the foregoing does not constitute an authorization to disclose the identity of Dealer or its affiliates, agents or advisers, or, except to the extent relating to such tax structure or tax treatment, any specific pricing terms or commercial or financial information, and (ii) Dealer does not assert any claim of proprietary ownership in respect of any description contained herein or therein relating to the use of any entities, plans or arrangements to give rise to a particular U.S. federal income tax treatment for Counterparty.

12. Restricted Shares. If Counterparty is unable to comply with the covenant of Counterparty contained in the portion of Section 6(a) of this Master Confirmation from and including clause (ii) to and including the penultimate sentence thereof or Dealer otherwise determines in its reasonable opinion that any Shares to be delivered to Dealer by Counterparty under any Transaction may not be freely returned by Dealer to securities lenders as described in the covenant of Counterparty contained in Section 6(a) of this Master Confirmation, then delivery of any such Settlement Shares (the “**Unregistered Settlement Shares**”) shall be effected pursuant to Annex A hereto, unless waived by Dealer.

13. Use of Shares. Dealer acknowledges and agrees that, except in the case of a Private Placement Settlement (as defined in Annex A hereto), Dealer shall use any Shares delivered by Counterparty to Dealer on any Settlement Date to return to securities lenders to close out borrowings created by Dealer in connection with its hedging activities related to exposure under the Transactions or otherwise in compliance with applicable law.

14. Rule 10b-18. In connection with bids and purchases of Shares in connection with any Net Share Settlement or Cash Settlement of any Transaction or any corresponding settlement of any other issuer forward or similar transaction with Dealer, Dealer shall use commercially reasonable efforts to conduct its activities, or cause its affiliates to conduct their activities, in a manner consistent with the requirements of the safe harbor provided by Rule 10b-18 under the Exchange Act, as if such provisions were applicable to such purchases and taking into account any applicable Securities and Exchange Commission no-action letters as appropriate, and subject to any delays between the execution and reporting of a trade of the Shares on the Exchange and other circumstances beyond Dealer’s control.

15. Governing Law. Notwithstanding anything to the contrary in the Agreement, the Agreement, this Master Confirmation, any Supplemental Confirmation, any Pricing Report and all matters arising in connection with the Agreement, this Master Confirmation, any Supplemental Confirmation or any Pricing Report, including any claim, controversy or dispute arising hereunder or thereunder or relating hereto or thereto, shall be governed by, and shall be construed and enforced in accordance with, the laws of the State of New York (without reference to its choice of laws doctrine other than Title 14 of Article 5 of the New York General Obligations Law).

16. Set-Off. Each party waives any and all rights it may have to set-off delivery or payment obligations it owes to the other party under any Transaction against any delivery or payment obligations owed to it by the other party, whether arising under the Agreement, under any other agreement between parties hereto, by operation of law or otherwise.

17. Staggered Settlement. Notwithstanding anything to the contrary herein, Dealer may, by prior notice to Counterparty, satisfy its obligation to deliver any Shares or other securities on any date due (an “**Original Delivery Date**”) by making separate deliveries of Shares or such securities, as the case may be, at more than one time on or prior to such Original Delivery Date, so long as the aggregate number of Shares and other securities so delivered on or prior to such Original Delivery Date is equal to the number required to be delivered on such Original Delivery Date.

18. Waiver of Trial by Jury. EACH OF COUNTERPARTY AND DEALER HEREBY IRREVOCABLY WAIVES (ON ITS OWN BEHALF AND, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ON BEHALF OF ITS STOCKHOLDERS) ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THE TRANSACTION OR THE ACTIONS OF DEALER OR ITS AFFILIATES IN THE NEGOTIATION, PERFORMANCE OR ENFORCEMENT HEREOF.

19. Jurisdiction. The parties hereto irrevocably submit to the exclusive jurisdiction of the courts of the State of New York and the United States District Court located in the Borough of Manhattan in New York City in connection with any suit, action, proceeding, dispute or other matter relating to the Agreement, this Master Confirmation, any Supplemental Confirmation or any Pricing Report and waive any objection to the laying of venue in, and any claim of inconvenient forum with respect to, these courts.

20. Transfer and Assignment; Designation by Dealer.

(a) Notwithstanding any provision of the Agreement to the contrary, Dealer may assign, transfer and set over all rights, title and interest, powers, privileges and remedies of Dealer under any Transaction, in whole or part, to an affiliate of Dealer without the consent of Counterparty; *provided* that (i) at the time of assignment or transfer, such affiliate or its guarantor, if any, has creditworthiness that is equivalent to or better than that of Dealer, (ii) no Event of Default, Potential Event of Default or Termination Event with respect to which Dealer or such affiliate is the Defaulting Party or an Affected Party, as the case may be, exists or would result therefrom, (iii) no event, circumstance or similar condition giving rise to a right or responsibility to designate an Early Valuation Date or otherwise terminate or cancel the Transaction or to make an adjustment to the terms of the Transaction would result therefrom, and (iv) Counterparty shall not, nor is there a material likelihood that it would, as a result of such assignment or transfer (A) be required to pay to Dealer or such affiliate an additional amount in respect of any Tax, (B) receive a payment from which an amount is required to be deducted or withheld for or on account of a Tax as to which no additional amount is required to be paid, (C) otherwise be subject to materially adverse tax consequences, (D) become subject to the jurisdiction of any state or country other than the United States of America or (E) become subject to any regulatory requirements with respect to clearing or margin for uncleared swaps.

(b) Notwithstanding any other provision in this Master Confirmation or any Supplemental Confirmation to the contrary requiring or allowing Dealer to purchase, sell, receive or deliver any Shares or other securities to or from Counterparty, Dealer may designate any of its affiliates to purchase, sell, receive or deliver such Shares or other securities and otherwise to perform Dealer's obligations in respect of any Transaction, and any such designee may assume such obligations. Dealer shall be discharged of its obligations to Counterparty only to the extent of any such performance.

21. Counterparts.

(a) This Master Confirmation may be executed in any number of counterparts, all of which shall constitute one and the same instrument, and any party hereto may execute this Master Confirmation by signing and delivering one or more counterparts. Counterparts may be delivered via facsimile, electronic mail (including any electronic signature covered by the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act, the Electronic Signatures and Records Act or other applicable law, e.g., DocuSign and AdobeSign (any such signature, an "Electronic Signature")) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. The words "execution," "signed," "signature" and words of like import in this Master Confirmation or in any other certificate, agreement or document related to this Master Confirmation shall include any Electronic Signature, except to the extent electronic notices are expressly prohibited under this Master Confirmation or the Agreement.

(b) Notwithstanding anything to the contrary in the Agreement, either party may deliver to the other party a notice relating to any Event of Default or Termination Event under this Master Confirmation by email.

22. Delivery of Cash. For the avoidance of doubt, nothing in this Master Confirmation or any Supplemental Confirmation shall be interpreted as requiring Counterparty to deliver cash or other assets in respect of the settlement of the Transactions, except in circumstances where the required cash or other asset settlement thereof is permitted for classification of the contract as equity by ASC 815-40, *Derivatives and Hedging — Contracts in Entity's Own Equity*, as in effect on the date hereof.

23. Adjustments. For the avoidance of doubt, whenever the Calculation Agent, the Hedging Party or the Determining Party is called upon to make an adjustment pursuant to the terms of this Master Confirmation, any Supplemental Confirmation or the Equity Definitions to take into account the effect of an event, the Calculation Agent, the Hedging Party or the Determining Party, as applicable, shall make such adjustment by reference to the effect of such event on the Hedging Party, assuming that the Hedging Party maintains a commercially reasonable hedge position at the time of the event.

24. Other Forward and Similar Dealer Transactions. Dealer acknowledges that Counterparty has entered or may enter in the future into one or more substantially similar forward transactions for the Shares (each, an "**Other Forward**" and collectively, the "**Other Forwards**") with one or more dealers (each, an "**Other Dealer**" and collectively, the "**Other Dealers**"). Dealer and Counterparty agree that if Counterparty designates a "Settlement Date" with respect to one or

more Other Forwards for which “Cash Settlement” or “Net Share Settlement” is applicable, and the resulting “Unwind Period” for such Other Forwards coincides for any period of time with an Unwind Period for the Transaction (the “**Overlap Unwind Period**”), Counterparty shall notify Dealer at least one Scheduled Trading Day prior to the commencement of such Overlap Unwind Period of the first Scheduled Trading Day and length of such Overlap Unwind Period, and Dealer shall be permitted to purchase Shares to unwind its hedge in respect of the Transaction only on alternating Scheduled Trading Days during such Overlap Unwind Period, commencing on the first, second, third or later Scheduled Trading Day of such Overlap Unwind Period, as notified to Dealer by Counterparty at least one Scheduled Trading Day prior to such Overlap Unwind Period (which alternating Scheduled Trading Days, for the avoidance of doubt, may be every other Scheduled Trading Day if there is only one Other Dealer, every third Scheduled Trading Day if there are two Other Dealers, etc.).

25. [No Insurance or Guaranty]. Counterparty understands, agrees and acknowledges that no obligations of Dealer to it hereunder shall be entitled to the benefit of deposit insurance and that such obligations shall not be guaranteed by any affiliate of Dealer or any governmental agency.]

26. [Wall Street Transparency and Accountability Act]. In connection with Section 739 of the Wall Street Transparency and Accountability Act of 2010 (“WSTAA”), the parties hereby agree that neither the enactment of WSTAA or any regulation under the WSTAA, nor any requirement under WSTAA or an amendment made by WSTAA, shall limit or otherwise impair either party’s otherwise applicable rights to terminate, renegotiate, modify, amend or supplement this Master Confirmation or the Agreement, as applicable, arising from a termination event, force majeure, illegality, increased costs, regulatory change or similar event under this Master Confirmation, the Equity Definitions incorporated herein or the Agreement (including, but not limited to, rights arising from an Increased Cost of Stock Borrow, any condition described in clause (i) of Section 10 of this Master Confirmation, an Excess Regulatory Ownership Position, an Illegality, or other event, circumstance or similar condition giving rise to a right or responsibility to designate an Early Valuation Date or otherwise terminate or cancel the Transaction or to make an adjustment to the terms of the Transaction (as defined in the Agreement)).]

27. [Payee Representations and Tax Documents to be Delivered].

(a) *Dealer*. For the purpose of Section 3(f) of the Agreement, Dealer makes the following representation: [to be provided by Dealer]. For the purpose of Section 4(a)(i) and 4(a)(ii) of the Agreement, Dealer agrees to deliver a completed and accurate U.S. Internal Revenue Service Form [to be provided by Dealer] (or successor form), completed in a manner reasonably acceptable to Counterparty, upon execution and delivery of this Master Confirmation, promptly upon reasonable demand by Counterparty and promptly upon learning that any such form previously delivered by Dealer has become [obsolete] [inaccurate] or incorrect.]

(b) *Counterparty*. For the purpose of Section 3(f) of the Agreement, Counterparty makes the following representation: Counterparty is a corporation established under the laws of the State of Delaware and is a “U.S. person” (as that term is used in Section 1.1441-4(a)(3)(ii) of the United States Treasury Regulations) for United States federal income tax purposes. For the purpose of Section 4(a)(i) and 4(a)(ii) of the Agreement, Counterparty agrees to deliver a completed and accurate U.S. Internal Revenue Service Form W-9 (or successor form) [, completed in a manner reasonably acceptable to Dealer,] upon execution and delivery of this Master Confirmation, promptly upon reasonable demand by Dealer and promptly upon learning that any such form previously delivered by Counterparty has become [obsolete] [inaccurate] or incorrect.

(c) For the purpose of Section 4(a)(i) and 4(a)(ii) of the Agreement, each of Dealer and Counterparty agree to deliver any other form or document that may be required by the other party in order to allow such party to make a payment under this Master Confirmation without any deduction or withholding for or on account of any tax or with such deduction or withholding at a reduced rate. In each case, such form or document shall be completed accurately and in a manner reasonably acceptable to the other party and shall be delivered promptly upon reasonable demand by the other party and promptly upon learning that any such form or document previously delivered by it has become [obsolete] [inaccurate] or incorrect.]

28. [EMIR Portfolio Reconciliation and NFC Representation Protocols.

(a) *2013 EMIR Portfolio Reconciliation, Dispute Resolution and Disclosure Protocol*. The parties agree that the terms of the Attachment to the 2013 EMIR Portfolio Reconciliation, Dispute Resolution and Disclosure Protocol published by ISDA on July 19, 2013 (“Protocol”) apply to the Agreement as if the parties had adhered to the Protocol without amendment. In respect of the Attachment to the Protocol, (i) the definition of “Adherence Letter” shall be deemed to be deleted and references to “Adherence Letter” shall be deemed to be to this clause (a) (and references to “such party’s Adherence Letter” and “its Adherence Letter” shall be read accordingly), (ii) references to “adheres to the Protocol” shall be deemed to be “enters into the Agreement”, (iii) references to “Protocol Covered Agreement” shall be deemed to be references to the Agreement (and each “Protocol Covered Agreement” shall be read accordingly), and (iv) references to “Implementation Date” shall be deemed to be references to the date of this Master Confirmation. For the purposes of this clause (a):

(i) Dealer is a Portfolio Data Sending Entity and Counterparty is a Portfolio Data Receiving Entity.

(ii) Dealer and Counterparty may use a Third Party Service Provider, and each of Dealer and Counterparty consents to such use, including the communication of the relevant data in relation to Dealer and Counterparty to such Third Party Service Provider for the purposes of the reconciliation services provided by such entity.

(iii) The Local Business Days for such purposes in relation to Dealer are [to be provided by Dealer] and, in relation to Counterparty, are [to be provided by Counterparty].

(iv) The provisions in this paragraph shall survive the termination of this Master Confirmation.

(v) The following are the applicable email addresses:

Portfolio Data:

Dealer:

Counterparty:

Notice of discrepancy:

Dealer:

Counterparty:

Dispute Notice:

Dealer:

Counterparty:

(b) *NFC Representation Protocol*. The parties agree that the provisions set out in the Attachment to the ISDA 2013 EMIR NFC Representation Protocol published by ISDA on March 8, 2013 (the “NFC Representation Protocol”) shall apply to the Agreement as if each party were an Adhering Party under the terms of the NFC Representation Protocol. In respect of the Attachment to the Protocol, (i) the definition of “Adherence Letter” shall be deemed to be deleted and references to “Adherence Letter” shall be deemed to be to this clause (b) (and references to “the relevant Adherence Letter” and “its Adherence Letter” shall be read accordingly), (ii) references to “adheres to the Protocol” shall be “enters into the Agreement”, (iii) references to “Covered Master Agreement” shall be deemed to be references to the Agreement (and each “Covered Master Agreement” shall be read accordingly), and (iv) references to “Implementation Date” shall be deemed to be references to the date of this Master Confirmation. Counterparty confirms that it enters into this Master Confirmation as a party making the NFC Representation (as such term is defined in the NFC Representation Protocol). Counterparty shall promptly send any required notification under the NFC Representation Protocol to Dealer [(with a copy to [to be provided by Dealer]]].

29. [Transaction Reporting – Consent for Disclosure of Information].

Notwithstanding anything to the contrary herein or in the Agreement or any non-disclosure, confidentiality or other agreements entered into between the parties from time to time, each party hereby consents to the Disclosure of information (the “**Reporting Consent**”):

- (i) to the extent required by, or necessary in order to comply with, any applicable law, rule or regulation which mandates Disclosure of transaction and similar information or to the extent required by, or necessary in order to comply with, any order, request or directive regarding Disclosure of transaction and similar information issued by any relevant authority or body or agency (“**Reporting Requirements**”); or
- (ii) to and between the other party’s head office, branches or affiliates; to any person, agent, third party or entity who provides services to such other party or its head office, branches or affiliates; to a Market; or to any trade data repository or any systems or services operated by any trade repository or Market, in each case, in connection with such Reporting Requirements.

“**Disclosure**” means disclosure, reporting, retention, or any action similar or analogous to any of the aforementioned.

“**Market**” means any exchange, regulated market, clearing house, central clearing counterparty or multilateral trading facility.

Disclosures made pursuant to this Reporting Consent may include, without limitation, Disclosure of information relating to disputes over transactions between the parties, a party’s identity and certain transaction and pricing data and may result in certain anonymous information becoming available to the public or to recipients in a jurisdiction which may have a different level of protection for personal data from that of the relevant party’s home jurisdiction.

This Reporting Consent shall be deemed to constitute an agreement between the parties with respect to Disclosure in general and shall survive the termination of this Master Confirmation. No amendment to or termination of this Reporting Consent shall be effective unless such amendment or termination is made in writing between the parties and specifically refers to this Reporting Consent.]

30. [Contractual Recognition of Bail-In (United Kingdom)].

(a) Notwithstanding anything to the contrary in the Agreement or in any other agreement, arrangement or understanding among the parties, each party acknowledges and accepts that liabilities arising under the Agreement (other than Excluded Liabilities) may be subject to the exercise of the UK Bail-in Power by the relevant resolution authority and agrees and consents to, and acknowledges and accepts to be bound by, any Bail-in Action and the effects thereof (including any variation, modification and/or amendment to the terms of the Agreement as may be necessary to give effect to any such Bail-in Action), which if the Bail-in Termination Amount is payable by the BRRD Party to the Creditor Counterparty may include, without limitation:

- (i) a reduction, in full or in part, of the Bail-in Termination Amount; and/or
- (ii) a conversion of all, or a portion of, the Bail-in Termination Amount into shares or other instruments of ownership, in which case the Creditor Counterparty acknowledges and accepts that any such shares or other instruments of ownership may be issued to or conferred upon it as a result of the Bail-in Action.

(b) Each party acknowledges and accepts that this provision is exhaustive on the matters described herein to the exclusion of any other agreements, arrangements or understanding between the parties relating to the subject matter of the Agreement and that no further notice shall be required between the parties pursuant to the Agreement in to order to give effect to the matters described herein.

(c) The acknowledgements and acceptances contained in clauses (a) and (b) above will not apply if:

- (i) the relevant resolution authority determines that the liabilities arising under the Agreement may be subject to the exercise of the UK Bail-in Power pursuant to the law of a third country governing such liabilities or a binding agreement concluded with such third country and in either case the UK Regulations have been amended to reflect such determination; and/or
- (ii) the UK Regulations have been repealed or amended in such a way as to remove the requirement for either party to give or obtain the acknowledgements and acceptances contained in paragraphs (a) and (b).

(d) Definitions.

“Bail-in Action” means the exercise of the UK Bail-in Power by the relevant resolution authority in respect of any transaction under the Agreement.

“Bail-in Termination Amount” means the early termination amount or early termination amounts (howsoever described), together with any accrued but unpaid interest thereon, in respect of all transactions (or if the Bail-in Action is exercised only with respect to transactions in one or more netting sets, all transactions relating to such netting set(s), as applicable) under the Agreement (before, for the avoidance of doubt, any such amount is written down or converted by the relevant resolution authority).

“BRRD” means Article 55 of Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms.

“BRRD Party” means the party in respect of which the UK Bail-in Power has been exercised by the relevant resolution authority.

“Creditor Counterparty” means the party which is not the BRRD Party.

“Excluded Liabilities” means liabilities excluded from the scope of the contractual recognition of bail-in requirement pursuant to the UK Regulations.

“UK Bail-in Power” means any write-down or conversion power existing from time to time (including, without limitation, any power to amend or alter the maturity of eligible liabilities of an institution under resolution or amend the amount of interest payable under such eligible liabilities or the date on which interest becomes payable, including by suspending payment for a temporary period) under, and exercised in compliance with, the UK Regulations.

“UK Regulations” means any laws, regulations, rules or requirements in effect in the United Kingdom relating to the transposition of the BRRD as amended from time to time, including but not limited to, the Banking Act 2009 as amended from time to time, and the instruments, rules and standards created thereunder, pursuant to which the obligations of a regulated entity (or other affiliate of a regulated entity) can be reduced (including to zero), cancelled or converted into shares, other securities, or other obligations of such regulated entity or any other person.

A reference to a “regulated entity” is to any BRRD Undertaking as such term is defined under the PRA Rulebook promulgated by the United Kingdom Prudential Regulation Authority or to any person falling within IFPRU 11.6, of the FCA Handbook promulgated by the United Kingdom Financial Conduct Authority, both as amended from time to time, which includes certain credit institutions, investment firms, and certain of their parent or holding companies.]

[ISDA 2016 Bail-in Art 55 BRRD Protocol. The parties agree that the terms of the Attachment to the ISDA 2016 Bail-in Art 55 BRRD Protocol published by ISDA (“**BRRD Protocol**”) apply to the Agreement (which shall, for these purposes, be deemed to be a “Protocol Covered Agreement”) as if the parties had each adhered to the BRRD Protocol without amendment, with an Implementation Date of January 1, 2016.]

31. Special Resolution Regime Termination Right.

(a) Upon the occurrence of a Crisis Prevention Measure, Crisis Management Measure or a Recognised Third-Country Resolution Action (each as defined in section 48Z(1) of the UK Banking Act 2009) and/or any Bail-in Action in relation to Dealer, Counterparty shall be entitled to exercise termination rights under, or rights to enforce its rights, in connection with the Agreement, to the extent that it would be entitled to do so under the Special Resolution Regime (as defined in the UK Banking Act 2009) if the Agreement were governed by the laws of any part of the United Kingdom.

(b) For the purposes of clause (a) above, Section 48Z of the U.K. Banking Act 2009 is to be disregarded to the extent that it relates to a Crisis Prevention Measure other than the making of a “mandatory reduction instrument” by the Bank of England under section 6B of the U.K. Banking Act 2009.]

32. Capacity of Dealer. The parties acknowledge and agree that Dealer is not a U.S. registered broker-dealer, and that its participation in the Agreement and any Transaction is pursuant and subject to Rule 15a-6. The parties acknowledge and agree that Dealer’s U.S. registered broker-dealer affiliate, [to be provided by Dealer] (its “**U.S. Affiliate**”), will act as Dealer’s chaperone for purposes of the activities contemplated in the Agreement, and that any reference to any obligation of Dealer in the Agreement, shall, to the extent that such obligations are required to be carried out by a registered broker or dealer under Rule 15a-6, be deemed to be a requirement that Dealer procure that U.S. Affiliate perform such obligations. Such obligations include but are not limited to effecting transactions, issuing confirmations, maintaining books and records, participating in oral communications, and obtaining certain representations and consents.]

33. [[To be Provided by Dealer] as Agent. Dealer has appointed as its agent its indirect wholly-owned subsidiary, the Agent, for purposes of conducting on the Dealer's behalf, a business in privately negotiated transactions in options and other derivatives. You hereby are advised that Dealer, the principal and stated counterparty in such transactions, has duly authorized the Agent to market, structure, negotiate, document, price, execute and hedge transactions in over-the-counter derivative products. The Agent has full, complete and unconditional authority to undertake such activities on behalf of Dealer. The Agent acts solely as agent and has no obligation, by way of issuance, endorsement, guarantee or otherwise, with respect to the performance of either party under this Master Confirmation or any Supplemental Confirmation. None of the Transactions is insured or guaranteed by the Agent.] .

34. [The parties agree and acknowledge that (i) [to be provided by Dealer] (the "**Agent**"), an affiliate of Dealer, has acted solely as agent and not as principal with respect to each Transaction hereunder and (ii) the Agent has no obligation or liability, by way of guaranty, endorsement or otherwise, in any manner in respect of any Transaction hereunder (including, if applicable, in respect of the settlement thereof). Each party agrees it will look solely to the other party (or any guarantor in respect thereof) for performance of such other party's obligations under each Transaction hereunder.]

35. [U.S. Stay Regulations.] To the extent that the QFC Stay Rules are applicable hereto, then the parties acknowledge that (i) both parties have adhered to the 2018 ISDA U.S. Resolution Stay Protocol (the "**Protocol**"), and agree that the terms of the Protocol are incorporated into and form a part of this Master Confirmation, and for such purposes this Master Confirmation shall be deemed a Protocol Covered Agreement and each party shall be deemed to have the same status as "Regulated Entity" and/or "Adhering Party" as applicable to it under the Protocol. In the event of any inconsistencies between this Master Confirmation and the terms of the Protocol, the Bilateral Agreement or the Bilateral Terms (the "**QFC Stay Terms**"), the QFC Stay Terms will govern. Terms used in this paragraph without definition shall have the meanings assigned to them under the QFC Stay Rules. For purposes of this paragraph, references to "this Master Confirmation" include any related credit enhancements entered into between the parties or provided by one to the other. In addition, the parties agree that the terms of this paragraph shall be incorporated into any related covered affiliate credit enhancements, with all references to Dealer replaced by references to the covered affiliate support provider.

"**QFC Stay Rules**" mean the regulations codified at 12 C.F.R. 252.2, 252.81-8, 12 C.F.R. 382.1-7 and 12 C.F.R. 47.1-8, which, subject to limited exceptions, require an express recognition of the stay-and-transfer powers of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and the Orderly Liquidation Authority under Title II of the Dodd Frank Wall Street Reform and Consumer Protection Act and the override of default rights related directly or indirectly to the entry of an affiliate into certain insolvency proceedings and any restrictions on the transfer of any covered affiliate credit enhancements.

Counterparty hereby agrees (a) to check this Master Confirmation carefully and promptly upon receipt so that errors or discrepancies can be promptly identified and rectified and (b) to confirm that the foregoing (in the exact form provided by Dealer) correctly sets forth the terms of the agreement between Dealer and Counterparty hereunder, by signing this Master Confirmation or this page hereof as evidence of agreement to such terms and providing the other information requested herein and promptly returning an executed copy to us.

Yours faithfully,

[DEALER][, By its Agent]

By: _____
Name:
Title:

Agreed and accepted by:

NISOURCE INC.

By: _____

Name:

Title:

PRIVATE PLACEMENT PROCEDURES

If Counterparty delivers Unregistered Settlement Shares pursuant to Section 12 above (a “**Private Placement Settlement**”), then:

(a) all Unregistered Settlement Shares shall be delivered to Dealer (or any affiliate of Dealer designated by Dealer) pursuant to the exemption from the registration requirements of the Securities Act provided by Section 4(a)(2) thereof;

(b) as of or prior to the date of delivery, Dealer and any potential purchaser of any such shares from Dealer (or any affiliate of Dealer designated by Dealer) identified by Dealer shall be afforded a commercially reasonable opportunity to conduct a due diligence investigation with respect to Counterparty customary in scope for private placements of equity securities of similar size by issuers of comparable size to Counterparty and in the same industry as Counterparty (including, without limitation, the right to have made available to them for inspection all financial and other records, pertinent corporate documents and other information reasonably requested by them); *provided* that prior to receiving or being granted access to any such information, Dealer, such affiliate of Dealer or such potential purchaser, as the case may be, may be required by Counterparty to enter into a customary nondisclosure agreement with Counterparty in respect of any such due diligence investigation;

(c) as of the date of delivery, Counterparty shall enter into an agreement (a “**Private Placement Agreement**”) with Dealer (or any affiliate of Dealer designated by Dealer) in connection with the private placement of such shares by Counterparty to Dealer (or any such affiliate) and the private resale of such shares by Dealer (or any such affiliate), substantially similar to private placement purchase agreements customary for private placements of equity securities of similar size by issuers of comparable size to Counterparty and in the same industry as Counterparty, in form and substance commercially reasonably satisfactory to Dealer, which Private Placement Agreement shall include, without limitation, provisions substantially similar to those contained in such private placement purchase agreements relating, without limitation, to the indemnification of, and contribution in connection with the liability of, Dealer and its affiliates and obligations to use best efforts to obtain customary opinions, accountants’ comfort letters and lawyers’ negative assurance letters, and shall provide for the payment by Counterparty of all commercially reasonable and documented fees and expenses in connection with such resale, including all commercially reasonable and documented fees and expenses of outside counsel for Dealer, and shall contain representations, warranties, covenants and agreements of Counterparty reasonably necessary or advisable to establish and maintain the availability of an exemption from the registration requirements of the Securities Act for such resales; and

(d) in connection with the private placement of such shares by Counterparty to Dealer (or any such affiliate) and the private resale of such shares by Dealer (or any such affiliate), Counterparty shall, if so requested by Dealer, prepare, in cooperation with Dealer, a private placement memorandum in form and substance reasonably satisfactory to Dealer.

In the case of a Private Placement Settlement, Dealer shall, in its good faith discretion, adjust the amount of Unregistered Settlement Shares to be delivered to Dealer hereunder in a commercially reasonable manner to reflect the fact that such Unregistered Settlement Shares may not be freely returned to securities lenders by Dealer and may only be saleable by Dealer at a discount to reflect the lack of liquidity in Unregistered Settlement Shares.

If Counterparty delivers any Unregistered Settlement Shares in respect of a Transaction, Counterparty agrees that (i) such Shares may be transferred by and among Dealer and its affiliates and (ii) after the minimum “holding period” within the meaning of Rule 144(d) under the Securities Act has elapsed after the applicable Settlement Date, Counterparty shall promptly remove, or cause the transfer agent for the Shares to remove, any legends referring to any transfer restrictions from such Shares upon delivery by Dealer (or such affiliate of Dealer) to Counterparty or such transfer agent of seller’s and broker’s representation letters customarily delivered by Dealer or its affiliates in connection with resales of restricted securities pursuant to Rule 144 under the Securities Act, each without any further requirement for the delivery of any certificate, consent, agreement, opinion of counsel, notice or any other document, any transfer tax stamps or payment of any other amount or any other action by Dealer (or such affiliate of Dealer).

Annex A-2

EXHIBIT A

SUPPLEMENTAL CONFIRMATION

To: NiSource Inc.
From: [Dealer]
Re: Issuer Share Forward Sale Transaction
Ref. No: []
Date: [], 20[]

Ladies and Gentlemen:

The purpose of this Supplemental Confirmation is to confirm the terms and conditions of the Transaction entered into between [] (“**Dealer**”) and NiSource Inc. (“**Counterparty**”) (together, the “**Contracting Parties**”) as of the date hereof. This Supplemental Confirmation is a binding contract between Dealer and Counterparty as of the date hereof.

1. This Supplemental Confirmation supplements, forms part of, and is subject to the Master Confirmation, dated as of October 31, 2025 (the “**Master Confirmation**”), between the Contracting Parties, as amended and supplemented from time to time. All provisions contained in the Master Confirmation govern this Supplemental Confirmation except as expressly modified below.

2. The terms of the Transaction to which this Supplemental Confirmation relates are as follows:

Trade Date:	As specified by Dealer in a pricing report to be furnished by Dealer to Counterparty promptly after the end of the Forward Hedge Selling Period (the “ Pricing Report ”)
Effective Date:	As specified by Dealer in the Pricing Report
Maturity Date:	As specified by Dealer in the Pricing Report, being the same day of the [] month after [the Trade Date]
Forward Hedge Selling Period:	As specified by Dealer in the Pricing Report
Number of Shares:	As specified by Dealer in the Pricing Report
Initial Forward Price:	As specified by Dealer in the Pricing Report
Forward Hedge Selling Commission Rate:	[]% <i>[not more than 1%]</i>
Spread:	[]%
Volume-Weighted Hedge Price:	As specified by Dealer in the Pricing Report
Threshold Price:	As specified by Dealer in the Pricing Report
Initial Stock Loan Rate:	[] basis points per annum
Maximum Stock Loan Rate:	[] basis points per annum
Forward Price Reduction Dates	As specified in Schedule I hereto
Forward Price Reduction Amounts	As specified in Schedule I hereto
Office of Dealer:	[]

Exhibit A-1

Counterparty hereby agrees (a) to check this Supplemental Confirmation carefully and promptly upon receipt so that errors or discrepancies can be promptly identified and rectified and (b) to confirm that the foregoing (in the exact form provided by Dealer) correctly sets forth the terms of the agreement between Dealer and Counterparty hereunder, by signing this Supplemental Confirmation or this page hereof as evidence of agreement to such terms and providing the other information requested herein and promptly returning an executed copy to us.

Yours faithfully,

[DEALER][, By its Agent]

By: _____
Name:
Title:

Exhibit A-2

Agreed and accepted by:

NISOURCE INC.

By: _____

Name:

Title:

Exhibit A-3

FORWARD PRICE REDUCTION AMOUNTS

Forward Price Reduction Date:		Forward Price Reduction Amount:	
[]	], 20[]	USD	[]
[]	], 20[]	USD	[]
[]	], 20[]	USD	[]
.....			
[]	], 20[]	USD	[]

REGULAR DIVIDEND AMOUNTS

For any calendar quarter ending on or prior to [December 31, 20[]]:	USD	[]
For any calendar quarter ending after [December 31, 20[]]:	USD	[]

EXHIBIT B

PRICING REPORT

To: NiSource Inc.
From: [Dealer]
Re: Issuer Share Forward Sale Transaction
Ref. No: []
Date: [], 20[]

Ladies and Gentlemen:

This Pricing Report is furnished by [Dealer] (“**Dealer**”) to NiSource Inc. (“**Counterparty**”) (together, the “**Contracting Parties**”) in accordance with the Supplemental Confirmation dated [], 20[] (the “**Supplemental Confirmation**”) between the Contracting Parties. This Pricing Report specifies the terms required by the Supplemental Confirmation and supplements, forms part of, and is subject to the Supplemental Confirmation and the Master Confirmation, dated as of October 31, 2025 (the “**Master Confirmation**”), between the Contracting Parties, as amended and supplemented from time to time. The terms required by the Supplemental Confirmation are as follows, with such terms determined in accordance with the Master Confirmation:

Trade Date:	[], 20[]
Effective Date:	[], 20[]
Maturity Date:	[], 20[]
Forward Hedge Selling Period:	[] Trading Days
Number of Shares:	[]
Initial Forward Price:	USD []
Volume-Weighted Hedge Price:	USD []
Threshold Price:	USD []

Kindly acknowledge this Pricing Report upon receipt by signing this page and immediately returning an executed copy to us.

Yours faithfully,

[DEALER]

By: _____
Name: _____
Title: _____

Acknowledged by:

NISOURCE INC.

By: _____
Name: _____
Title: _____

Exhibit B-1



October 31, 2025

NiSource Inc.
801 East 86th Avenue
Merrillville, Indiana 46410

NiSource Inc.
At-the-Market Offering of Shares of Common Stock

Ladies and Gentlemen:

We refer to the Registration Statement on Form S-3 (File No. 333-291167) (the “Registration Statement”), filed by NiSource Inc., a Delaware corporation (the “Company”), with the Securities and Exchange Commission (the “SEC”). Pursuant to the Registration Statement, the Company is offering from time to time shares of its common stock, par value \$0.01 per share (the “Shares”), having an aggregate gross sales prices of up to \$1,500,000,000, as described in the Company’s Prospectus, dated October 30, 2025 (the “Base Prospectus”) and Prospectus Supplement, dated October 31, 2025 (the “Prospectus Supplement” and, together with the Base Prospectus, the “Prospectus”). The Registration Statement became effective upon filing on October 30, 2025. This opinion letter is being furnished in accordance with the requirements of Item 16 of Form S-3 and Item 601(b)(5) (i) of Regulation S-K promulgated under the Securities Act of 1933, as amended (the “Securities Act”).

The Shares are being offered to the public in accordance with (a) eleven separate Equity Distribution Agreements, each dated October 31, 2025, (i) among the Company, Barclays Capital Inc., as sales agent and forward seller, and Barclays Bank PLC, as forward purchaser, (ii) among the Company, BMO Capital Markets Corp., as sales agent and forward seller, and Bank of Montreal, as forward purchaser, (iii) among the Company and BNP Paribas Securities Corp., as sales agent and forward seller, and BNP PARIBAS as forward purchaser, (iv) among the Company, BofA Securities, Inc., as sales agent and forward seller, and Bank of America, N.A., as forward purchaser, (v) between the Company and Goldman Sachs & Co. LLC, as sales agent, forward seller and forward purchaser, (vi) among the Company, J.P. Morgan Securities LLC, as sales agent and forward seller, and JPMorgan Chase Bank, National Association, as forward purchaser, (vii) among the Company, Mizuho Securities USA LLC, as sales agent and forward seller, and Mizuho Markets Americas Inc., as forward purchaser, (viii) between the Company and Morgan Stanley & Co. LLC, as sales agent, forward seller and forward purchaser, (ix) among the Company, MUFG Securities Americas Inc., as sales agent and forward seller, and MUFG Securities EMEA plc, as forward purchaser, (x) among the Company and Scotia Capital (USA) Inc., as sales agent and forward seller, and The Bank of Nova Scotia as forward purchaser, and (xi) among the Company, Wells Fargo Securities, LLC, as sales agent and forward seller, and Wells Fargo Bank, National Association, as forward purchaser (collectively, the “Equity Distribution Agreements”), and (b) eleven separate Master Confirmations for Forward Sale, each

dated October 31, 2025, between the Company and each of Barclays Bank PLC, Bank of Montreal, BNP Paribas Securities Corp., Bank of America, N.A., Goldman Sachs & Co. LLC, JPMorgan Chase Bank, National Association, Mizuho Markets Americas LLC, Morgan Stanley & Co. LLC, MUFG Securities EMEA plc, Scotia Capital (USA) Inc. and Wells Fargo Bank, National Association, respectively, as forward purchasers (collectively, the “Master Confirmations” and together with the Equity Distribution Agreements, the “Agreements”).

Documents Reviewed

In connection with this opinion letter, we have examined the following documents:

- (a) the Registration Statement;
- (b) the Base Prospectus;
- (c) the Prospectus Supplement;
- (d) the Equity Distribution Agreements; and
- (e) the Master Confirmations.

In addition, we have examined and relied upon the following:

(i) a certificate from the Assistant Corporate Secretary of the Company certifying as to (A) true and correct copies of the Amended and Restated Certificate of Incorporation, as amended, and the Amended and Restated Bylaws of the Company, as amended (together, the “Organizational Documents”) and (B) the resolutions of the Board of Directors of the Company authorizing (1) the filing of the Registration Statement by the Company and (2) the offer, sale and issuance of the Shares by the Company pursuant to the Agreements (the “Authorizing Resolutions”); and

(ii) originals, or copies identified to our satisfaction as being true copies, of such other records, documents, instruments, certificates of officers and statements of the Company, and certificates and assurances of public officials, as we have deemed necessary for the purposes of this opinion letter.

“Applicable Law” means the Delaware General Corporation Law (the “DGCL”).

Assumptions Underlying Our Opinions

For all purposes of the opinions expressed herein, we have assumed, without independent investigation, the following:

(a) **Factual Matters**. To the extent that we have reviewed and relied upon (i) certificates of the Company or authorized representatives thereof, (ii) representations of the Company set forth in the Agreements and (iii) certificates and assurances from public officials, all of such certificates, representations and assurances are accurate with regard to factual matters and all official records (including filings with public authorities) are properly indexed and filed and are accurate and complete.

-
- (b) Authentic and Conforming Documents. All documents submitted to us as originals are authentic, complete and accurate, and all documents submitted to us as copies conform to authentic original documents.
- (c) Signatures; Legal Capacity. The signatures of individuals who have signed or will sign the Agreements are genuine. All individuals who have signed or will sign the Agreements have the legal capacity to execute such Agreements.
- (d) Certain Other Assumptions. For the purposes of this opinion letter, we have assumed that, at the time of the issuance, sale and delivery of Shares pursuant to the Agreements: (i) the authorization thereof by the Company will not have been modified or rescinded, and there will not have occurred any change in law affecting the validity thereof; (ii) the Organizational Documents will not have been modified or amended in a manner so as to affect the valid issuance of the Shares to be issued and will be in full force and effect; and (iii) upon issuance of the Shares, the number of such Shares will not exceed the number of authorized and unissued Shares that have not been reserved for issuance for other purposes.

Our Opinion

Based on and subject to the foregoing and the qualifications, limitations and other assumptions set forth in this opinion letter, we are of the opinion that the issuance and sale of the Shares covered by the Registration Statement pursuant to the Agreements have been duly authorized by the Company and, when (A) the number of Shares to be offered, issued and sold by the Company from time to time and the respective pricing terms, times and dates of offering, issuance and sale have been duly authorized and approved by one or more duly authorized officers of the Company, all as provided in, and in compliance with the parameters, limitations and other terms set forth in the Authorizing Resolutions and (B) certificates in the form required under the laws of the State of Delaware representing the Shares are duly executed, countersigned, registered and delivered against payment of the agreed consideration therefor in an amount not less than the aggregate par value thereof, if such Shares are certificated, or book-entry notations in the form required under the laws of the State of Delaware have been made in the share register of the Company to reflect the issuance of such Shares to the purchasers thereof against payment of the agreed consideration therefor in an amount not less than the aggregate par value thereof, if such Shares are not represented by certificates, in each case in accordance with the applicable Agreements, such Shares will be validly issued, fully paid and non-assessable.

Qualifications

The opinion set forth above is subject to the following qualifications and limitations:

- (a) Applicable Law. Our opinion is limited to the Applicable Law, and we do not express any opinion concerning any other law.

Miscellaneous

The foregoing opinions are being furnished only for the purpose referred to in the first paragraph of this opinion letter. Our opinions are based on statutes, regulations and administrative and judicial interpretations which are subject to change. We undertake no responsibility to update or supplement these opinions subsequent to the date hereof. Headings in this opinion letter are intended for convenience of reference only and shall not affect its interpretation. We hereby consent to the filing of this opinion as Exhibit 5.1 to the Registration Statement on or about the date hereof, to the incorporation by reference of this opinion of counsel into the Registration Statement and to the reference to our firm in the Prospectus Supplement under the caption "Legal Matters." In giving this consent, we do not admit that we are within the category of persons whose consent is required by Section 7 of the Securities Act or the rules and regulations of the SEC promulgated thereunder.

Very truly yours,

/s/ McGuireWoods LLP

**FOR IMMEDIATE RELEASE**

October 31, 2025

FOR ADDITIONAL INFORMATION**Media**

media@nsource.com

Investors

investors@nsource.com

***NiSource announces \$1.5 billion at-the-market (ATM)
equity issuance program through 2028***

MERRILLVILLE, Ind. - NiSource Inc. (NYSE: NI) ("NiSource", "we" and "our") announced today that it has established an "at-the-market" equity offering program under which NiSource may sell shares of its common stock, par value \$0.01 per share ("Common Stock"), having an aggregate gross sales price of up to \$1.5 billion through December 31, 2028 (the "Offering").

NiSource has entered into separate equity distribution agreements with each of Barclays Capital Inc., BMO Capital Markets Corp., BNP Paribas Securities Corp., BofA Securities, Inc., Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, Mizuho Securities USA LLC, Morgan Stanley & Co. LLC, MUFG Securities Americas Inc., Scotia Capital (USA) Inc. and Wells Fargo Securities, LLC in their respective capacities as sales agents and as forward sellers (collectively, the "Agents"). Pursuant to these agreements, shares of Common Stock may be offered and sold by any method or payment permitted by law to be an "at the market offering" as defined in Rule 415 under the Securities Act of 1933, as amended (the "Securities Act"), including by means of ordinary brokers' transactions on the New York Stock Exchange, the existing trading market for shares of Common Stock, or otherwise at market prices prevailing at the time of sale, or sales made to or through a market maker or through an electronic communications network.

In addition to the issuance and sale of shares of Common Stock through the Agents, NiSource may also enter into forward sale agreements under a separate master forward sale confirmation and related supplemental confirmation with the Agents or certain of their respective affiliates, each in their capacity as forward purchasers (collectively, the "Forward Purchasers"). In connection with each forward sale agreement, the relevant Forward Purchaser will, at NiSource's request, attempt to borrow from third parties and, through the relevant Agent, sell a number of shares of Common Stock equal to the number of shares of Common Stock that underlie the forward sale agreement to hedge such forward sale agreement.

NiSource intends to use the proceeds from the sales, if any, of the shares of Common Stock for general corporate purposes, including to finance capital expenditures, for working capital and to repay existing indebtedness.

The offering supersedes and replaces the \$900,000,000 “at-the-market” equity offering we established on February 22, 2024 and is inclusive of approximately \$47.5 million of our Common Stock that was unsold under that offering.

The Offering is being made by means of a prospectus supplement to the prospectus contained in the effective registration statement on Form S-3 filed with the U.S. Securities and Exchange Commission (the “SEC”) on October 30, 2025. Before making an investment in the Common Stock, potential investors should read the prospectus supplement and the accompanying prospectus for more complete information about NiSource and the Offering. Potential investors may obtain these documents for free by visiting EDGAR on the SEC’s website at www.sec.gov. Alternatively, potential investors may contact any Agent participating in the Offering, who will arrange to send them these documents: Barclays Capital Inc., c/o Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, New York 11717, email: barclaysprospectus@broadridge.com, telephone: (888) 603-5847; BMO Capital Markets Corp., Attn: Equity Syndicate Department, 151 W 42nd Street, 32nd Floor, New York, NY 10036, email: bmo.prospectus@bmo.com; BNP Paribas Securities Corp., 787 7th Avenue, New York, New York 10019, Attn: BNP Paribas Prospectus Requests, email: DL.prospectus_requests@us.bnpparibas.com, telephone: 212-471-6700; BofA Securities, NC1-022-02-25, 201 North Tryon Street, Charlotte, NC 28255-0001, Attn: Prospectus Department, email: dg.prospectus_requests@bofa.com; Goldman Sachs & Co. LLC, Prospectus Department, 200 West Street, New York, NY 10282, email Prospectus-ny@ny.email.gs.com, telephone: 1-866-471-2526; J.P. Morgan Securities LLC, c/o Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, NY 11717, telephone: (866) 803-9204; Mizuho Securities USA LLC, 1271 Avenue of the Americas, 3rd Floor, New York, NY 10020, Attn: Equity Capital Markets, email: US-ECM@mizuhogroup.com, telephone: (212) 205-7600; Morgan Stanley & Co. LLC, Attn: Prospectus Department, 180 Varick Street, 2nd Floor, New York, NY 10014; MUFG Securities Americas Inc., 1221 Avenue of the Americas, 6th Floor, New York, New York 10020-1001, email: ECM@us.sc.mufg.jp, telephone: (212) 405-6653; Scotia Capital (USA) Inc., c/o ScotiaCapital (USA) Inc., 250 Vesey Street, 24th Floor, New York, NY 10281, email: US.ECM@scotiabank.com, telephone: collect at (855) 346-4015; Wells Fargo Securities, 90 South 7th Street, 5th Floor, Minneapolis, MN 55402, email: WFScustomerservice@wellsfargo.com, telephone: (800) 645-3751 (option #5).

This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of shares of Common Stock, in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or other jurisdiction.

About NiSource

NiSource Inc. (NYSE: NI) is one of the largest fully-regulated utility companies in the United States, serving approximately 3.3 million natural gas customers and 500,000 electric customers across six states through its local Columbia Gas and NIPSCO brands. The mission of our approximately 7,700 employees is to deliver safe, reliable energy that drives value to our customers. NiSource is a member of the Dow Jones Sustainability - North America Index and is on Forbes lists of America’s Best Employers for Women and Diversity.

Forward-Looking Statements

This press release contains “forward-looking statements,” within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended. 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. Forward-looking statements in this press release include, but are not limited to, statements concerning the anticipated use of proceeds 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 press release include, among other things: our ability to execute our business plan or growth strategy, including utility infrastructure investments, or business opportunities, such as data center development and related generation sources and transmission capabilities to meet potential load growth; our ability to manage data center growth in our service territories; potential incidents and other operating risks associated with our business; our ability to work successfully with our third-party investors; our ability to construct, develop and place into service the generation and transmission assets we plan to construct to serve the customer under the data center contract (the “Contract Assets”) on time or at all and consistent with initial cost estimates, as well as the performance of these assets once constructed and placed into service; our ability to obtain the significant additional financing that will be required to construct the Contract Assets on favorable terms, if at all; our ability to recover our investments and realize our expected return under the data center contract; our ability to maintain our investment grade credit ratings as we finance and pursue our data center strategy, including our performance under the data center contract; our customer’s performance under the data center contract and any decision by our customer to terminate the data center contract or reduce the committed capacity thereunder; potential changes in the MISO accreditation treatment of capacity resources; our ability to adapt to, and manage costs related to, advances in technology, including alternative energy sources and changes in laws and regulations; our increased dependency on 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 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 demand; our ability to attract, retain or re-skill a qualified, diverse workforce and maintain good labor relations; our ability to manage new initiatives and organizational changes; the performance and quality of third-party suppliers and service providers; our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals, including our Net Zero Goal (as defined in our Annual Report on Form 10-K for the year ended December 31, 2024), including any future associated impact from business opportunities such as data center development as those opportunities evolve; potential cybersecurity attacks or security breaches; increased requirements and costs related to cybersecurity; the actions of activist stockholders; any damage to our reputation; the impacts of natural disasters, potential terrorist attacks or other catastrophic events; the physical impacts of climate change and the

transition to a lower carbon future; our debt obligations; any changes to our credit rating or the credit rating of certain of our subsidiaries; adverse economic and capital market conditions, including increases in inflation or interest rates, recession, or changes in investor sentiment; economic regulation and the impact of regulatory rate reviews; our ability to obtain expected financial or regulatory outcomes; 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; the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation; compliance with changes in, or new interpretations of applicable laws, regulations and tariffs, including impacts of state and federal orders on our ability to carry out our business plan and growth strategy; the cost of compliance with environmental laws and regulations and the costs of associated liabilities; changes in tax laws or the interpretation thereof; and other risk factors disclosed in the Company's Annual Report on Form 10-K for the year ended December 31, 2024, the Company's Quarterly Reports on Form 10-Q for the quarters ended March 31, 2025, June 30, 2025 and September 30, 2025, and the Company's subsequent filings with the SEC, some of which risks are beyond our control.

We qualify all of our forward-looking statements by these cautionary statements. Forward-looking statements speak only as of the date they are made, and we expressly disclaim an obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by law.

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 OR 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): November 7, 2025

NiSource Inc.
(Exact Name of Registrant as Specified in Charter)

DE
(State or other jurisdiction
of incorporation)

001-16189
(Commission
file number)

35-2108964
(I.R.S. Employer
Identification No.)

**801 East 86th Avenue
Merrillville, Indiana**
(Address of Principal Executive Offices)

46410
(Zip Code)

Registrant's telephone number, including area code: (877) 647-5990

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	NI	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 8.01 Other Events.

5.750% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2056

On November 3, 2025, NiSource Inc. (the “Company”) and Barclays Capital Inc., Goldman Sachs & Co. LLC, Mizuho Securities USA LLC, Morgan Stanley & Co. LLC and MUFG Securities Americas Inc., as lead underwriters, entered into a Terms Agreement (the “Terms Agreement”) with respect to the offering and sale of \$1,000,000,000 aggregate principal amount of the Company’s 5.750% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2056 (the “Notes”) under the Company’s Registration Statement on Form S-3 (File No. 333-291167) (the “Registration Statement”). The sale closed on November 7, 2025.

Interest on the Notes accrues from and including November 7, 2025 and is payable semi-annually in arrears on January 15 and July 15 of each year, beginning on July 15, 2026. The Notes bear interest (i) from and including November 7, 2025 to, but excluding, July 15, 2031 (the “First Reset Date”) at the rate of 5.750% per annum and (ii) from and including the First Reset Date, during each reset period at a rate per annum equal to the Five-year U.S. Treasury Rate (as defined in the prospectus supplement described below) as of the most recent reset interest determination date plus a spread of 2.035%, to be reset on each reset date; provided that the interest rate during any reset period will not reset below 5.750% per annum.

The Notes mature on July 15, 2056. The Company, at its option, may redeem some or all of the Notes during specified periods, and upon the occurrence of certain ratings or tax events, all as described in the prospectus supplement.

In accordance with the terms of the Notes, so long as no event of default (as defined in the prospectus supplement) with respect to the Notes has occurred and is continuing, the Company may, at its option, defer interest payments on the Notes, from time to time, for one or more deferral periods of up to 20 consecutive semi-annual interest payment periods each. During any such period during which such payments are deferred, the Company will not (with certain exceptions as described in the prospectus supplement): (1) declare or pay any dividends or distributions on any Capital Stock (as defined in the prospectus supplement), including the common stock, of the Company; (2) redeem, purchase, acquire or make a liquidation payment with respect to any Capital Stock of the Company; (3) pay any principal, interest or premium on, or repay, repurchase or redeem, any indebtedness of the Company that ranks equally with or junior to the Notes in right of payment; or (4) make any payments with respect to any guarantees by the Company of any indebtedness if such guarantees rank equally with or junior to the Notes in right of payment.

The Notes were issued pursuant to a Subordinated Indenture, dated as of May 16, 2024, between the Company and The Bank of New York Mellon, as supplemented by the Third Supplemental Indenture thereto, dated as of November 7, 2025 (the “Third Supplemental Indenture”). The Company intends to use the net proceeds from the sale of the Notes for general corporate purposes, including to finance capital expenditures, for working capital and to repay existing indebtedness. Further information concerning the Notes and related matters is set forth in the Company’s prospectus supplement dated November 3, 2025, which was filed with the Securities and Exchange Commission on November 4, 2025.

The preceding is a summary of the terms of the Notes and is qualified in its entirety by reference to the Third Supplemental Indenture attached hereto as Exhibit 4.1 and the form of the Notes attached hereto as Exhibit 4.2, each of which is incorporated herein by reference as though it was fully set forth herein.

The Company is filing Exhibits 5.1 and 8.1 with this Current Report on Form 8-K in connection with the Registration Statement and the prospectus supplement.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
4.1	<u>Third Supplemental Indenture, dated as of November 7, 2025, between NiSource Inc. and The Bank of New York Mellon, as trustee</u>
4.2	<u>Form of 5.750% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2056 (included in Exhibit 4.1 hereto)</u>
5.1	<u>Opinion of McGuireWoods LLP regarding validity of the Notes</u>

8.1	<u>Opinion of McGuireWoods LLP regarding certain tax matters related to the Notes</u>
23.1	<u>Consent of McGuireWoods LLP (included in Exhibit 5.1)</u>
23.2	<u>Consent of McGuireWoods LLP (included in Exhibit 8.1)</u>
104	Cover page Interactive Data File (embedded within the Inline XBRL document)

Cautionary Statement Concerning Forward-Looking Statements

This current report on Form 8-K contains forward-looking statements that are not historical facts, including statements about the anticipated use of proceeds from the sale of the Notes. These statements are based on current expectations and assumptions, which management believes are reasonable, and on information currently available to management, but are necessarily subject to various risks and uncertainties. In addition to the risk that these assumptions prove to be inaccurate, factors that could cause actual results to differ materially from those contemplated by the forward-looking statements include factors disclosed in the Company's Annual Report on Form 10-K for the year ended December 31, 2024, and its subsequent filings with the SEC, which are available on the Company's website at www.nisource.com and on the SEC's website at www.sec.gov. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether due to new information, future events or otherwise, except to the extent required by law.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NiSource Inc.

(Registrant)

Date: November 7, 2025

By: /s/ Shawn Anderson

Shawn Anderson

Executive Vice President and Chief Financial Officer

NISOURCE INC.

TO

THE BANK OF NEW YORK MELLON

Trustee

Third Supplemental Indenture

Dated as of November 7, 2025

5.750% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2056

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THIRD SUPPLEMENTAL INDENTURE (“Supplemental Indenture”), dated as of November 7, 2025, between NiSource Inc., a Delaware corporation (“NiSource” or the “Company”), and The Bank of New York Mellon, a New York banking corporation, not in its individual capacity but solely as trustee (the “Trustee”), under the Indenture dated as of May 16, 2024 between NiSource and the Trustee (the “Base Indenture” and, together with the Supplemental Indenture, the “Indenture”).

WITNESSETH

WHEREAS, NiSource and the Trustee are parties to the Base Indenture providing for the issuance by NiSource of unsecured subordinated debentures, notes or other evidences of indebtedness to be issued in one or more series as determined by NiSource, in an unlimited principal amount which may be authenticated and delivered as provided in the Base Indenture.

WHEREAS, pursuant to Section 301 of the Base Indenture, NiSource desires to provide for the establishment of a new series of its junior subordinated notes to be known as the 5.750% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2056 (the “Notes”), in an initial aggregate principal amount of \$1,000,000,000, and pursuant to Section 201 of the Base Indenture, NiSource desires to establish the form of the Notes.

WHEREAS, NiSource has requested that the Trustee execute and deliver this Supplemental Indenture. All conditions precedent and requirements necessary to make this Supplemental Indenture a valid and legally binding instrument in accordance with its terms have been complied with, performed and fulfilled, and the execution and delivery hereof has been duly authorized in all respects.

NOW, THEREFORE, in consideration of the agreements and obligations set forth herein and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE 1 DEFINITIONS

Section 1.1 Defined Terms. Unless the context otherwise requires, capitalized terms used but not defined herein shall have the meaning set forth in the Base Indenture. As used in this Supplemental Indenture, terms defined in the Base Indenture or in the preamble or recitals hereto are used as so defined. The words “herein,” “hereof” and “hereby” and other words of similar import used in this Supplemental Indenture refer to this Supplemental Indenture as a whole and not to any particular section hereof.

The following additional terms are hereby established for the purposes of this Supplemental Indenture and shall have the meanings set forth in this Supplemental Indenture solely for the purposes of this Supplemental Indenture:

“business day” means, unless otherwise expressly stated, any day other than (i) a Saturday or Sunday or (ii) a day on which banks and trust companies in The City of New York are authorized or obligated by law, regulation or executive order to remain closed.

“compound interest” has the meaning set forth in Section 5.1.

“calculation agent” means, at any time, the entity appointed by NiSource and serving as such agent with respect to the Notes at such time. Unless NiSource has validly called all of the outstanding Notes for redemption on a redemption date occurring prior to the First Reset Date, NiSource will appoint a calculation agent for the Notes prior to the Reset Interest Determination Date immediately preceding the First Reset Date; provided that, if NiSource has called all of the outstanding Notes for redemption on a redemption date occurring prior to the First Reset Date but NiSource does not redeem all of the outstanding Notes on such redemption date, NiSource will appoint a calculation agent for the Notes as promptly as practicable after such proposed redemption date. NiSource may terminate any such appointment and may appoint a successor calculation agent at any time and from time to time (so long as there shall always be a calculation agent in respect of the Notes when so required). NiSource may appoint NiSource or an affiliate of NiSource as calculation agent.

“Capital Stock” means (i) in the case of a corporation or a company, corporate stock or shares; (ii) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock; (iii) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and (iv) any other interest or participation that confers on a person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing person.

“Five-year U.S. Treasury Rate” means, as of any Reset Interest Determination Date, (i) an interest rate (expressed as a decimal) determined to be the per annum rate equal to the arithmetic mean of the yields to maturity for U.S. Treasury securities adjusted to constant maturity with a maturity of five years from the next Reset Date and trading in the public securities markets, for the five consecutive business days immediately prior to the respective Reset Interest Determination Date as published (or, if fewer than five consecutive business days are so published on the applicable Reset Interest Determination Date, for such number of business days published) in the most recent H.15, or (ii) if there is no such published U.S. Treasury security with a maturity of five years from the next Reset Date and trading in the public securities markets, then the rate will be determined by interpolation between the arithmetic mean of the yields to maturity for each of the two series of U.S. Treasury securities adjusted to constant maturity trading in the public securities markets, (A) one maturing as close as possible to, but earlier than, the Reset Date following the next succeeding Reset Interest Determination Date, and (B) the other maturing as close as possible to, but later than, the Reset Date following the next succeeding Reset Interest Determination Date, in each case for the five consecutive business days immediately prior to the respective Reset Interest Determination Date as published in the most recent H.15. If the Five-year U.S. Treasury Rate cannot be determined pursuant to the methods described in clause (i) or (ii) above, then the Five-year U.S. Treasury Rate will be the same interest rate determined for the prior Reset Interest Determination Date or, if the Five-year U.S. Treasury Rate cannot be so determined as of the Reset Interest Determination Date preceding the First Reset Date, then the interest rate applicable for the Reset Period beginning on and including the First Reset Date will be deemed to be 5.750% per annum, which is the same interest rate as in effect from and including the Original Issue Date to, but excluding, the First Reset Date.

“First Reset Date” has the meaning set forth in Section 2.4.

“H.15” means the statistical release designated as such, or any successor publication, published by the Board of Governors of the U.S. Federal Reserve System (or any successor thereto).

“interest payment date” has the meaning set forth in Section 2.4.

“Interest Payment Period” means the semi-annual period from and including an interest payment date to but excluding the next succeeding interest payment date, except for the first Interest Payment Period which shall be the period from and including the Original Issue Date to but excluding July 15, 2026.

“Maturity Date” has the meaning set forth in Section 2.3.

“most recent H.15” means the H.15 published closest in time but prior to the close of business on the second business day prior to the applicable Reset Date.

“Optional Deferral Period” has the meaning set forth in Section 5.1.

“Original Issue Date” means November 7, 2025.

“record date” has the meaning set for the in Section 2.4.

“redemption date” when used with respect to any Notes to be redeemed, means the date fixed for such redemption pursuant to this Supplemental Indenture.

“Reset Date” means the First Reset Date and July 15 of every fifth year after 2031.

“Reset Interest Determination Date” means, in respect of any Reset Period, the day falling two business days prior to the first day of such Reset Period.

“Reset Period” means the period from and including the First Reset Date to, but excluding, the next following Reset Date and thereafter each period from and including a Reset Date to, but excluding, the next following Reset Date.

“Rating Agency Event” means, as of any date, a change, clarification or amendment in the methodology published by any nationally recognized statistical rating organization within the meaning of Section 3(a)(62) of the Securities Exchange Act of 1934, as amended (or any successor provision thereto), that then publishes a rating for NiSource (together with any successor thereto, a “rating agency”) in assigning equity credit to securities such as the Notes, (a) as such methodology was in effect on November 3, 2025, in the case of any rating agency that published a rating for NiSource as of November 3, 2025, or (b) as such methodology was in effect on the date such rating agency first published a rating for NiSource, in the case of any rating agency that first publishes a rating for NiSource after November 3, 2025 (in the case of either clause (a) or (b), the “current methodology”), that results in (i) any shortening of the length of time for which a particular level of equity credit pertaining to the Notes by such rating agency would have been in effect had the current methodology not been changed or (ii) a lower equity credit (including up to a lesser amount) being assigned by such rating agency to the Notes as of the date of such change, clarification or amendment than the equity credit that would have been assigned to the Notes by such rating agency had the current methodology not been changed.

“Rights Plan” has the meaning set forth in Section 5.1.

“Senior Indebtedness” has the meaning set forth in Section 3.1.

“Tax Event” means that NiSource has received an opinion of counsel experienced in such matters to the effect that, as a result of:

- (i) any amendment to, clarification of, or change, including any announced prospective change, in the laws or treaties of the United States or any of its political subdivisions or taxing authorities, or any regulations under those laws or treaties;
- (ii) an administrative action, which means any judicial decision or any official administrative pronouncement, ruling, regulatory procedure, notice or announcement, including any notice or announcement of intent to issue or adopt any administrative pronouncement, ruling, regulatory procedure or regulation;
- (iii) any amendment to, clarification of, or change in the official position or the interpretation of any administrative action or judicial decision or any interpretation or pronouncement that provides for a position with respect to an administrative action or judicial decision that differs from the previously generally accepted position, in each case by any legislative body, court, governmental authority or regulatory body, regardless of the time or manner in which that amendment, clarification or change is introduced or made known; or
- (iv) a threatened challenge asserted in writing in connection with a tax audit of NiSource or any of its subsidiaries, or a publicly-known threatened challenge asserted in writing against any other taxpayer that has raised capital through the issuance of securities that are substantially similar to the Notes,

which amendment, clarification or change is effective or the administrative action is taken or judicial decision, interpretation or pronouncement is issued or threatened challenge is asserted or becomes publicly-known after November 3, 2025, there is more than an insubstantial risk that interest payable by NiSource on the Notes is not deductible, or within 90 days would not be deductible, in whole or in part, by NiSource for United States federal income tax purposes.

ARTICLE 2

DESIGNATION OF THE NOTES

Section 2.1 Designation and Principal Amount.

(a) Pursuant to the terms hereof and Section 301 of the Base Indenture, NiSource hereby establishes a series of Securities designated as the “5.750% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2056”, the principal amount of which to be issued shall be in accordance with Section 2.1(b) and the form and terms of which shall be as set forth hereinafter.

(b) The Notes shall be issued in an initial aggregate principal amount of \$1,000,000,000. NiSource may, without the consent of the Holders, create and issue an unlimited amount of additional Notes ranking equally with the Notes in all respects and having the same terms (except for the price to public, the issue date and the initial interest accrual date and the first interest payment date, as applicable) as the Notes, so that such additional Notes shall be consolidated and form a single series with, and shall have the same terms as to status, redemption or otherwise as, the Notes authenticated and delivered on the date hereof. Such additional Notes will have the same CUSIP number as the Notes being authenticated on the

date hereof, provided that such additional Notes must be part of the same issue as the Notes being authenticated on the date hereof for U.S. federal income tax purposes or, if they are not part of the same issue for such purposes, such additional Notes must be issued with a separate CUSIP number. No additional Notes may be issued if an Event of Default has occurred and is continuing with respect to the Notes.

Section 2.2 Form of the Notes. The Notes shall be issued in the form of one or more Global Securities substantially in the form attached in Exhibit A hereto, which is hereby incorporated in and expressly made a part of this Supplemental Indenture. The Trustee's certificate of authentication for such Notes shall be substantially in the form required by Section 202 of the Base Indenture. The Notes shall bear the legend set forth in Exhibit A.

Section 2.3 Maturity Date of the Notes. The Notes will mature on July 15, 2056 (the "Maturity Date"), subject to earlier redemption at NiSource's option as set forth in Article 6.

Section 2.4 Interest on the Notes. The Notes will bear interest (i) from and including the Original Issue Date to, but excluding, July 15, 2031 (the "First Reset Date") at the rate of 5.750% per annum and (ii) from and including the First Reset Date, during each Reset Period at a rate per annum equal to the Five-year U.S. Treasury Rate as of the most recent Reset Interest Determination Date plus a spread of 2.035%, to be reset on each Reset Date; provided that the interest rate during any Reset Period will not reset below 5.750% per annum. Interest on the Notes will accrue from the Original Issue Date and will be payable semi-annually in arrears on January 15 and July 15 (each, an "interest payment date") of each year, beginning on July 15, 2026, to Holders at the close of business on the record date for the applicable interest payment date, which will be (i) the business day immediately preceding such interest payment date so long as all of the Notes remain in book-entry only form or (ii) the 15th calendar day preceding such interest payment date (whether or not a business day) if any of the Notes do not remain in book-entry only form (each, a "record date"), subject to NiSource's right to defer interest payments as described in Article 5 below. Interest on the Notes will be computed on the basis of a 360-day year of twelve 30-day months.

The applicable interest rate for each Reset Period will be determined by the calculation agent, as of the applicable Reset Interest Determination Date. Promptly upon such determination, the calculation agent will notify NiSource of the interest rate for the Reset Period and NiSource will promptly notify, or cause the calculation agent to promptly notify, in writing, the Trustee and each paying agent of such interest rate. The calculation agent's determination of any interest rate, and its calculation of the amount of interest for any Interest Payment Period beginning on or after the First Reset Date, will be on file at NiSource's principal offices, will be made available to any Holder or beneficial owner of the Notes upon request and will be final and binding in the absence of manifest error.

If an interest payment date, redemption date, or Maturity Date falls on a day that is not a business day, payment will be made on the next succeeding business day with the same force and effect as if made on such payment date.

Section 2.5 Minimum Denominations. The Notes shall be issued in denominations of \$2,000 and integral multiples of \$1,000 in excess thereof.

Section 2.6 No Sinking Fund. No sinking fund is provided for the Notes. Article 12 of the Base Indenture is not applicable to the Notes.

Section 2.7 Paying Agent and Security Registrar. The Trustee is hereby appointed as initial Paying Agent and initial Security Registrar for the Notes. The Notes shall be payable by the Trustee.

Section 2.8 Other Terms of the Notes. The other terms of the Notes shall be as expressly set forth herein and in Exhibit A hereto.

ARTICLE 3 SUBORDINATION

The following subordination provisions for the Notes are established pursuant to Section 1501 of the Base Indenture and are in addition to the provision of Article 15 of the Base Indenture, which shall apply to the Notes, except that Section 3.3 of this Supplemental Indenture replaces in its entirety Section 1504 of the Base Indenture and the definition of Senior Indebtedness included in Section 3.1 of this Supplemental Indenture replaces the definition of Senior Indebtedness in Section 101 of the Base Indenture.

Section 3.1 Notes Subordinated to Senior Indebtedness. NiSource covenants and agrees, and each Holder of the Notes, by his acceptance thereof, likewise covenants and agrees, that (a) the indebtedness represented by the Notes and the payment of the principal of and any premium or interest on each and all of the Notes of such series is subordinate, to the extent and in the manner hereinafter set forth, in right of payment to the prior payment in full of all Senior Indebtedness; and (b) Senior Indebtedness shall continue to be Senior Indebtedness with respect to the Notes irrespective of any amendment, modification or waiver of any term of such Senior Indebtedness or extension or renewal of such Senior Indebtedness (other than any such amendment, modification or waiver that makes such Senior Indebtedness subordinated or equal in right of payment to the Notes).

With respect to the Notes, in the event (a) of any payment by, or distribution of assets of, NiSource of any kind or character, whether in cash, property or securities, to creditors upon any dissolution, winding-up, liquidation or reorganization of NiSource, whether voluntary or involuntary or in bankruptcy, insolvency, receivership or other similar proceedings, or (b) subject to the provisions of Section 3.2, that (i) a default shall have occurred and be continuing with respect to the payment of principal, interest or any other monetary amounts due and payable on any Senior Indebtedness and such default shall have continued beyond the period of grace, if any, specified in the instrument evidencing such Senior Indebtedness (and the Trustee shall have received written notice thereof from NiSource or one or more holders of such Senior Indebtedness or their representative or representatives or the trustee or trustees under any indenture pursuant to which any such Senior Indebtedness may have been issued), or (ii) the maturity of any such Senior Indebtedness shall have been accelerated because of a default in respect of such Senior Indebtedness (and the Trustee shall have received written notice thereof from NiSource or one or more holders of such Senior Indebtedness or their representative or representatives or the trustee or trustees under any indenture pursuant to which any such Senior Indebtedness may have been issued), then:

(1) the holders of all such Senior Indebtedness shall first be entitled to receive, in the case of clause (a) above, payment of all amounts due or to become due upon all such Senior Indebtedness or, in the case of subclauses (i) and (ii) of clause (b) above, payment of all amounts due upon all such Senior Indebtedness, or provision shall be made for such payment in money or money's worth, before the Holders of any of the Notes are entitled to receive any payment on account of the principal of or any premium or interest on the indebtedness evidenced by the Notes, including, without limitation, any payments made pursuant to Article Eleven or Article Twelve of this Base Indenture;

(2) so long as any of the events in clause (a) or subclauses (i) or (ii) of clause (b) above has occurred and is continuing, any payment by, or distribution of assets of, NiSource of any kind or character, whether in cash, property or securities, to which the Holders of any of the Notes would be entitled except for the provisions of this Article, including any such payment or distribution which may be payable or deliverable by reason of the payment of any other indebtedness of NiSource being subordinated to the payment of the Notes, shall be paid or distributed, as the case may be, by the Person making such payment or distribution, whether a trustee in bankruptcy, receiver or liquidating trustee or otherwise, directly to the holders of such Senior Indebtedness or their representative or representatives or to the trustee or trustees under any indenture under which any instruments evidencing any such Senior Indebtedness may have been issued, ratably according to aggregate amounts remaining unpaid on account of such Senior Indebtedness held or represented by each, to the extent necessary to make payment, in the case of clause (a) above, of all amounts due and to become due upon all such Senior Indebtedness, or, in the case of subclauses (i) and (ii) of clause (b) above, of all amounts due upon all such Senior Indebtedness, in each case remaining unpaid after giving effect to any concurrent payment or distribution (or provision therefor) to the holders of such Senior Indebtedness, before any payment or distribution is made to the Holders of the indebtedness evidenced by the Notes; and

(3) so long as any of the events in clause (a) or subclauses (i) or (ii) of clause (b) above has occurred and is continuing, in the event that, notwithstanding the foregoing, any payment by, or distribution of assets of, NiSource of any kind or character, whether in cash, property or securities, including any such payment or distribution which may be payable or deliverable by reason of the payment of any other indebtedness of NiSource being subordinated to the payment of the Notes, in respect of principal of or any premium or interest on any of the Notes or in connection with the repurchase by NiSource of any of the Notes, shall be received by the Trustee or the Holders of any of the Notes before, in the case of clause (a) above, all amounts due or to become due upon all such Senior Indebtedness or, in the case of subclauses (i) or (ii) of clause (b) above, all amounts due upon all such Senior Indebtedness is paid in full (or provision is made for such payment), then such payment or distribution shall be paid over to the holders of such Senior Indebtedness or their representative or representatives or to the trustee or trustees under any indenture pursuant to which any instruments evidencing any such Senior Indebtedness may have been issued, ratably as aforesaid, for application to the payment of, in the case of clause (a) above, all amounts due and to become due upon all such Senior Indebtedness or, in the case of subclauses (i) or (ii) of clause (b) above, all amounts due upon all such Senior Indebtedness, in each case until all such amounts shall have been paid in full, after giving effect to any concurrent payment or distribution (or provision therefor) to the holders of such Senior Indebtedness.

For purposes of this Article 3, the words “cash, property or securities” shall not be deemed to include shares of stock of NiSource as reorganized or readjusted, or securities of NiSource or any other Person provided for by a plan of reorganization or readjustment, the payment of which is subordinated at least to the extent provided in this Article with respect to the Notes to the payment of all Senior Indebtedness which may at the time be outstanding; provided that (i) all such Senior Indebtedness is assumed by the Person, if any, resulting from any such reorganization or readjustment, and (ii) the rights of the holders of such Senior Indebtedness are not, without the consent of each such holder adversely affected thereby,

altered by such reorganization or readjustment. The consolidation of NiSource with, or the merger of NiSource into, another Person or the liquidation or dissolution of NiSource following the conveyance or transfer of its properties and assets as an entirety, or substantially as an entirety, to any winding-up, liquidation or reorganization for the purposes of this Section if such other Person shall, as part of such consolidation, merger, conveyance or transfer, comply with the conditions stated in Article Eight of the Base Indenture. Nothing in this Section 3.1 shall apply to claims of, or payments to, the Trustee under or pursuant to Section 607 of the Base Indenture.

“Senior Indebtedness” means, with respect to the Notes, (i) indebtedness of NiSource, whether outstanding at the date of the indenture or incurred, created or assumed after such date, (a) in respect of money borrowed by NiSource (including any financial derivative, hedging or futures contract or similar instrument, to the extent any such item is primarily a financing transaction) and (b) evidenced by debentures, bonds, notes, credit or loan agreements or other similar instruments or agreements issued or entered into by NiSource; (ii) all finance lease obligations of NiSource; (iii) all obligations of NiSource issued or assumed as the deferred purchase price of property, all conditional sale obligations of NiSource and all obligations of NiSource under any title retention agreement (but excluding, for the avoidance of doubt, trade accounts payable arising in the ordinary course of business and long-term purchase obligations); (iv) all obligations of NiSource for the reimbursement of any letter of credit, banker’s acceptance, security purchase facility or similar credit transaction; and (v) all obligations of the type referred to in clauses (i) through (iv) above of other persons for the payment of which NiSource is responsible or liable as obligor, guarantor or otherwise, except for any obligations, instruments or agreements of the type referred to in any of clauses (i) through (v) above that, by the terms of the instruments or agreements creating or evidencing the same or pursuant to which the same is outstanding, are subordinated or equal in right of payment to the Notes.

For the avoidance of doubt, Senior Indebtedness shall not include the Other Junior Subordinated Notes. “Other Junior Subordinated Notes” means NiSource’s existing 6.950% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2054 and 6.375% Fixed-to-Fixed Reset Junior Subordinated Notes due 2055, each of which constitute separate series of NiSource’s subordinated indebtedness under the Base Indenture and were originally issued on May 16, 2024 and September 9, 2024, respectively, together with any additional unsecured indebtedness of either series which may in the future be issued under the Base Indenture upon any re-opening of such series.

Section 3.2 Disputes with Holders of Certain Senior Indebtedness. Any failure NiSource to make any payment of or on or perform any other obligation under any Senior Indebtedness, other than any Senior Indebtedness incurred by NiSource or assumed or guaranteed, directly or indirectly, by NiSource for money borrowed (or any deferral, renewal, extension or refunding thereof) or any indebtedness or obligation as to which the provisions of this Section shall have been waived by NiSource in the instrument or instruments by which NiSource incurred, assumed, guaranteed or otherwise created such indebtedness or obligation, shall not be deemed a default or event of default with respect to such Senior Indebtedness under clause (b) of the second paragraph of Section 3.1 if (i) NiSource shall be disputing its obligation to make such payment or perform such obligation and (ii) either (A) no final judgment relating to such dispute shall have been issued against NiSource which is in full force and effect and is not subject to further review, including a judgment that has become final by reason of the expiration of the time within which a party may seek further appeal or review, or (B) in the event of a judgment that is subject to further review or appeal has been issued, NiSource shall in good faith be prosecuting an appeal or other proceeding for review and a stay of execution shall have been obtained pending such appeal or review.

Section 3.3 Subrogation. Subject to the payment in full, in the case of clause (a) of the second paragraph of Section 3.1, of all amounts due and to become due on all Senior Indebtedness or, in the case of subclauses (i) or (ii) of clause (b) of the second paragraph of Section 3.1, of all amounts due on all such Senior Indebtedness, as the case may be, the Holders of the Notes shall be subrogated (equally and ratably with the holders of all obligations of NiSource which are subordinated in right of payment to Senior Indebtedness of NiSource to the same extent as the Notes are subordinated, or which by their express terms rank equally in right of payment with the Notes with regard to Senior Indebtedness, and which in each case are entitled to like rights of subrogation) to the rights of the holders of such Senior Indebtedness to receive payments or distributions of cash, property or securities of NiSource applicable to such Senior Indebtedness. Such subrogation shall continue until all amounts owing on the Notes shall be paid in full, and as between NiSource, its creditors other than holders of such Senior Indebtedness and the Holders of the Notes, no such payment or distribution made to the holders of such Senior Indebtedness by virtue of this Article that otherwise would have been made to the Holders of the Notes shall be deemed to be a payment by NiSource on account of such Senior Indebtedness. The provisions of this Article are and are intended solely for the purpose of defining the relative rights of the Holders of the Notes, on the one hand, and the holders of Senior Indebtedness, on the other hand.

Section 3.4 Obligation of NiSource Unconditional. Nothing contained in this Article or elsewhere in this Supplemental Indenture or in the Notes is intended to or shall impair, as among NiSource, its creditors other than the holders of Senior Indebtedness and the Holders of the Notes, the obligation of NiSource, which is absolute and unconditional, to pay to such Holders the principal of and any premium and interest on the Notes as and when the same shall become due and payable in accordance with their terms, or is intended to or shall affect the relative rights of such Holders and the creditors of NiSource other than the holders of such Senior Indebtedness, nor shall anything herein or therein prevent the Trustee or any Holder of the Notes from exercising all remedies otherwise permitted by the Indenture or applicable law upon default under this Supplemental Indenture, subject to the rights, if any, under this Article of the holders of such Senior Indebtedness in respect of cash, property or securities of NiSource received by the Trustee or the holders of the Notes upon the exercise of any such remedy and the rights of the holders of such Senior Indebtedness to enforce the provisions of subparagraph (3) of the second paragraph of Section 3.1 against the Trustee and the Holders of the Notes.

Upon payment or distribution of assets of NiSource referred to in this Article, the Trustee and the Holders of the Notes shall be entitled to rely upon any order or decree made by any court of competent jurisdiction in which any such dissolution, winding-up, liquidation or reorganization proceeding affecting the affairs of NiSource is pending or upon a certificate of the trustee in bankruptcy, receiver, assignee for the benefit of creditors, liquidating trustee or agent or other person making any payment or distribution, delivered to the Trustee or to the Holders of the Notes, for the purpose of ascertaining the Persons entitled to participate in such payment or distribution, the holders of the Senior Indebtedness and other indebtedness of NiSource, the amount thereof or payable thereon, the amount or amounts paid or distributed thereon and all other facts pertinent thereto or to this Article.

The Trustee shall be entitled to rely on the delivery to it of a written notice by a Person representing itself to be a holder of Senior Indebtedness (or a trustee or representative on behalf of such holder) to establish that such notice has been given by a holder of Senior Indebtedness or a trustee or representative on behalf of any such holder or holders. In the event that the Trustee determines in good faith that further evidence is required with respect to the right of any Person as a holder of Senior Indebtedness to participate in any payment or distribution pursuant to this Article, the Trustee may request such Person to furnish evidence to the reasonable satisfaction of the Trustee as to the amount of Senior Indebtedness held by such Person, the extent to which such Person is entitled to participate in such payment or distribution and any other facts pertinent to the rights of such Person under this Article, and, if such evidence is not furnished, the Trustee may defer payment to such Person pending judicial determination as to the right of such Person to receive such payment.

Section 3.5 Payments on the Notes Permitted. Nothing contained in this Article or elsewhere in this Supplemental Indenture or in the Notes shall affect the obligations of NiSource to make, or prevent NiSource from making, payment of the principal of or any premium or interest on the Notes in accordance with the provisions hereof and thereof, except as otherwise provided in this Article.

Section 3.6 Effectuation of Subordination by Trustee. Each Holder of the Notes, by his acceptance thereof, authorizes and directs the Trustee in his, her or its behalf to take such action as may be necessary or appropriate to effectuate the subordination provided in this Article and appoints the Trustee his, her or its attorney-in-fact, as the case maybe, for any and all such purposes.

Section 3.7 Rights of Holders of Senior Indebtedness Not Impaired. No right of any present or future holder of any Senior Indebtedness shall at any time or in any way be prejudiced or impaired by any act or failure to act on the part of NiSource or by any noncompliance by NiSource with the terms, provisions and covenants of the Indenture, regardless of any knowledge thereof which any such holder may have or be otherwise charged with.

With respect to the holders of Senior Indebtedness, (i) the duties and obligations of the Trustee shall be determined solely by the express provisions of the Indenture; (ii) the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in the Indenture; (iii) no implied covenants or obligations shall be read into the Indenture against the Trustee; and (iv) the Trustee shall not be deemed to be a fiduciary as to such holders of Senior Indebtedness.

ARTICLE 4 REMEDIES

Section 4.1 Events of Default. The Events of Default specified in clauses (3) and (5) of Section 501 of the Base Indenture shall not apply to the Notes.

Section 4.2 Acceleration of Maturity. Notwithstanding the provisions of Section 502 of the Base Indenture, neither the Trustee nor the Holders of the Notes shall be entitled to declare the principal of or accrued and unpaid interest on the Notes to be immediately due and payable by reason of the occurrence and continuation of an Event of Default specified in clause (4) of Section 501 of the Base Indenture, and any notice of declaration of acceleration based on such an Event of Default shall be null and void with respect to the Notes; provided that,

notwithstanding the foregoing, so long as an Event of Default specified in clause (4) of Section 501 of the Base Indenture with respect to the Notes shall have occurred and shall be continuing, the Trustee and the Holders of the Notes may exercise the other rights and remedies available under the Indenture in connection with such Event of Default, as well as such other rights and remedies as may be available under applicable law or otherwise.

ARTICLE 5

OPTION TO DEFER INTEREST AND COVENANTS

Section 5.1 Option to Defer Interest Payments. So long as no Event of Default with respect to the Notes has occurred and is continuing, NiSource may, at its option, defer interest payments on the Notes, from time to time, for one or more deferral periods of up to 20 consecutive Interest Payment Periods (each such deferral period, commencing on the interest payment date on which the first such deferred interest payment otherwise would have been made, an “Optional Deferral Period”), except that no such Optional Deferral Period may extend beyond the final maturity date of the Notes or end on a day other than the day immediately preceding an interest payment date. During any Optional Deferral Period, interest on the Notes will continue to accrue at the then-applicable interest rate on the Notes (as reset from time to time on any Reset Date occurring during such Optional Deferral Period in accordance with the terms of the Notes). In addition, during any Optional Deferral Period, interest on the deferred interest (“compound interest”) will accrue at the then-applicable interest rate on the Notes (as reset from time to time on any Reset Date occurring during such Optional Deferral Period in accordance with the terms of the Notes), compounded semi-annually, to the extent permitted by applicable law. No interest will be due or payable on the Notes during an Optional Deferral Period, except upon a redemption of any Notes on any redemption date during such Optional Deferral Period (in which case all accrued and unpaid interest (including, to the extent permitted by applicable law, any compound interest) on the Notes to be redeemed to, but excluding, such redemption date will be due and payable on such redemption date), or unless the principal of and interest on the Notes shall have been declared due and payable as the result of an Event of Default with respect to the Notes (in which case all accrued and unpaid interest, including, to the extent permitted by applicable law, any compound interest, on the Notes shall become due and payable). All references in the Notes and, insofar as relates to the Notes, the Indenture, to “interest” on the Notes shall be deemed to include any such deferred interest and, to the extent permitted by applicable law, any compound interest, unless otherwise expressly stated or the context otherwise requires.

Before the end of any Optional Deferral Period that is shorter than 20 consecutive Interest Payment Periods, NiSource may elect, at its option, to extend such Optional Deferral Period, so long as the entire Optional Deferral Period does not exceed 20 consecutive Interest Payment Periods or extend beyond the final maturity date of the Notes. NiSource may also elect, at its option, to shorten the length of any Optional Deferral Period. No Optional Deferral Period (including as extended or shortened) may end on a day other than the day immediately preceding an interest payment date. At the end of any Optional Deferral Period, if all amounts then due on the Notes, including all accrued and unpaid interest thereon (including, without limitation and to the extent permitted by applicable law, any compound interest), are paid, NiSource may elect to begin a new Optional Deferral Period; provided, however, that, without limitation of the foregoing, NiSource may not begin a new Optional Deferral Period unless NiSource has paid all accrued and unpaid interest on the Notes (including, without limitation and to the extent permitted by applicable law, any compound interest) from any previous Optional Deferral Periods.

Section 5.2 Covenants. During any Optional Deferral Period, NiSource will not do any of the following:

- (i) declare or pay any dividends or distributions on any Capital Stock of NiSource;
- (ii) redeem, purchase, acquire or make a liquidation payment with respect to any Capital Stock of NiSource;
- (iii) pay any principal, interest or premium on, or repay, repurchase or redeem, any indebtedness of NiSource that ranks equally with or junior to the Notes in right of payment; or
- (iv) make any payments with respect to any guarantees by NiSource of any indebtedness if such guarantees rank equally with or junior to the Notes in right of payment;

provided; however, during an Optional Deferral Period, NiSource may (a) declare and pay dividends or distributions payable solely in shares of NiSource common stock (together, for the avoidance of doubt, with cash in lieu of any fractional share) or options, warrants or rights to subscribe for or purchase shares of NiSource common stock, (b) declare and pay any dividend in connection with the implementation of a plan (a “Rights Plan”) providing for the issuance by NiSource to all holders of NiSource common stock of rights entitling them to subscribe for or purchase common stock or any class or series of NiSource preferred stock, which rights (1) are deemed to be transferred with such common stock, (2) are not exercisable until the occurrence of a specified event or events and (3) are also issued in respect of future issuances of NiSource common stock, (c) issue any of shares of NiSource Capital Stock under any Rights Plan or redeem or repurchase any rights distributed pursuant to a Rights Plan, (d) reclassify NiSource Capital Stock or exchange or convert one class or series of NiSource Capital Stock for another class or series of NiSource Capital Stock, (e) purchase fractional interests in shares of NiSource Capital Stock pursuant to the conversion or exchange provisions of such Capital Stock or the security being converted or exchanged, (f) purchase, acquire or withhold shares of NiSource common stock related to the issuance of NiSource common stock or rights under any dividend reinvestment plan or related to any of NiSource benefit plans for NiSource directors, officers, employees, consultants or advisors, including any employment contract, and (g) for the avoidance of doubt, convert convertible Capital Stock of NiSource into other Capital Stock of NiSource in accordance with the terms of such convertible Capital Stock (together, for the avoidance of doubt, with cash in lieu of any fractional share).

Section 5.3 Notice of Deferral. NiSource will give the Holders of the Notes and the Trustee written notice of its election of, or any shortening or extension of, an Optional Deferral Period at least 10 business days prior to the earlier of (1) the next succeeding interest payment date or (2) the date upon which NiSource is required to give notice to any applicable self-regulatory organization or to Holders of the Notes of the next succeeding interest payment date or the record date therefor. The record date for the payment of deferred interest and, to the extent permitted by applicable law, any compound interest payable on the interest payment date immediately following the last day of an Optional Deferral Period will be the regular record date with respect to such interest payment date.

ARTICLE 6
OPTIONAL REDEMPTION BY NISOURCE

Section 6.1 Optional Redemption. NiSource may redeem some or all of the Notes, at its option, in whole or in part (i) on any day in the period commencing on the date falling 90 days prior to the First Reset Date and ending on and including the First Reset Date and (ii) after the First Reset Date, on any interest payment date, at a redemption price in cash equal to 100% of the principal amount of the Notes being redeemed, plus, (subject to the provisions set forth in Section 6.4 regarding the payment of installments of interest on the Notes that are due and payable on any Interest Payment Date falling on or prior to a Redemption Date), accrued and unpaid interest on the Notes to be redeemed to, but excluding, the redemption date.

Section 6.2 Redemption Following a Tax Event. NiSource may at its option redeem the Notes, in whole but not in part, at any time following the occurrence and during the continuance of a Tax Event at a redemption price in cash equal to 100% of the principal amount of the Notes, plus, (subject to the provisions set forth in Section 6.4 regarding the payment of installments of interest on the Notes that are due and payable on any Interest Payment Date falling on or prior to a Redemption Date), accrued and unpaid interest on the Notes to, but excluding, the redemption date.

Section 6.3 Redemption Following a Rating Agency Event. NiSource may at its option redeem the Notes, in whole but not in part, at any time following the occurrence and during the continuance of a Rating Agency Event at a redemption price in cash equal to 102% of the principal amount of the Notes, plus, (subject to the provisions set forth in Section 6.4 regarding the payment of installments of interest on the Notes that are due and payable on any Interest Payment Date falling on or prior to a Redemption Date), accrued and unpaid interest on the Notes to, but excluding, the redemption date.

Section 6.4 Payments of Interest. Notwithstanding any statement in Article 6 to the contrary, installments of interest on the Notes that are due and payable on any interest payment date falling on or prior to a redemption date for the Notes will be payable on that interest payment date to the Holders thereof as of the close of business on the relevant record date according to the terms of the Notes and the Indenture, except that, if the redemption date for any Notes falls on any day during an Optional Deferral Period, accrued and unpaid interest (including, to the extent permitted by applicable law, any compound interest) on such Notes will be paid on such redemption date to the persons entitled to receive the redemption price of such Notes. For the avoidance of doubt, the interest payment date falling immediately after the last day of an Optional Deferral Period shall not be deemed to fall on a day during such Optional Deferral Period.

Section 6.5 Securities Called for Redemption. Section 1106 of the Base Indenture is replaced in its entirety as follows:

“Once notice of redemption is mailed, the Notes called for redemption will become due and payable on the redemption date at the applicable redemption price, plus, subject to the terms described in Section 6.4 of this Supplemental Indenture, accrued and unpaid interest to, but excluding, the redemption date, and will be paid upon surrender thereof for redemption, unless (a) the notice of redemption provides that such redemption shall be subject to the condition described in Section 6.6 of this Supplemental Indenture and (b) such redemption shall have been canceled in accordance with the provisions of Section 6.6 of this Supplemental Indenture because

such condition shall not have been satisfied. If only part of a note is redeemed, the Trustee will issue in the name of the registered holder of the note and deliver to such holder a new note in a principal amount equal to the unredeemed portion of the principal of the note surrendered for redemption. If the Company elects to redeem all or a portion of the Notes, then, unless otherwise provided in such notice of redemption as described in the next succeeding paragraph, the redemption will not be conditional upon receipt by the paying agent or the Trustee of monies sufficient to pay the redemption price.”

Section 6.6 Notice of Redemption. The following paragraph is appended as the last paragraph of Section 1104 of the Base Indenture:

“If, at the time a notice of redemption is given, (i) the Company has not effected satisfaction and discharge of the Notes pursuant to Article Four of the Indenture and (ii) such notice of redemption is not being given in connection with or in order to effect satisfaction and discharge of the Notes, then, if the notice of redemption so provides and at the Company’s option, the redemption may be subject to the condition that the Trustee shall have received, on or before the applicable redemption date, monies in an amount sufficient to pay the redemption price and accrued and unpaid interest on the Notes called for redemption to, but excluding, the redemption date. If monies in such amount are not received by the Trustee on or before such redemption date, such notice of redemption shall be automatically canceled and of no force or effect, such proposed redemption shall be automatically canceled and the Company shall not be required to redeem the Notes called for redemption on such redemption date. In the event that a redemption is canceled, the Company will, not later than the business day immediately following the proposed redemption date, deliver, or cause to be delivered, notice of such cancellation to the Holders of the Notes called for redemption (which notice will also indicate that any Notes or portions thereof surrendered for redemption shall be returned to the applicable Holders), and the Company will direct the Trustee to, and the Trustee will, promptly return any Notes or portions thereof that have been surrendered for redemption to the applicable Holders.”

Section 6.7 Deposit of Redemption Price. Section 1105 of the Base Indenture is deleted in its entirety and does not apply to the Notes.

ARTICLE 7 OTHER AMENDMENTS

Section 7.1 Restrictions on Liens. Section 1008 of the Base Indenture will not apply to the Notes.

ARTICLE 8 MISCELLANEOUS

Section 8.1 Execution and Delivery. This Supplemental Indenture shall be effective upon execution by the parties hereto.

Section 8.2 Ratification of Indenture; Supplemental Indenture Part of Indenture. Except as expressly amended hereby, the Base Indenture is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect. This Supplemental Indenture shall form a part of the Base Indenture in the manner and to the extent herein and therein provided.

Section 8.3 Severability. In case any provision in this Supplemental Indenture shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby and such provision shall be ineffective only to the extent of such invalidity, illegality or unenforceability.

Section 8.4 Governing Law. THIS SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAW OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO ANY CONTRARY CONFLICT OF LAWS OR CHOICE OF LAW PROVISIONS OF THE LAW OF THE STATE OF NEW YORK OR ANY OTHER JURISDICTION.

Section 8.5 Waiver of Jury Trial. EACH OF NISOURCE AND THE TRUSTEE HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THE INDENTURE, THE SECURITIES OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 8.6 Counterparts. The parties may sign any number of copies of this Supplemental Indenture (including by electronic transmission). Each signed copy shall be an original, but all of them together represent the same agreement. The exchange of copies of this Supplemental Indenture and of signature pages by facsimile or PDF transmission shall constitute effective execution and delivery of this Supplemental Indenture as to the parties hereto and may be used in lieu of the original Supplemental Indenture for all purposes. Signatures of the parties hereto transmitted by facsimile or PDF shall be deemed to be their original signatures for all purposes.

Section 8.7 Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

Section 8.8 Trustee. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made solely by NiSource.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed as of the day and year first above written.

NISOURCE INC.

By: /s/ Tchapo Napoe

Name: Tchapo Napoe

Title: Vice President, Treasurer and Corporate Finance

THE BANK OF NEW YORK MELLON, as Trustee

By: /s/ Leslie Morales

Name: Leslie Morales

Title: Vice President

[Signature Page to Third Supplemental Indenture]

EXHIBIT A
FORM OF 5.750% FIXED-TO-FIXED RESET RATE JUNIOR SUBORDINATED NOTES
DUE 2056

UNLESS THIS GLOBAL NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), NEW YORK, NEW YORK, TO NISOURCE INC. OR ITS AGENT OR AGENTS FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY GLOBAL NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO., OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR’S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE INDENTURE REFERRED TO ON THE REVERSE HEREOF.

No.: []

\$[]

CUSIP No.: 65473P AY1

ISIN No.: US65473PAY16

5.750% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2056

NiSource Inc., a Delaware corporation (such corporation, and its successors and assigns under the Indenture hereinafter referred to, being herein called the “Company”), promises to pay to [], or registered assigns, the principal sum of [] Dollars (\$[]) on July 15, 2056 (the “Maturity Date”), and to pay interest thereon (i) from and including the November 7, 2025 (the “Original Issue Date”) to, but excluding, July 15, 2031 (the “First Reset Date”) at the rate of 5.750% per annum and (ii) from and including the First Reset Date, during each Reset Period (as defined on the reverse hereof) at a rate per annum equal to the Five-year U.S. Treasury Rate (as defined on the reverse hereof) as of the most recent Reset Interest Determination Date (as defined on the reverse hereof) plus a spread of 2.035%, to be reset on each Reset Date (as defined on the reverse hereof); provided that the interest rate during any Reset Period will not reset below 5.750% per annum.

Interest Payment Dates: January 15 and July 15, beginning July 15, 2026, subject to the Company’s right to defer interest payments pursuant to the provisions set forth below.

Record Dates: (i) if all of the Notes are in book-entry form represented by one or more Global Securities, the Business Day immediately preceding the applicable Interest Payment Date and (ii) if any of the Notes are not in book-entry form represented by one or more Global Securities, the 15th calendar day preceding such Interest Payment Date (whether or not a Business Day) (each such date in clauses (i) and (ii), a “Regular Record Date”).

Additional provisions of this Note are set forth on the reverse of this Note.

Dated:

NISOURCE INC.

By: _____

Name: Tchapo Napoe

Title: Vice President, Treasurer and Corporate Finance

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Notes of the series referred to
in the within-mentioned Indenture.

Dated:

THE BANK OF NEW YORK MELLON, as
Trustee

By: _____
Authorized Officer

5.750% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2056

1. Interest

Interest on the Notes will accrue from the Original Issue Date and will be payable semi-annually in arrears on January 15 and July 15 (each, an “Interest Payment Date”) of each year, beginning on July 15, 2026, to Holders at the close of business on the Regular Record Date for the applicable Interest Payment Date, subject to the Company’s right to defer interest payments pursuant to the provisions set forth below.

Interest on the Notes will be computed on the basis of a 360-day year of twelve 30-day months.

The applicable interest rate for each Reset Period will be determined by the Calculation Agent (as defined below), as of the applicable Reset Interest Determination Date, in accordance with following provisions:

As provided above, the applicable interest rate for each Reset Period will be determined by the Calculation Agent, as of the applicable Reset Interest Determination Date. Promptly upon such determination, the Calculation Agent will notify the Company of the interest rate for the Reset Period and the Company will promptly notify, or cause the Calculation Agent to promptly notify, in writing, the Trustee and each Paying Agent of such interest rate. The Calculation Agent’s determination of any interest rate, and its calculation of the amount of interest for any Interest Payment Period beginning on or after the First Reset Date, will be on file at the Company’s principal offices, will be made available to any Holder or beneficial owner of the Notes upon request and will be final and binding in the absence of manifest error.

If an Interest Payment Date, redemption date, or Maturity Date falls on a day that is not a Business Day, payment will be made on the next succeeding Business Day with the same force and effect as if made on such payment date.

“Business Day” means, unless otherwise expressly stated, any day other than (i) a Saturday or Sunday or (ii) a day on which banks and trust companies in The City of New York are authorized or obligated by law, regulation or executive order to remain closed.

“Calculation Agent” means, at any time, the entity appointed by the Company and serving as such agent with respect to the Notes at such time. Unless the Company has validly called all of the outstanding Notes for redemption on a redemption date occurring prior to the First Reset Date, the Company will appoint a Calculation Agent for the Notes prior to the Reset Interest Determination Date immediately preceding the First Reset Date; *provided* that, if the Company has called all of the outstanding Notes for redemption on a redemption date occurring prior to the First Reset Date but the Company does not redeem all of the outstanding Notes on such redemption date, the Company will appoint a Calculation Agent for the Notes as promptly as practicable after such proposed redemption date. The Company may terminate any such appointment and may appoint a successor Calculation Agent at any time and from time to time (so long as there shall always be a Calculation Agent in respect of the Notes when so required). The Company may appoint itself or an affiliate of the Company as Calculation Agent.

“Five-year U.S. Treasury Rate” means, as of any Reset Interest Determination Date, (i) an interest rate (expressed as a decimal) determined to be the per annum rate equal to the arithmetic mean of the yields to maturity for U.S. Treasury securities adjusted to constant maturity with a maturity of five years from the next Reset Date and trading in the public securities markets, for the five consecutive Business Days immediately prior to the respective Reset Interest Determination Date as published (or, if fewer than five consecutive Business Days are so published on the applicable Reset Interest Determination Date, for such number of Business Days published) in the most recent H.15, or (ii) if there is no such published U.S. Treasury security with a maturity of five years from the next Reset Date and trading in the public securities markets, then the rate will be determined by interpolation between the arithmetic mean of the yields to maturity for each of the two series of U.S. Treasury securities adjusted to constant maturity trading in the public securities markets, (A) one maturing as close as possible to, but earlier than, the Reset Date following the next succeeding Reset Interest Determination Date, and (B) the other maturing as close as possible to, but later than, the Reset Date following the next succeeding Reset Interest Determination Date, in each case for the five consecutive Business Days immediately prior to the respective Reset Interest Determination Date as published in the most recent H.15. If the Five-year U.S. Treasury Rate cannot be determined pursuant to the methods described in clause (i) or (ii) above, then the Five-year U.S. Treasury Rate will be the same interest rate determined for the prior Reset Interest Determination Date or, if the Five-year U.S. Treasury Rate cannot be so determined as of the Reset Interest Determination Date preceding the First Reset Date, then the interest rate applicable for the Reset Period beginning on and including the First Reset Date will be deemed to be 5.750% per annum, which is the same interest rate as in effect from and including the Original Issue Date to, but excluding, the First Reset Date.

“H.15” means the statistical release designated as such, or any successor publication, published by the Board of Governors of the U.S. Federal Reserve System (or any successor thereto).

“Interest Payment Period” means the semi-annual period from and including an Interest Payment Date to but excluding the next succeeding Interest Payment Date, except for the first Interest Payment Period which shall be the period from and including the Original Issue Date to but excluding July 15, 2026.

“most recent H.15” means the H.15 published closest in time but prior to the close of business on the second Business Day prior to the applicable Reset Date.

“redemption date” when used with respect to any Notes to be redeemed, means the date fixed for such redemption pursuant to the Indenture.

“Reset Date” means the First Reset Date and July 15 of every fifth year after 2031.

“Reset Interest Determination Date” means, in respect of any Reset Period, the day falling two Business Days prior to the first day of such Reset Period.

“Reset Period” means the period from and including the First Reset Date to, but excluding, the next following Reset Date and thereafter each period from and including a Reset Date to, but excluding, the next following Reset Date.

2. Optional Interest Deferral

So long as no Event of Default with respect to the Notes has occurred and is continuing, the Company may, at its option, defer interest payments on the Notes, from time to time, for one or more deferral periods of up to 20 consecutive Interest Payment Periods (each such deferral period, commencing on the interest payment date on which the first such deferred interest payment otherwise would have been made, an “Optional Deferral Period”), except that no such Optional Deferral Period may extend beyond the final maturity date of the Notes or end on a day other than the day immediately preceding an Interest Payment Date. During any Optional Deferral Period, interest on the Notes will continue to accrue at the then-applicable interest rate on the Notes (as reset from time to time on any Reset Date occurring during such Optional Deferral Period in accordance with the terms of the Notes). In addition, during any Optional Deferral Period, interest on the deferred interest (“compound interest”) will accrue at the then-applicable interest rate on the Notes (as reset from time to time on any Reset Date occurring during such Optional Deferral Period in accordance with the terms of the Notes), compounded semi-annually, to the extent permitted by applicable law. No interest will be due or payable on the Notes during an Optional Deferral Period, except upon a redemption of any Notes on any redemption date during such Optional Deferral Period (in which case all accrued and unpaid interest (including, to the extent permitted by applicable law, any compound interest) on the Notes to be redeemed to, but excluding, such redemption date will be due and payable on such redemption date), or unless the principal of and interest on the Notes shall have been declared due and payable as the result of an Event of Default with respect to the Notes (in which case all accrued and unpaid interest, including, to the extent permitted by applicable law, any compound interest, on the Notes shall become due and payable). All references in the Notes and, insofar as it relates to the Notes, the Indenture, to “interest” on the Notes shall be deemed to include any such deferred interest and, to the extent permitted by applicable law, any compound interest, unless otherwise expressly stated or the context otherwise requires.

Before the end of any Optional Deferral Period that is shorter than 20 consecutive Interest Payment Periods, the Company may elect, at its option, to extend such Optional Deferral Period, so long as the entire Optional Deferral Period does not exceed 20 consecutive Interest Payment Periods or extend beyond the final maturity date of the Notes. The Company may also elect, at its option, to shorten the length of any Optional Deferral Period. No Optional Deferral Period (including as extended or shortened) may end on a day other than the day immediately preceding an Interest Payment Date. At the end of any Optional Deferral Period, if all amounts then due on the Notes, including all accrued and unpaid interest thereon (including, without limitation and to the extent permitted by applicable law, any compound interest), are paid, the Company may elect to begin a new Optional Deferral Period; *provided, however*, that, without limitation of the foregoing, the Company may not begin a new Optional Deferral Period unless the Company has paid all accrued and unpaid interest on the Notes (including, without limitation and to the extent permitted by applicable law, any compound interest) from any previous Optional Deferral Periods.

During any Optional Deferral Period, the Company will not do any of the following:

- (i) declare or pay any dividends or distributions on any Capital Stock of the Company;
- (ii) redeem, purchase, acquire or make a liquidation payment with respect to any Capital Stock of the Company;

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- (iii) pay any principal, interest or premium on, or repay, repurchase or redeem, any indebtedness of the Company that ranks equally with or junior to the Notes in right of payment; or
 - (iv) make any payments with respect to any guarantees by the Company of any indebtedness if such guarantees rank equally with or junior to the Notes in right of payment;

provided; however, during an Optional Deferral Period, the Company may (a) declare and pay dividends or distributions payable solely in shares of the Company's common stock (together, for the avoidance of doubt, with cash in lieu of any fractional share) or options, warrants or rights to subscribe for or purchase shares of the Company's common stock, (b) declare and pay any dividend in connection with the implementation of a plan (a "Rights Plan") providing for the issuance by the Company to all holders of the Company's common stock of rights entitling them to subscribe for or purchase common stock or any class or series of the Company's preferred stock, which rights (1) are deemed to be transferred with such common stock, (2) are not exercisable until the occurrence of a specified event or events and (3) are also issued in respect of future issuances of the Company's common stock, (c) issue any of shares of the Company's Capital Stock under any Rights Plan or redeem or repurchase any rights distributed pursuant to a Rights Plan, (d) reclassify the Company's Capital Stock or exchange or convert one class or series of the Company's Capital Stock for another class or series of the Company's Capital Stock, (e) purchase fractional interests in shares of the Company's Capital Stock pursuant to the conversion or exchange provisions of such Capital Stock or the security being converted or exchanged, (f) purchase, acquire or withhold shares of the Company's common stock related to the issuance of the Company's common stock or rights under any dividend reinvestment plan or related to any of the Company's benefit plans for the Company's directors, officers, employees, consultants or advisors, including any employment contract, and (g) for the avoidance of doubt, convert convertible Capital Stock of the Company into other Capital Stock of the Company in accordance with the terms of such convertible Capital Stock (together, for the avoidance of doubt, with cash in lieu of any fractional share).

The Company will give the Holders of the Notes and the Trustee notice of its election of, or any shortening or extension of, an Optional Deferral Period at least 10 Business Days prior to the earlier of (1) the next succeeding Interest Payment Date or (2) the date upon which the Company is required to give notice to any applicable self-regulatory organization or to Holders of the Notes of the next succeeding Interest Payment Date or the record date therefor. The record date for the payment of deferred interest and, to the extent permitted by applicable law, any compound interest payable on the Interest Payment Date immediately following the last day of an Optional Deferral Period will be the Regular Record Date with respect to such Interest Payment Date.

"Capital Stock" means (i) in the case of a corporation or a company, corporate stock or shares; (ii) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock; (iii) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and (iv) any other interest or participation that confers on a person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing person.

3. Subordination

The indebtedness represented by the Notes and the payment of the principal of and any premium or interest on each and all of the Notes of such series is subordinate in right of payment to the prior payment in full of all Senior Indebtedness (as defined below), to the extent set forth in the Indenture. Senior Indebtedness shall continue to be Senior Indebtedness with respect to the Notes irrespective of any amendment, modification or waiver of any term of such Senior Indebtedness or extension or renewal of such Senior Indebtedness (other than any such amendment, modification or waiver that makes such Senior Indebtedness subordinated or equal in right of payment to the Notes).

“Senior Indebtedness” means, with respect to the Notes, (i) indebtedness of the Company, whether outstanding at the date of the indenture or incurred, created or assumed after such date, (a) in respect of money borrowed by the Company (including any financial derivative, hedging or futures contract or similar instrument, to the extent any such item is primarily a financing transaction) and (b) evidenced by debentures, bonds, notes, credit or loan agreements or other similar instruments or agreements issued or entered into the Company; (ii) all finance lease obligations of the Company; (iii) all obligations of the Company issued or assumed as the deferred purchase price of property, all conditional sale obligations of the Company and all obligations of the Company under any title retention agreement (but excluding, for the avoidance of doubt, trade accounts payable arising in the ordinary course of business and long-term purchase obligations); (iv) all obligations of the Company for the reimbursement of any letter of credit, banker’s acceptance, security purchase facility or similar credit transaction; and (v) all obligations of the type referred to in clauses (i) through (iv) above of other persons for the payment of which the Company is responsible or liable as obligor, guarantor or otherwise, except for any obligations, instruments or agreements of the type referred to in any of clauses (i) through (v) above that, by the terms of the instruments or agreements creating or evidencing the same or pursuant to which the same is outstanding, are subordinated or equal in right of payment to the Notes.

For the avoidance of doubt, Senior Indebtedness shall not include the Other Junior Subordinated Notes. “Other Junior Subordinated Notes” means the Company’s existing 6.950% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2054 and 6.375% Fixed-to-Fixed Reset Junior Subordinated Notes due 2055, each of which constitute a separate series of the Company’s subordinated indebtedness under the Base Indenture (defined below) and were originally issued on May 16, 2024 and September 9, 2024, respectively, together with any additional unsecured indebtedness of either series which may in the future be issued under the Base Indenture upon any re-opening of such series.

4. Method of Payment

The Company will pay interest on the Notes (except defaulted interest) to the Persons who are registered Holders of Notes at the close of business on the Regular Record Date next preceding each Interest Payment Date even if Notes are canceled after the Regular Record Date and on or before the Interest Payment Date. Holders must surrender Notes to a Paying Agent to collect principal payments. The Company will pay principal and interest in money of the United States that at the time of payment is legal tender for payment of public and private debts. Payments in respect of the Notes represented by a Global Security (including principal, premium, if any, and interest) will be made by wire transfer of immediately available funds to the accounts specified by DTC, as Depositary.

5. Paying Agent and Security Registrar

Initially, the Trustee will act as Paying Agent and Security Registrar. The Company may appoint and change any Paying Agent or Security Registrar without notice to the Holders. The Company may act as Paying Agent or Security Registrar.

6. Indenture

The Company issued the Notes under an Indenture dated as of May 16, 2024 (the “Base Indenture”), by and between the Company and The Bank of New York Mellon, a New York banking corporation, not in its individual capacity but solely as trustee (the “Trustee”), as supplemented by a Third Supplemental Indenture dated as of November 7, 2025 (the “Supplemental Indenture”), by and between the Company and the Trustee (the Base Indenture, as amended and supplemented by the Supplemental Indenture, the “Indenture”). The terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939 (15 U.S.C. sections 77aaa-77bbb) as in effect on the date of the Supplemental Indenture (the “Act”). Capitalized terms used herein and defined in the Indenture but not defined herein have the respective meanings ascribed thereto in the Indenture. The Notes are subject to all such terms, and Holders of Notes are referred to the Indenture and the Act for a statement of those terms.

The Notes issued on the Original Issue Date will be treated as a single class for all purposes under the Indenture.

7. Optional Redemption

The Company may redeem some or all of the Notes, at its option, in whole or in part (i) on any day in the period commencing on the date falling 90 days prior to the First Reset Date and ending on and including the First Reset Date and (ii) after the First Reset Date, on any interest payment date, at a redemption price in cash equal to 100% of the principal amount of the Notes being redeemed, plus, (subject to the provisions set forth in the Indenture regarding the payment of installments of interest on the Notes that are due and payable on any Interest Payment Date falling on or prior to a redemption date), accrued and unpaid interest on the Notes to be redeemed to, but excluding, the redemption date.

The Company may at its option redeem the Notes, in whole but not in part, at any time following the occurrence and during the continuance of a Tax Event (as defined below) at a redemption price in cash equal to 100% of the principal amount of the Notes, plus, (subject to the provisions set forth in the Indenture regarding the payment of installments of interest on the Notes that are due and payable on any Interest Payment Date falling on or prior to a redemption date), accrued and unpaid interest on the Notes to, but excluding, the redemption date.

“Tax Event” means that the Company has received an opinion of counsel experienced in such matters to the effect that, as a result of:

- (i) any amendment to, clarification of, or change, including any announced prospective change, in the laws or treaties of the United States or any of its political subdivisions or taxing authorities, or any regulations under those laws or treaties;
- (ii) an administrative action, which means any judicial decision or any official administrative pronouncement, ruling, regulatory procedure, notice or announcement, including any notice or announcement of intent to issue or adopt any administrative pronouncement, ruling, regulatory procedure or regulation;

(iii) any amendment to, clarification of, or change in the official position or the interpretation of any administrative action or judicial decision or any interpretation or pronouncement that provides for a position with respect to an administrative action or judicial decision that differs from the previously generally accepted position, in each case by any legislative body, court, governmental authority or regulatory body, regardless of the time or manner in which that amendment, clarification or change is introduced or made known; or

(iv) a threatened challenge asserted in writing in connection with a tax audit of the Company or any of its subsidiaries, or a publicly-known threatened challenge asserted in writing against any other taxpayer that has raised capital through the issuance of securities that are substantially similar to the Notes,

which amendment, clarification or change is effective or the administrative action is taken or judicial decision, interpretation or pronouncement is issued or threatened challenge is asserted or becomes publicly-known after November 3, 2025, there is more than an insubstantial risk that interest payable by the Company on the Notes is not deductible, or within 90 days would not be deductible, in whole or in part, by the Company for United States federal income tax purposes.

The Company may at its option redeem the Notes, in whole but not in part, at any time following the occurrence and during the continuance of a Rating Agency Event (as defined below) at a redemption price in cash equal to 102% of the principal amount of the Notes, plus, (subject to the provisions set forth in the Indenture regarding the payment of installments of interest on the Notes that are due and payable on any Interest Payment Date falling on or prior to a redemption date), accrued and unpaid interest on the Notes to, but excluding, the redemption date.

“Rating Agency Event” means, as of any date, a change, clarification or amendment in the methodology published by any nationally recognized statistical rating organization within the meaning of Section 3(a)(62) of the Securities Exchange Act of 1934, as amended (or any successor provision thereto), that then publishes a rating for the Company (together with any successor thereto, a “rating agency”) in assigning equity credit to securities such as the Notes, (a) as such methodology was in effect on November 3, 2025, in the case of any rating agency that published a rating for the Company as of November 3, 2025, or (b) as such methodology was in effect on the date such rating agency first published a rating for the Company, in the case of any rating agency that first publishes a rating for the Company after November 3, 2025 (in the case of either clause (a) or (b), the “current methodology”), that results in (i) any shortening of the length of time for which a particular level of equity credit pertaining to the Notes by such rating agency would have been in effect had the current methodology not been changed or (ii) a lower equity credit (including up to a lesser amount) being assigned by such rating agency to the Notes as of the date of such change, clarification or amendment than the equity credit that would have been assigned to the Notes by such rating agency had the current methodology not been changed.

The Trustee shall have no duty to calculate the redemption price.

8. Notice of Redemption

Notice of any redemption will be mailed or electronically delivered (or otherwise transmitted in accordance with the depositary's procedures) at least 10 days but not more than 60 days before the redemption date to each Holder of Notes to be redeemed in accordance with Section 106 of the Indenture. In the case of a partial redemption, selection of the Notes for redemption will be made by lot or by such other customary method prescribed by the depositary. No Notes of a principal amount of \$2,000 or less will be redeemed in part. If any Note is to be redeemed in part only, the notice of redemption that relates to such Note will state the portion of the principal amount of the Note to be redeemed. A new Note in a principal amount equal to the unredeemed portion of the original Note will be issued in the name of the Holder of the original Note upon surrender for cancellation of the original Note. For so long as the Notes are held by DTC (or another depositary), the redemption of the Notes shall be done in accordance with the policies and procedures of the depositary, which may be on a pro rata pass-through distribution of principal basis. Unless the Company defaults in payment of the redemption price, on and after the redemption date interest will cease to accrue on the Notes or portions thereof called for redemption.

If, at the time a notice of redemption is given, (i) the Company has not effected satisfaction and discharge of the Notes pursuant to Article Four of the Indenture and (ii) such notice of redemption is not being given in connection with or in order to effect satisfaction and discharge of the Notes, then, if the notice of redemption so provides and at the Company's option, the redemption may be subject to the condition that the Trustee shall have received, on or before the applicable redemption date, monies in an amount sufficient to pay the redemption price and accrued and unpaid interest on the Notes called for redemption to, but excluding, the redemption date. If monies in such amount are not received by the Trustee on or before such redemption date, such notice of redemption shall be automatically canceled and of no force or effect, such proposed redemption shall be automatically canceled and the Company shall not be required to redeem the Notes called for redemption on such redemption date. In the event that a redemption is canceled, the Company will, not later than the business day immediately following the proposed redemption date, deliver, or cause to be delivered, notice of such cancellation to the Holders of the Notes called for redemption (which notice will also indicate that any Notes or portions thereof surrendered for redemption shall be returned to the applicable Holders), and the Company will direct the Trustee to, and the Trustee will, promptly return any Notes or portions thereof that have been surrendered for redemption to the applicable Holders.

9. Additional Notes

The Company may, without the consent of the Holders of the Notes, create and issue additional Notes ranking equally with the Notes in all respects, including having the same terms (except for the price to public, the issue date and the initial interest accrual date and the first Interest Payment Date, as applicable), so that such additional Notes shall be consolidated and form a single series with the Notes and shall have the same terms as to status, redemption or otherwise as the Notes. Such additional Notes will have the same CUSIP number as the Notes being authenticated on the date hereof, provided that such additional Notes are part of the same issue as the Notes being authenticated on the date hereof for U.S. federal income tax purposes. If such additional Notes are not part of the same issue for U.S. federal income tax purposes, such additional Notes must be issued with a separate CUSIP number. No additional Notes may be issued if an Event of Default has occurred and is continuing with respect to the Notes.

10. Denominations; Transfer; Exchange

The Notes are in registered form without coupons in denominations of \$2,000 principal amount and integral multiples of \$1,000. A Holder may transfer or exchange Notes in accordance with the Indenture. The Security Registrar may require a Holder, among other things, to furnish appropriate endorsements or transfer documents and to pay any taxes and fees required by law or permitted by the Indenture. The Security Registrar need not register the transfer or exchange of any Notes selected for redemption (except, in the case of a Note to be redeemed in part, the portion of the Note not to be redeemed) for a period of fifteen (15) Business Days before a selection of Notes to be redeemed.

11. Persons Deemed Owners

The registered Holder of this Note may be treated as the owner of it for all purposes.

12. Unclaimed Money

If money for the payment of principal or interest remains unclaimed for two years, the Trustee or Paying Agent shall pay the money back to the Company at its request. After any such payment, Holders entitled to the money must look only to the Company and not to the Trustee or the Paying Agent for payment.

13. Satisfaction and Discharge

Under the Indenture, the Company can terminate its obligations with respect to the Notes not previously delivered to the Trustee for cancellation when those Notes have become due and payable or will become due and payable at their Stated Maturity within one year or are to be called for redemption within one year under arrangements satisfactory to the Trustee for giving notice of redemption. The Company may terminate its obligations with respect to the Notes by depositing with the Trustee, as funds in trust dedicated solely for that purpose, an amount sufficient to pay and discharge the entire indebtedness on the Notes. In that case, the Indenture will cease to be of further effect and the Company's obligations will be satisfied and discharged with respect to the Notes (except as to the Company's obligations to pay all other amounts due under the Indenture and to provide certain Officers' Certificates and Opinions of Counsel to the Trustee). At the expense of the Company, the Trustee will execute proper instruments acknowledging the satisfaction and discharge.

14. Amendment, Waiver

Subject to certain exceptions set forth in the Indenture, (i) the Indenture may be amended with the written consent of the Holders of a majority in principal amount of the then Outstanding Securities of each series affected by such amendment, (ii) the Notes may be amended with the written consent of the Holders of at least a majority in principal amount of the Outstanding Notes and (iii) any default or noncompliance with any provision may be waived with the written consent of the Holders of a majority in principal amount of the Outstanding Notes. Subject to certain exceptions set forth in the Indenture, without the consent of any Holder, the Company and the Trustee shall be entitled to amend the Indenture to, among other things, cure any ambiguity, defect or inconsistency, or to evidence the succession of another Person as obligor under the Indenture, or to add to the Company's covenants or to surrender any right or power conferred on the Company under the Indenture, or to add events of default, or to secure the Notes, or to evidence or provide for the acceptance or appointment by a successor Trustee or facilitate the administration of the trusts under the Indenture by more than one trustee, or to conform the Indenture to any amendment of the Act.

15. Defaults and Remedies

Under the Indenture, Events of Default include: (i) a default by the Company in the payment of any interest upon any Note and the continuance of such default for 60 days; (ii) a default by the Company in the payment of principal of or any premium on any Note when due at Maturity, on redemption, by declaration or otherwise, and the continuance of such default for three (3) Business Days; (iii) a default by the Company in the performance of or breach of any covenant or warranty in the Indenture and continuance of such default for 90 days after written notice has been given to the Company by the Trustee or to the Company and the Trustee by the Holders of at least 33% in principal amount of the Outstanding Notes; or (iv) certain events of bankruptcy, insolvency or reorganization involving the Company. If an Event of Default occurs and is continuing, the Trustee or the Holders of at least 33% in principal amount of the Outstanding Notes may declare all the Notes to be due and payable immediately.

Neither the Trustee nor the Holders of the Notes shall be entitled to declare the principal of or accrued and unpaid interest on the Notes to be immediately due and payable by reason of the occurrence and continuation of an Event of Default specified in clause (4) of Section 501 of the Base Indenture, and any notice of declaration of acceleration based on such an Event of Default shall be null and void with respect to the Notes; provided that, notwithstanding the foregoing, so long as an Event of Default specified in clause (4) of Section 501 of the Base Indenture with respect to the Notes shall have occurred and shall be continuing, the Trustee and the Holders of the Notes may exercise the other rights and remedies available under the Indenture in connection with such Event of Default, as well as such other rights and remedies as may be available under applicable law or otherwise.

Holders may not enforce the Indenture or the Notes except as provided in the Indenture. The Trustee may refuse to enforce the Indenture or the Notes unless it receives indemnity or security satisfactory to it. Subject to certain limitations, Holders of a majority in principal amount of the Notes may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from Holders notice of any continuing default (except a default in payment of principal or interest) if it determines that withholding notice is in the interest of the Holders.

16. Trustee Dealings with the Company

Subject to certain limitations imposed by the Act, the Trustee under the Indenture, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with and collect obligations owed to it by the Company or its Affiliates and may otherwise deal with the Company or its Affiliates with the same rights it would have if it were not Trustee.

17. No Recourse Against Others

A director, officer, employee or stockholder, as such, of the Company or the Trustee shall not have any liability for any obligations of the Company under the Notes or the Indenture or for any claim based on, in respect of or by reason of such obligations or their creation. By accepting a Note, each Holder waives and releases all such liability. The waiver and release are part of the consideration for the issue of the Notes.

18. Authentication

This Note shall not be valid until an authorized signatory of the Trustee (or an Authenticating Agent) signs the certificate of authentication on the other side of this Note in accordance with requirements set forth in the Indenture and the Officers' Certificate.

19. Abbreviations

Customary abbreviations may be used in the name of a Holder or an assignee, such as TEN COM (=tenants in common), TEN ENT (=tenants by the entireties), JT TEN (=joint tenants with rights of survivorship and not as tenants in common), CUST (=custodian), and U/G/M/A (=Uniform Gift to Minors Act).

20. CUSIP and ISIN Numbers

Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused the applicable CUSIP number to be printed on the Notes and has directed the Trustee to use such CUSIP number in any notice of redemption as a convenience to the Holders. To the extent such number has been issued, the Company has caused the applicable ISIN number to be similarly printed on the Notes and has similarly instructed the Trustee. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption and reliance may be placed only on the other identification numbers placed thereon.

21. Governing Law.

THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO CONTRARY CONFLICT OF LAWS OR CHOICE OF LAWS PROVISIONS OF THE STATE OF NEW YORK OR ANY OTHER JURISDICTION.

The Company will furnish to any Holder upon written request and without charge to the Holder a copy of the Indenture. Requests may be made to:

NiSource Inc.

801 East 86th Avenue

Merrillville, Indiana 46410

Attention: Corporate Secretary

ASSIGNMENT FORM

To assign this Note, fill in the form below: I or
we assign and transfer this Note to

(Print or type assignee's name, address and zip
code) (Insert assignee's soc. Sec. or tax I.D. No.)

and irrevocably appoint _____ agent to transfer this Note on the books of the Company. The agent may substitute another to act
for him.

Date: _____

Your Signature: _____

Sign exactly as your name appears on the other
side of this Note.

Signature Guarantee:

Signature must be guaranteed

Signature

Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Security Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("STAMP") or such other "signature guarantee program" as may be determined by the Security Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.



November 7, 2025

NiSource Inc.
801 East 86th Avenue
Merrillville, Indiana 46410

NiSource Inc.
5.750% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2056

Ladies and Gentlemen:

We refer to the Registration Statement on Form S-3 (File No. 333-291167) (the “Registration Statement”), filed by NiSource Inc., a Delaware corporation (the “Company”), with the Securities and Exchange Commission (the “SEC”). Pursuant to the Registration Statement, the Company is offering \$1,000,000,000 aggregate principal amount of its 5.750% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2056 (the “Notes”), as described in the Company’s Prospectus, dated October 30, 2025 (the “Base Prospectus”) and Prospectus Supplement, dated November 3, 2025 (the “Prospectus Supplement” and, together with the Base Prospectus, the “Prospectus”). The Registration Statement became effective upon filing on October 30, 2025. This opinion letter is being furnished in accordance with the requirements of Item 16 of Form S-3 and Item 601(b)(5)(i) of Regulation S-K promulgated under the Securities Act of 1933, as amended (the “Securities Act”).

The Notes are being issued under that certain subordinated indenture dated as of May 16, 2024 (the “Base Indenture”), between the Company and The Bank of New York Mellon (the “Trustee”), as supplemented by the Third Supplemental Indenture dated as of November 7, 2025 (the “Supplemental Indenture” and, together with the Base Indenture, the “Indenture”), and are being offered to the public in accordance with the Terms Agreement, dated November 3, 2025 (the “Terms Agreement”), among the Company and Barclays Capital Inc., Goldman Sachs & Co. LLC, Mizuho Securities USA LLC, Morgan Stanley & Co. LLC and MUFG Securities Americas Inc., as the lead underwriters of the underwriters named therein (the “Underwriters”). The Terms Agreement incorporates by reference the provisions of that certain Underwriting Agreement dated November 30, 2017 (the “Underwriting Agreement” and, together with the Terms Agreement, the “Agreements”). Capitalized terms used and not defined herein shall have the meanings assigned to them in the Registration Statement or the Indenture.

Documents Reviewed

In connection with this opinion letter, we have examined the following documents:

- (a) the Registration Statement;
- (b) the Base Prospectus;

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- (c) the Prospectus Supplement;
 - (d) the Base Indenture;
 - (e) the Supplemental Indenture;
 - (f) the global note certificates, dated November 7, 2025, representing the Notes;
 - (g) the Terms Agreement; and
 - (h) the Underwriting Agreement.

The documents referred to in clauses (d) through (f) above are referred to collectively as the “Subject Documents” and each, individually, as a “Subject Document.”

In addition we have examined and relied upon the following:

(i) a certificate from the Assistant Corporate Secretary of the Company certifying as to (A) true and correct copies of the Amended and Restated Certificate of Incorporation, as amended, and the Amended and Restated Bylaws of the Company, as amended (together, the “Organizational Documents”) and (B) the resolutions of the Board of Directors of the Company authorizing (1) the filing of the Registration Statement by the Company and (2) the offer, sale and issuance of the Notes by the Company pursuant to the Agreements (the “Authorizing Resolutions”); and

(ii) originals, or copies identified to our satisfaction as being true copies, of such other records, documents, instruments, certificates of officers of and statements of the Company, and certificates and assurances of public officials, as we have deemed necessary for the purposes of this opinion letter.

“Applicable Law” means the Delaware General Corporation Law (the “DGCL”) and the laws of the State of New York.

Assumptions Underlying Our Opinions

For all purposes of the opinions expressed herein, we have assumed, without independent investigation, the following:

(a) Factual Matters. To the extent that we have reviewed and relied upon (i) certificates of the Company or authorized representatives thereof, (ii) representations of the Company set forth in the Subject Documents and (iii) certificates and assurances from public officials, all of such certificates, representations and assurances are accurate with regard to factual matters and all official records (including filings with public authorities) are properly indexed and filed and are accurate and complete.

(b) Authentic and Conforming Documents. All documents submitted to us as originals are authentic, complete and accurate, and all documents submitted to us as copies conform to authentic original documents.

(c) Signatures; Legal Capacity. The signatures of individuals who have signed or will sign the Subject Documents are genuine. All individuals who have signed or will sign the Subject Documents have the legal capacity to execute such Subject Documents.

(d) Organizational Status, Power and Authority of Certain Parties. All parties to the Subject Documents (other than any individual) (i) are validly existing and in good standing in their respective jurisdictions of formation, except that no such assumption is made as to the Company as of the date hereof, and (ii) have the power and authority to execute, deliver and perform the Subject Documents and the documents required or permitted to be delivered and performed thereunder, except that no such assumption is made as to the Company as of the date hereof.

(e) Authorization, Execution and Delivery of Subject Documents by Certain Parties. The Subject Documents and the documents required or permitted to be delivered thereunder have been duly authorized by all necessary corporate, limited liability company, business trust, partnership or other action on the part of the parties thereto and have been duly executed and delivered by such parties, except that no such assumptions are made as to the Company as of the date hereof.

(f) Subject Documents Binding on Certain Parties. The Subject Documents and the documents required or permitted to be delivered thereunder are valid and binding obligations enforceable against the parties thereto in accordance with their terms, except that no such assumption is made as to the Company as of the date hereof.

(g) Noncontravention. Neither the issuance of the Notes by the Company or the execution and delivery of the Subject Documents by any party thereto nor the performance by such party of its obligations thereunder will conflict with or result in a breach of (i) the certificate or articles of incorporation, bylaws, certificate or articles of organization, operating agreement, certificate of limited partnership, partnership agreement, trust agreement or other similar organizational documents of any such party, except that no such assumption is made as to the Company as to the Organizational Documents as of the date hereof, (ii) any law or regulation of any jurisdiction applicable to any such party, except that no such assumption is made as to the Company as to any Applicable Law as of the date hereof, or (iii) any order, writ, injunction or decree of any court or governmental instrumentality or agency applicable to any such party or any agreement or instrument to which any such party may be a party or by which its properties are subject or bound, except that no such assumption is made as to the Company as to the Subject Documents as of the date hereof.

(h) Governmental Approvals. All consents, approvals and authorizations of, or filings with, all governmental authorities that are required as a condition to the issuance of the Notes by the Company or to the execution and delivery of the Subject Documents by the parties thereto or the performance by such parties of their obligations thereunder have been obtained or made, except that no such assumption is made with respect to any consent, approval, authorization or filing that is applicable to the Company as of the date hereof.

(i) No Mutual Mistake, Amendments, etc. There has not been any mutual mistake of fact, fraud, duress or undue influence in connection with the issuance of the Notes as contemplated by the Registration Statement and the Prospectus. There are no oral or written statements or agreements that modify, amend or vary, or purport to modify, amend or vary, any of the terms of the Subject Documents except for, in the case of the terms of the Base Indenture, the Supplemental Indenture.

Our Opinions

Based on and subject to the foregoing and the exclusions, qualifications, limitations and other assumptions set forth in this opinion letter, we are of the opinion that:

1. **Organizational Status.** The Company is a validly existing corporation under the laws of the Delaware and is in good standing under such laws.
2. **Power and Authority.** The Company has the corporate power and authority to issue the Notes.
3. **Validity of the Notes.** The Notes constitute the valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, under the laws of State of New York.

Matters Excluded from Our Opinions

We express no opinion with respect to the following matters:

(a) **Indemnification and Change of Control.** The enforceability of any agreement relating to (i) indemnification, contribution or exculpation from costs, expenses or other liabilities or (ii) changes in the organizational control or ownership of any party, which agreement (in the case of clause (i) or clause (ii)) is contrary to public policy or Applicable Law.

(b) **Jurisdiction, Venue, etc.** The enforceability of any agreement to submit to the jurisdiction of any specific federal or state court (other than the enforceability in a court of the State of New York of any such agreement to submit to the jurisdiction of a court of the State of New York), to waive any objection to the laying of the venue, to waive the defense of *forum non conveniens* in any action or proceeding referred to therein, to waive trial by jury, to effect service of process in any particular manner or to establish evidentiary standards, and any agreement regarding the choice of law governing any Subject Document (other than the enforceability in a court of the State of New York or in a federal court sitting in the State of New York and applying New York law to any such agreement that the laws of the State of New York shall govern).

(c) **Remedies.** The enforceability of any provision in any Subject Document to the effect that rights or remedies are not exclusive, that every right or remedy is cumulative and may be exercised in addition to any other right or remedy, that the election of some particular remedy does not preclude recourse to one or more others or that failure to exercise or delay in exercising rights or remedies will not operate as a waiver of any such right or remedy.

Qualifications and Limitations Applicable to Our Opinions

The opinions set forth above are subject to the following qualifications and limitations:

(a) **Applicable Law**. Our opinions are limited to the Applicable Law, and we do not express any opinion concerning any other law.

(b) **Bankruptcy**. Our opinions are subject to the effect of any applicable bankruptcy, insolvency (including, without limitation, laws relating to preferences, fraudulent transfers and equitable subordination), reorganization, moratorium and other similar laws affecting creditors' rights generally.

(c) **Equitable Principles**. Our opinions are subject to the effect of general principles of equity (regardless of whether considered in a proceeding in equity or at law), including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing. In applying such principles, a court, among other things, might limit the availability of specific equitable remedies (such as injunctive relief and the remedy of specific performance), might not allow a creditor to accelerate maturity of debt or exercise other remedies upon the occurrence of a default deemed immaterial or for non-credit reasons or might decline to order a debtor to perform covenants in a Subject Document.

(d) **Unenforceability of Certain Provisions**. Provisions contained in the Notes or the Subject Documents which require waivers or amendments to be made only in writing may be unenforceable or ineffective, in whole or in part. The inclusion of such provisions, however, does not render any of the Notes or the Subject Documents invalid as a whole.

(e) **Choice of New York Law and Forum**. To the extent that any of our opinions relate to the enforceability of the choice of New York law or any choice of New York forum provisions of any Subject Document, our opinion is rendered in reliance upon N.Y. Gen. Oblig. Law §§ 5-1401 and 5-1402 and N.Y. CPLR 327(b) and is subject to the qualification that such enforceability may be limited by principles of public policy, comity and constitutionality. We express no opinion as to whether a United States federal court would have subject-matter or personal jurisdiction over a controversy arising under the Subject Documents.

Miscellaneous

The foregoing opinions are being furnished only for the purpose referred to in the first paragraph of this opinion letter. Our opinions are based on statutes, regulations and administrative and judicial interpretations which are subject to change. We undertake no responsibility to update or supplement these opinions subsequent to the date hereof. Headings in this opinion letter are intended for convenience of reference only and shall not affect its interpretation. We hereby consent to the filing of this opinion as an exhibit to the Company's Current Report on Form 8-K filed on the date hereof, to the incorporation by reference of this opinion of counsel into the Registration Statement, and to the reference to our firm in the Prospectus Supplement under the caption "Legal Matters." In giving this consent, we do not admit that we are within the category of persons whose consent is required by Section 7 of the Securities Act or the rules and regulations of the SEC promulgated thereunder.

Very truly yours,

/s/ McGuireWoods LLP



November 7, 2025

NiSource Inc.
801 East 86th Avenue
Merrillville, Indiana 46410

Ladies and Gentlemen:

We have acted as United States federal income tax counsel for NiSource Inc. (the “Company”) in connection with (i) the Registration Statement on Form S-3 (File No. 333-291167) (the “Registration Statement”), which was filed by the Company with the Securities and Exchange Commission (the “SEC”) in connection with the registration under the Securities Act of 1933, as amended (the “Act”), of certain securities of the Company, including debt securities, and (ii) the issuance by the Company of 5.750% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due in 2056 (the “Junior Subordinated Notes”), as described in the Company’s Prospectus, dated October 30, 2025 (the “Prospectus”) and Prospectus Supplement, dated November 3, 2025 (the “Prospectus Supplement”). The Registration Statement became effective on October 30, 2025. This opinion letter is being furnished in accordance with the requirements of Item 16 of Form S-3 and Item 601(b)(5)(i) of Regulation S-K promulgated under the Act.

In rendering our opinion, we have examined originals or copies, certified or otherwise identified to our satisfaction, of (i) the Registration Statement, (ii) the Prospectus, (iii) the Prospectus Supplement, (iv) the Indenture, as defined in the terms agreement relating to the offer and sale of the Junior Subordinated Notes (the “Terms Agreement”), (v) the Terms Agreement, and (vi) such other agreements and documents as we have deemed relevant and necessary, and we have made such investigations of law as we have deemed appropriate as a basis for the opinion expressed below.

In our examination, we have assumed, with your permission, (i) the authenticity of original documents, (ii) the accuracy of copies and the genuineness of signatures, (iii) that the execution and delivery by each party to a document and the performance by such party of its obligations thereunder have been authorized by all necessary measures and do not violate or result in a breach of or default under such party’s certificate or instrument of formation and by-laws or the laws of such party’s jurisdiction of organization, (iv) that each agreement represents the entire agreement between the parties with respect to the subject matter thereof, (v) that the parties to each agreement have complied, and will comply, with all of their respective covenants, agreements and undertakings contained therein, (vi) that the transactions provided for by each agreement were and will be carried out in accordance with their terms, (vii) that the factual representations made to us by the Company in its officer’s certificate dated as of the date hereof and delivered to us for purposes of this opinion (the “Officer’s Certificate”) are true, correct and complete and will be true, correct and complete at the time of closing of the offering and delivery of the Junior Subordinated Notes (as if made as of such time), and (viii) that any factual representations made in the Prospectus, the Prospectus Supplement or the Officer’s Certificate “to the best knowledge of,” “in the belief of,” or similarly qualified are true, correct and

complete without such qualification. If any of the above described assumptions are untrue for any reason or if the issuance of the Junior Subordinated Notes is consummated in a manner that is inconsistent with the manner in which it is described in the Prospectus Supplement, our opinion as expressed below may be adversely affected and may not be relied upon.

In rendering our opinion, with your permission, we have not undertaken any independent investigation or verification of any fact or matter set forth in any document or materials or any assumption upon which we have relied (including, without limitation, any statement or representation contained in the Officer's Certificate), and we expressly disclaim any intent, undertaking, or obligation to make any such investigation or verification.

The opinion set forth below is based upon the Internal Revenue Code of 1986, as amended, Treasury Regulations (including temporary and proposed Treasury Regulations) issued thereunder, Internal Revenue Service ("IRS") rulings and pronouncements and judicial decisions now in effect, all of which are subject to change, possibly with retroactive effect. Our opinion is limited to the matters expressly stated herein. Our opinion is rendered only as of the date hereof, and its validity could be affected by subsequent changes in applicable law. We disclaim any undertaking to advise you or any other person with respect to any such change subsequent to the date hereof. An opinion of counsel with respect to an issue represents counsel's best judgment as to the outcome on the merits with respect to such issue and is not binding on the IRS or the courts. Thus, there can be no assurance or guarantee that the IRS will not assert a contrary position with respect to an issue or any conclusions contained herein, or that a court will not sustain such a position if asserted by the IRS.

Based upon and subject to the foregoing, the discussion contained in the Prospectus Supplement under the caption "Material U.S. Federal Income Tax Considerations," insofar as such discussion relates to legal conclusions with respect to matters of United States federal income tax law, represents our opinion and, subject to the qualifications, exceptions and limitations stated therein and herein, such discussion is accurate in all material respects. Such discussion does not, however, purport to discuss all United States federal income tax consequences to holders of the Junior Subordinated Notes and is limited to those United States federal income tax consequences to holders of the Junior Subordinated Notes specifically discussed therein and subject to the qualifications set forth therein and herein.

We are rendering this opinion to you solely in connection with the offering of the Junior Subordinated Notes, and this opinion may not be relied upon by any other person or for any other purpose without our prior written consent. We hereby consent to use of this opinion as an exhibit to the Company's Current Report on Form 8-K regarding the issuance and sale of the Junior Subordinated Notes and the incorporation of this opinion by reference in the Registration Statement and to references to us under the heading "Legal Matters" in the Registration Statement and in the Prospectus Supplement relating to the Junior Subordinated Notes. In giving this consent, we do not thereby admit that we come within the category of persons whose consent is required by the Act or the rules and regulations promulgated thereunder.

Very truly yours,

/s/ McGuireWoods LLP

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): December 11, 2025

NiSource Inc.
(Exact Name of Registrant as Specified in Charter)

DE
(State or other jurisdiction
of incorporation)

001-16189
(Commission
file number)

35-2108964
(I.R.S. Employer
Identification No.)

801 East 86th Avenue
Merrillville, Indiana
(Address of Principal Executive Offices)

46410
(Zip Code)

Registrant's telephone number, including area code: (877) 647-5990

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	NI	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 1.01 Entry into a Material Definitive Agreement.

On December 11, 2025, NiSource Inc. (“NiSource”), as Borrower, entered into a Seventh Amended and Restated Revolving Credit Agreement (the “Agreement”) with the lenders party thereto, Barclays Bank PLC, as Administrative Agent, JPMorgan Chase Bank, N.A., MUFG Bank, Ltd. and Wells Fargo Bank, National Association, as Co-Syndication Agents, Bank of America, National Association, Bank of Montreal and Mizuho Bank, Ltd., as Co-Documentation Agents, and Barclays Bank PLC, JPMorgan Chase Bank, N.A., MUFG Bank, Ltd., Wells Fargo Securities, LLC, BofA Securities, Inc., BMO Capital Markets Corp. and Mizuho Bank, Ltd., as Joint Lead Arrangers and Joint Bookrunners. The Agreement amended and restated in its entirety NiSource’s Sixth Amended and Restated Revolving Credit Agreement dated as of February 18, 2022, as amended by Amendment No. 1 thereto, dated as of August 23, 2023 (the “Existing Credit Agreement”).

The Agreement amended certain provisions of the Existing Credit Agreement to, among other things, (i) increase the facility by \$650 million to \$2.5 billion, (ii) extend the termination date from February 18, 2027 to December 11, 2030, (iii) increase the amount of the facility available for the issuance of standby letters of credit by \$25 million to \$175 million, (iv) increase certain dollar and materiality thresholds relating to permitted liens, cross-defaults and the definition of Material Subsidiary (as defined in the Agreement) and (v) eliminate certain provisions providing for the establishment of specified key performance indicators with respect to certain environmental, social and governance targets of NiSource and its subsidiaries that could have resulted in certain adjustments to the otherwise applied Applicable Rate (as defined in the Agreement).

Other than as summarized herein, the Agreement substantially restates the Existing Credit Agreement, including representations and warranties, financial and other covenants and events of default.

The description above is a summary of the Agreement and is qualified in its entirety by the complete text of the Agreement, a copy of which is attached to this report as Exhibit 10.1 and incorporated herein by reference.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information set forth under Item 1.01 of this Current Report on Form 8-K is incorporated by reference herein.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
10.1	<u>Seventh Amended and Restated Revolving Credit Agreement, dated as of December 11, 2025, among NiSource Inc., as Borrower, the lenders party thereto, Barclays Bank PLC, as Administrative Agent, JPMorgan Chase Bank, N.A., MUFG Bank, Ltd. and Wells Fargo Bank, National Association, as Co-Syndication Agents, Bank of America, National Association, Bank of Montreal and Mizuho Bank, Ltd., as Co-Documentation Agents, and Barclays Bank PLC, JPMorgan Chase Bank, N.A., MUFG Bank, Ltd., Wells Fargo Securities, LLC, BofA Securities, Inc., BMO Capital Markets Corp. and Mizuho Bank, Ltd., as Joint Lead Arrangers and Joint Bookrunners.</u>
104	Cover page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NiSource Inc.

(Registrant)

Date: December 11, 2025

By: /s/ Shawn Anderson

Shawn Anderson

Executive Vice President and Chief Financial Officer

SEVENTH AMENDED AND RESTATED REVOLVING CREDIT AGREEMENT

among

NISOURCE INC.,
as Borrower,

THE LENDERS PARTY HERETO,

BARCLAYS BANK PLC,
as Administrative Agent,

JPMORGAN CHASE BANK, N.A.,
MUFG BANK, LTD. and
WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Co-Syndication Agents,

and
BANK OF AMERICA, NATIONAL ASSOCIATION,
BANK OF MONTREAL and
MIZUHO BANK, LTD.,
as Co-Documentation Agents

BARCLAYS BANK PLC,
JPMORGAN CHASE BANK, N.A.,
MUFG BANK, LTD.,
WELLS FARGO SECURITIES, LLC,
BOFA SECURITIES, INC.,
BMO CAPITAL MARKETS CORP. and
MIZUHO BANK, LTD.,
as Joint Lead Arrangers and Joint Bookrunners

Dated as of December 11, 2025

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SEVENTH AMENDED AND RESTATED REVOLVING CREDIT AGREEMENT, dated as of December 11, 2025 (this “**Agreement**”), among **NISOURCE INC.**, a Delaware corporation, as Borrower (the “**Borrower**”), the Lead Arrangers and other Lenders from time to time party hereto, the Co-Documentation Agents party hereto, the Co-Syndication Agents party hereto and **BARCLAYS BANK PLC**, as administrative agent for the Lenders hereunder (in such capacity, the “**Administrative Agent**”).

WITNESSETH:

WHEREAS, the Borrower (as successor borrower to NiSource Finance Corp.), certain Lenders and the Administrative Agent are parties to the Existing Credit Agreement (as defined herein) pursuant to which, among other things, the Lenders agreed to enter, subject to the terms and conditions set forth therein, into a revolving credit facility in an aggregate amount of \$2,500,000,000; and

WHEREAS, the parties hereto have agreed to amend and restate the Existing Credit Agreement pursuant to the terms and conditions of this Agreement;

NOW, THEREFORE, the parties hereto hereby agree as follows:

**ARTICLE I
DEFINITIONS**

Section 1.01. Defined Terms. As used in this Agreement, the following terms have the meanings specified below:

“**ABR**”, when used in reference to any Loan or Borrowing, refers to whether such Loan is, or the Loans comprising such Borrowing are, bearing interest at a rate determined by reference to the Alternate Base Rate.

“**ABR Term SOFR Determination Day**” has the meaning assigned to such term in the definition of “Term SOFR”.

“**Act**” means the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)).

“**Additional Commitment Lender**” has the meaning assigned to such term in Section 2.21(d).

“**Administrative Questionnaire**” means an Administrative Questionnaire in a form supplied by the Administrative Agent.

“**Affected Financial Institution**” means (a) any EEA Financial Institution or (b) any UK Financial Institution.

“**Affiliate**” means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

“Agent Party” has the meaning assigned to such term in Section 11.01(h).

“Aggregate Commitments” means the aggregate amount of the Commitments of all Lenders, as in effect from time to time. As of the date hereof, the Aggregate Commitments equal \$2,500,000,000.

“Alternate Base Rate” means, for any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the Federal Funds Effective Rate in effect on such day plus 0.50% and (c) 1.0% per annum plus Term SOFR (based on Term SOFR published on the applicable ABR Term SOFR Determination Day) for an Interest Period of one month (taking into account any “floor” under the definition of “Term SOFR”); provided that if such rate shall be less than 1.0%, such rate shall be deemed to be 1.0% for purposes of this Agreement. Any change in the Alternate Base Rate due to a change in the Prime Rate, the Federal Funds Effective Rate or Term SOFR shall be effective from and including the effective date of such change in the Prime Rate, the Federal Funds Effective Rate or Term SOFR, respectively. If (i) the Alternate Base Rate is being used as an alternate rate of interest pursuant to Section 2.14 or Section 2.23, then the Alternate Base Rate shall be the greater of clauses (a) and (b) above and shall be determined without reference to clause (c) above or (ii) the Administrative Agent shall have determined (which determination shall be conclusive absent manifest error) that it is unable to ascertain the Federal Funds Effective Rate for any reason, the Alternate Base Rate shall be determined without regard to clause (b) above until the circumstances giving rise to such inability no longer exist.

“Anti-Corruption Laws” means all laws, rules, and regulations of any jurisdiction applicable to the Borrower or its Subsidiaries from time to time concerning or relating to bribery, corruption or money laundering.

“Applicable Percentage” means, with respect to any Lender, the percentage of the Aggregate Commitments represented by such Lender’s Commitment; provided that, in the case of Section 2.20 when a Defaulting Lender shall exist, “Applicable Percentage” shall mean the percentage of the Aggregate Commitment (disregarding any Defaulting Lender’s Commitment) represented by such Lender’s Commitment. If the Commitments have terminated or expired, the Applicable Percentages shall be determined based upon the Commitments most recently in effect, giving effect to any assignments and to any Lender’s status as a Defaulting Lender at the time of determination.

“Applicable Rate” means, for any day, with respect to any ABR Loan or Term SOFR Revolving Loan or with respect to the Facility Fees and the LC Risk Participation Fee payable hereunder, as the case may be, the applicable rate *per annum* determined pursuant to the Pricing Grid.

“Arrangers” means each of Barclays, JPMorgan Chase Bank, N.A., MUFG Bank, Ltd., Wells Fargo Securities, LLC, BofA Securities, Inc., BMO Capital Markets Corp. and Mizuho Bank, Ltd.

“Assignment and Assumption” means an assignment and assumption entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 11.04), and accepted by the Administrative Agent, in the form of Exhibit A or any other form approved by the Administrative Agent.

“Augmenting Lender” has the meaning set forth in Section 2.22.

“Authorized Officer” means the president, chief financial officer or the treasurer of the Borrower; provided that solely with respect to the submission of a Borrowing Request, **“Authorized Officer”** shall also mean the assistant treasurer, the treasury operations manager or the corporate finance manager of the Borrower.

“Auto-Extension Letter of Credit” has the meaning assigned to such term in Section 2.04(j).

“Availability Period” means the period from and including the Effective Date to but excluding the Termination Date.

“Available Tenor” means, as of any date of determination and with respect to the then-current Benchmark, as applicable, (x) if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an interest period pursuant to this Agreement or (y) otherwise, any payment period for interest calculated with reference to such Benchmark (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of “Interest Period” pursuant to Section 2.23(d).

“Bail-In Action” means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

“Bail-In Legislation” means, (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

“Bankruptcy Event” means, with respect to any Person, such Person becomes the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee, administrator, custodian, assignee for the benefit of creditors or similar Person charged with the reorganization or liquidation of its business appointed for it, or, in the good faith determination of the Administrative Agent, has taken any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any such proceeding or appointment, provided that a Bankruptcy Event shall not result solely by virtue of any ownership interest, or the acquisition of any ownership interest, in such Person by a Governmental Authority or instrumentality thereof, provided, further, that such ownership interest does not result in or provide such Person with immunity from the jurisdiction of courts within the United States of America or from the enforcement of judgments or writs of attachment on its assets or permit such Person (or such Governmental Authority or instrumentality) to reject, repudiate, disavow or disaffirm any contracts or agreements made by such Person.

“**Barclays**” means Barclays Bank PLC, a company incorporated in United Kingdom.

“**Benchmark**” means, initially, Term SOFR; provided that if a Benchmark Transition Event has occurred with respect to Term SOFR or the then-current Benchmark, then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 2.23.

“**Benchmark Replacement**” means with respect to any Benchmark Transition Event, the first alternative set forth in the order below that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date:

(a) with respect to Term SOFR Loans, Daily Simple SOFR; or

(b) the sum of: (i) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower giving due consideration to (A) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (B) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to the then-current Benchmark for Dollar-denominated syndicated credit facilities and (ii) the related Benchmark Replacement Adjustment;

provided, that if the Benchmark Replacement would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Credit Documents.

“**Benchmark Replacement Adjustment**” means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower giving due consideration to (a) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (b) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for Dollar-denominated syndicated credit facilities.

“**Benchmark Replacement Date**” means the earliest to occur of the following events with respect to the then-current Benchmark:

(a) in the case of clause (a) or (b) of the definition of “Benchmark Transition Event”, the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or

(b) in the case of clause (c) of the definition of “Benchmark Transition Event”, the first date on which such Benchmark (or the published component used in the calculation thereof) has been or, if such Benchmark is a term rate, all Available Tenors of such Benchmark (or component thereof) have been, determined and announced by or on behalf of the administrator of such Benchmark (or such component thereof) or the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative or non-compliant with or non-aligned with the International Organization of Securities Commissions (IOSCO) Principles for Financial Benchmarks; provided that such non-representativeness, non-compliance or non-alignment will be determined by reference to the most recent statement or publication referenced in such clause (c) and even if such Benchmark (or any component thereof) or, if such Benchmark is a term rate, any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, the “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (a) or (b) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“**Benchmark Transition Event**” means the occurrence of one or more of the following events with respect to the then-current Benchmark:

(a) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide such Benchmark (or such component thereof) or, if such Benchmark is a term rate, any Available Tenor of such Benchmark (or such component thereof);

(b) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Board, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide such Benchmark (or such component thereof) or, if such Benchmark is a term rate, all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide such Benchmark (or such component thereof) or, if such Benchmark is a term rate, any Available Tenor of such Benchmark (or such component thereof); or

(c) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) or the regulatory supervisor for the administrator of such Benchmark (or such component thereof) announcing that such Benchmark (or such component thereof) or, if such Benchmark is a term rate, all Available Tenors of such Benchmark (or such component thereof) are not, or as of a specified future date will not be, representative or in compliance with or aligned with the International Organization of Securities Commissions (IOSCO) Principles for Financial Benchmarks.

For the avoidance of doubt, a Benchmark Transition Event will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Unavailability Period” means, the period (if any) (a) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Credit Document in accordance with Section 2.23 and (b) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Credit Document in accordance with Section 2.23.

“Beneficial Ownership Certification” means a certification regarding beneficial ownership as required by the Beneficial Ownership Regulation.

“Beneficial Ownership Regulation” means 31 C.F.R. § 1010.230.

“Benefit Plan” means any of (a) an “employee benefit plan” (as defined in ERISA) that is subject to Title I of ERISA, (b) a “plan” as defined in and subject to Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such “employee benefit plan” or “plan”.

“BHC Act Affiliate” of a party means an “affiliate” (as such term is defined under, and interpreted in accordance with, 12 U.S.C. § 1841(k)) of such party.

“Board” means the Board of Governors of the Federal Reserve System of the United States of America.

“Board of Directors” means, with respect to any Person, (i) in the case of any corporation, the board of directors of such Person, (ii) in the case of any limited liability company, the board of managers (or equivalent) of such Person, (iii) in the case of any partnership, the board of directors (or equivalent) of the general partner of such Person and (iv) in any other case, the functional equivalent of the foregoing.

“Borrower” means NiSource Inc., a Delaware corporation.

“Borrowing” means Loans of the same Type, made, converted or continued on the same date and, in the case of Term SOFR Loans, as to which a single Interest Period is in effect.

“Borrowing Request” means a request by the Borrower for a Revolving Borrowing in accordance with Section 2.02.

“Business Day” means any day that is not a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law to remain closed; *provided that*, when used in connection with a SOFR Loan, the term **“Business Day”** shall also be a U.S. Government Securities Business Day.

“Capital Lease” means, as to any Person, any lease of real or personal property in respect of which the obligations of the lessee are required, in accordance with GAAP, to be capitalized on the balance sheet of such Person, *provided that*, for purposes of this Agreement:

(i) any changes in GAAP pursuant to ASC Topic 840 or 842 (or any successor thereto) that would treat as capital leases any operating leases existing as of the date of this Agreement (and any renewals or replacements thereof), and

(ii) additional operating leases entered into after the date of this Agreement (to the extent not exceeding \$100,000,000 in aggregate notional amount for all such capitalized lease obligations),

in each case that would not have been treated as capital leases under GAAP as in effect on December 31, 2018, will not be given effect for purposes of calculation of the financial covenant contained in Article VII.

“Capital Stock” means any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests in a Person other than a corporation (including, but not limited to, all common stock and preferred stock and partnership, membership and joint venture interests or units in a Person), and any and all warrants, rights or options to purchase any of the foregoing.

“Cash Account” has the meaning set forth in Section 8.01.

“CERCLA” means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act, 42, U.S.C. Section 9601 et seq., as amended.

“Change in Law” means the occurrence, after the date of this Agreement (or with respect to any Lender, if later, the date on which such Lender becomes a Lender), of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rules, guideline, requirement or directive (whether or not having the force of law) by any Governmental Authority; provided, however, that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines, requirements and directives thereunder, issued in connection therewith or in implementation thereof, and (ii) all requests, rules, guidelines, requirements and directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States of America or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a “Change in Law” regardless of the date enacted, adopted, issued or implemented.

“Change of Control” means (a) any “person” or “group” within the meaning of Sections 13(d) and 14(d)(2) of the Securities Exchange Act of 1934, as amended, shall become the “beneficial owner” (as defined in Rule 13d-3 under the Securities Exchange Act of 1934, as amended) of more than 50% of the then outstanding voting Capital Stock of the Borrower, (b) Continuing Directors shall cease to constitute at least a majority of the directors constituting the Board of Directors of the Borrower, (c) a consolidation or merger of the Borrower shall occur after which the holders of the outstanding voting Capital Stock of the Borrower immediately prior thereto hold less than 50% of the outstanding voting Capital Stock of the surviving entity, (d) more than 50% of the outstanding voting Capital Stock of the Borrower shall be transferred to an entity of which the Borrower owns less than 50% of the outstanding voting Capital Stock, (e) there shall occur a sale of all or substantially all of the assets of the Borrower or (f) the Borrower shall cease to own at least 70% of the Capital Stock of (x) NIPSCO (except to the extent otherwise permitted under clauses (i) or (ii) of Section 6.01(b)) or (y) any permitted successor to NIPSCO in connection with a transaction permitted under Section 6.01(b)(i).

“Co-Documentation Agents” means Bank of America, National Association, Bank of Montreal and Mizuho Bank, Ltd. in their respective capacities as co-documentation agents for the Lenders hereunder.

“Code” means the Internal Revenue Code of 1986, as amended from time to time.

“Commitment” means, with respect to each Lender, the commitment of such Lender to make Revolving Loans hereunder and to participate in Letters of Credit issued hereunder as set forth herein, as such commitment may be (a) reduced from time to time or terminated pursuant to Section 2.07 or Section 2.09, (b) increased from time to time pursuant to Section 2.22 and (c) reduced or increased from time to time pursuant to assignments by or to such Lender pursuant to Section 11.04. The initial amount of each Lender’s Commitment is (x) the amount set forth on Schedule 2.01 opposite such Lender’s name; or (y) the amount set forth in the Assignment and Assumption pursuant to which such Lender shall have assumed its Commitment, as applicable.

“Communications” has the meaning assigned to such term in Section 11.01(h).

“Conforming Changes” means, with respect to either the use or administration of Term SOFR, or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Alternate Base Rate,” the definition of “Business Day,” the definition of “U.S. Government Securities Business Day,” the definition of “Interest Period” or any similar or analogous definition (or the addition of a concept of “interest period”), timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of Section 2.16 and other technical, administrative or operational matters) that the Administrative Agent decides may be appropriate to reflect the adoption and implementation of any such rate or to permit the use and administration thereof by the Administrative Agent in a manner

substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of any such rate exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Credit Documents).

“Connection Income Taxes” means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

“Consolidated Capitalization” means the sum of (a) Consolidated Debt, (b) all amounts that would, in conformity with GAAP, be included on a consolidated balance sheet of the Borrower and its Consolidated Subsidiaries under total stockholders’ equity at such time and (c) without duplication of any amounts in (b), Hybrid Securities and Mandatorily Convertible Securities not exceeding 15% of Consolidated Capitalization.

“Consolidated Debt” means, at any time, the Indebtedness of the Borrower and its Consolidated Subsidiaries that would be classified as debt on a balance sheet of the Borrower determined on a consolidated basis in accordance with GAAP, provided that for purposes of calculation of the financial covenant contained in Article VII Consolidated Debt shall exclude the aggregate principal amount of Hybrid Securities and Mandatorily Convertible Securities not exceeding 15% of Consolidated Capitalization. For the avoidance of doubt, the aggregate principal amount of Hybrid Securities and Mandatorily Convertible Securities in excess of 15% of Consolidated Capitalization will be included in Consolidated Debt.

“Consolidated Subsidiary” means, on any date, each Subsidiary of the Borrower the accounts of which, in accordance with GAAP, would be consolidated with those of the Borrower in its consolidated financial statements if such statements were prepared as of such date.

“Contingent Guaranty” means a direct or contingent liability in respect of a Project Financing (whether incurred by assumption, guaranty, endorsement or otherwise) that either (a) is limited to guarantying performance of the completion of the Project that is financed by such Project Financing or (b) is contingent upon, or the obligation to pay or perform under which is contingent upon, the occurrence of any event other than failure of the primary obligor to pay upon final maturity (whether by acceleration or otherwise).

“Continuing Directors” means (a) all members of the Board of Directors of the Borrower who have held office continually since the Effective Date, and (b) all members of the Board of Directors of the Borrower who were elected as directors after the Effective Date and whose nomination for election was approved by a vote of at least 50% of the Continuing Directors.

“Contractual Obligation” means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

“Control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. **“Controlling”** and **“Controlled”** have meanings correlative thereto.

“Co-Syndication Agents” means JPMorgan Chase Bank, N.A., MUFG Bank, Ltd. and Wells Fargo Bank, National Association, in their respective capacities as co-syndication agents for the Lenders hereunder.

“Covered Entity” means any of the following:

- (a) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);
- (b) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or
- (c) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

“Credit Documents” means (a) this Agreement, any promissory notes executed pursuant to Section 2.10, and any Assignment and Assumptions, (b) any certificates, opinions and other documents required to be delivered pursuant to Section 3.01 and (c) any other documents delivered by the Borrower pursuant to or in connection with any one or more of the foregoing.

“Creditor Party” means the Administrative Agent, any LC Bank or any other Lender.

“Daily Simple SOFR” means, for any day (a **“SOFR Rate Day”**), a rate per annum equal to the greater of (a) SOFR for the day (such day “i”) that is five U.S. Government Securities Business Days prior to (A) if such SOFR Rate Day is a U.S. Government Securities Business Day, such SOFR Rate Day or (B) if such SOFR Rate Day is not a U.S. Government Securities Business Day, the U.S. Government Securities Business Day immediately preceding such SOFR Rate Day, in each case, as such SOFR is published by the SOFR Administrator on the SOFR Administrator’s Website and (b) the Floor. If by 5:00 pm (New York City time) on the second (2nd) U.S. Government Securities Business Day immediately following any day “i”, the SOFR in respect of such day “i” has not been published on the SOFR Administrator’s Website and a Benchmark Replacement Date with respect to the Daily Simple SOFR has not occurred, then the SOFR for such day “i” will be the SOFR as published in respect of the first preceding U.S. Government Securities Business Day for which such SOFR was published on the SOFR Administrator’s Website; provided that any SOFR determined pursuant to this sentence shall be utilized for purposes of calculation of Daily Simple SOFR for no more than three (3) consecutive SOFR Rate Days. Any change in Daily Simple SOFR due to a change in SOFR shall be effective from and including the effective date of such change in SOFR without notice to the Borrower.

“Debt for Borrowed Money” means, as to any Person, without duplication, (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (c) all Capital Lease obligations of such Person, and (d) all obligations of such Person under synthetic leases, tax retention operating leases, off-balance sheet loans or other off-balance sheet financing products that, for tax purposes, are considered indebtedness for borrowed money of the lessee but are classified as operating leases under GAAP.

“Debt to Capitalization Ratio” means, at any time, the ratio of Consolidated Debt to Consolidated Capitalization.

“Debtor Relief Laws” means the Federal Bankruptcy Code, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

“Default” means any event or condition that constitutes an Event of Default or that, upon notice, lapse of time or both would, unless cured or waived, become an Event of Default.

“Default Right” has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. § 252.81, 47.2 or 382.1, as applicable.

“Defaulting Lender” means any Lender that (a) has failed, within two Business Days of the date required to be funded or paid, to (i) fund any portion of its Loans, (ii) fund any portion of its participations in Letters of Credit or (iii) pay over to any Creditor Party any other amount required to be paid by it hereunder, unless, in the case of clause (i) above, such Lender notifies the Administrative Agent in writing that such failure is the result of such Lender’s good faith determination that a condition precedent to funding set forth in Section 3.02 (specifically identified and including the particular default, if any) has not been satisfied, (b) has notified the Borrower or any Creditor Party in writing, or has made a public statement to the effect, that it does not intend or expect to comply with any of its funding obligations under this Agreement (unless such writing or public statement indicates that such position is based on such Lender’s good faith determination that a condition precedent (specifically identified and including the particular default, if any) to funding a loan under this Agreement set forth in Section 3.02 cannot be satisfied) or generally under other agreements in which it commits to extend credit, (c) has failed, within three Business Days after request by a Creditor Party, acting in good faith, to provide a certification in writing from an authorized officer of such Lender that it will comply with its obligations to fund prospective Loans and participations in then outstanding Letters of Credit under this Agreement, provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon such Creditor Party’s receipt of such certification in form and substance satisfactory to it and the Administrative Agent, or (d) has, or has a direct or indirect parent company that has, become the subject of (i) a Bankruptcy Event or (ii) a Bail-In Action.

“Disposition” or **“Dispose”** means the sale, transfer, license, lease or other disposition (in one transaction or in a series of transactions and whether effected pursuant to a Division or otherwise) of any property by any Person (including any sale and leaseback transaction and any issuance of Capital Stock by a Subsidiary of such Person), including any sale, assignment, transfer or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith.

“Dividing Person” has the meaning assigned to it in the definition of “Division”.

“Division” means the division of the assets, liabilities and/or obligations of a Person (the “Dividing Person”) among two or more Persons (whether pursuant to a “plan of division” or similar arrangement), which may or may not include the Dividing Person and pursuant to which the Dividing Person may or may not survive. For all purposes under the Credit Documents, in connection with any Division: (a) if any asset, right, obligation or liability of any Dividing Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its Capital Stock at such time.

“Dollars” or **“\$”** refers to lawful money of the United States of America.

“EEA Financial Institution” means (a) any institution established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“EEA Resolution Authority” means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

“Effective Date” means the date on which this Agreement has been executed and delivered by each of the Borrower, the Co-Syndication Agents, the Co-Documentation Agents, the initial Lenders, the LC Banks and the Administrative Agent.

“Electronic Signature” means an electronic sound, symbol or process attached to, or associated with, a contract or other record and adopted by a Person with the intent to sign, authenticate or accept such contract or record.

“Electronic System” means any electronic system, including (i) e-mail, (ii) e-fax, (iii) Intralinks®, Syndtrak®, ClearPar® and (iv) any other Internet or extranet-based site, whether such electronic system is owned, operated or hosted by the Administrative Agent and any of its Related Parties or any other Person, providing for access to data protected by passcodes or other security system.

“Environmental Laws” means any and all foreign, federal, state, local or municipal laws (including, without limitation, common laws), rules, orders, regulations, statutes, ordinances, codes, decrees, judgments, awards, writs, injunctions, requirements of any Governmental Authority or other requirements of law regulating, relating to or imposing liability or standards of conduct concerning, pollution, waste, industrial hygiene, occupational safety or health, the presence, transport, manufacture, generation, use, handling, treatment, distribution, storage, disposal or release of Hazardous Materials, or protection of human health, plant life or animal life, natural resources or the environment, as now or at any time hereafter in effect.

“Environmental Liability” means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of the Borrower or any of its Subsidiaries directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the release or threatened release of any Hazardous Materials into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations promulgated and rulings issued thereunder.

“ERISA Affiliate” means any Person who, for purposes of Title IV of ERISA, is a member of the Borrower’s controlled group, or under common control with the Borrower, within the meaning of Section 414 of the Code and the regulations promulgated and rulings issued thereunder.

“ERISA Event” means (a) a reportable event, within the meaning of Section 4043 of ERISA, with respect to a Plan unless the 30-day notice requirement with respect thereto has been waived by the PBGC, (b) the provision by the administrator of any Plan of a notice of intent to terminate such Plan, pursuant to Section 4041(a)(2) and 4041(c) of ERISA (including any such notice with respect to a plan amendment referred to in Section 4041(e) of ERISA), (c) the withdrawal by the Borrower or any ERISA Affiliate from a Multiple Employer Plan during a plan year for which it was a substantial employer, as defined in Section 4001(a)(2) of ERISA, (d) the failure by the Borrower or any ERISA Affiliate to make a payment to a Plan required under Section 302 of ERISA, for which Section 303(k) of ERISA imposes a lien for failure to make required payments, or (e) the institution by the PBGC of proceedings to terminate a Plan, pursuant to Section 4042 of ERISA, or the occurrence of any event or condition which may reasonably be expected to constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, a Plan.

“EU Bail-In Legislation Schedule” means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.

“Event of Default” has the meaning assigned to such term in Article VIII.

“Excluded Taxes” means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on (or measured by) its net income or net earnings (however denominated), franchise Taxes and branch profits Taxes, in each case, (i) imposed by the jurisdiction (or any political subdivision thereof) under the laws of which such Recipient is organized or in which its principal office is located or, in the case of any Lender, in which its applicable lending office is located or (ii) that are Other Connection Taxes, (b) in case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment

request by the Borrower under Section 2.19) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.17, amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient's failure to comply with Section 2.17(e) or (f), and (d) any Taxes imposed under FATCA.

"Existing Credit Agreement" means that certain Sixth Amended and Restated Revolving Credit Agreement, dated as of February 18, 2022, by and among the Borrower, the Lenders from time to time party thereto and the Administrative Agent, as amended by that certain Amendment No. 1 dated as of August 23, 2023, and as otherwise amended or modified from time to time.

"Existing Letters of Credit" means the Letters of Credit listed in Schedule 2.04.

"Existing Termination Date" has the meaning assigned to such term in Section 2.21(a).

"Extending Lender" has the meaning assigned to such term in Section 2.21(b).

"Extension Date" has the meaning assigned to such term in Section 2.21(a).

"Extension of Credit" means (a) the making by any Lender of a Revolving Loan, (b) the issuance of a Letter of Credit by any LC Bank or (c) the amendment of any Letter of Credit having the effect of extending the stated termination date thereof, increasing the LC Outstandings, or otherwise altering any of the material terms or conditions thereof.

"Facility Fee" has the meaning set forth in Section 2.12.

"FATCA" means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreement entered into pursuant to Section 1471(b)(1) of the Code.

"Federal Bankruptcy Code" means Title 11 of the United States Code (11 U.S.C. § 101 et seq.) as now or hereafter in effect, or any successor statute.

"Federal Funds Effective Rate" means, for any day, the rate calculated by the Federal Reserve Bank of New York based on such day's federal funds transactions by depository institutions (as determined in such manner as the Federal Reserve Bank of New York shall set forth on its public website from time to time) and published on the next succeeding Business Day by the Federal Reserve Bank of New York as the federal funds effective rate; provided that if such rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

"Floor" means a rate of interest equal to 0.0%.

"Foreign Lender" means any Lender that is not a U.S. Person.

“GAAP” means generally accepted accounting principles in the United States of America consistent with those applied in the preparation of the financial statements referred to in Section 4.01(e) and (f).

“Governmental Authority” means the government of the United States of America, any other nation, or any political subdivision of the United States of America or any other nation, whether state or local, any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank), and any group or body charged with setting financial accounting or regulatory capital rules or standards (including, without limitation, the Financial Accounting Standards Board, the Bank for International Settlements or the Basel Committee on Banking Supervision or any successor or similar authority to any of the foregoing).

“Hazardous Materials” means any asbestos; flammables; volatile hydrocarbons; industrial solvents; explosive or radioactive materials; hazardous wastes; toxic substances; liquefied natural gas; natural gas liquids; synthetic gas; oil, petroleum, or related materials and any constituents, derivatives, or byproducts thereof or additives thereto; or any other material, substance, waste, element or compound (including any product) regulated pursuant to any Environmental Law, including, without limitation, substances defined as “hazardous substances,” “hazardous materials,” “contaminants,” “pollutants,” “hazardous wastes,” “toxic substances,” “solid waste,” or “extremely hazardous substances” in (i) CERCLA, (ii) the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801 et seq., (iii) the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq., (iv) the Federal Water Pollution Control Act, as amended, 33 U.S.C. Section 1251 et seq., (v) the Clean Air Act, 42 U.S.C. Section 7401 et seq., (vi) the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq., (vii) the Safe Drinking Water Act, 42 U.S.C. Section 300f et seq., or (viii) foreign, state, local or municipal law, in each case, as may be amended from time to time.

“Hybrid Securities” means, on any date, any securities, other than common stock, issued by the Borrower or a Hybrid Vehicle that meet the following criteria: (a) at the time of issuance and at the time of any amendment, restatement or other modification of the related indenture or other operative documentation in respect of such securities, such securities are classified as possessing a minimum of “intermediate equity content” by S&P, Basket M equity credit by Moody’s, and 50% equity credit by Fitch Ratings Ltd. (or any successor) (or the equivalent classifications then in effect by such agencies), (b) such securities require no repayments or prepayments and no mandatory redemptions or repurchases, in each case prior to a date at least 91 days after the Termination Date and (c) the claims of holders of any such securities are subordinated to the claims of the Administrative Agent and the Lenders in respect of the Obligations on terms reasonably satisfactory to the Arrangers. As used in this definition, “mandatory redemption” shall not include conversion of a security into common stock of the Borrower or the applicable Hybrid Vehicle.

“Hybrid Vehicle” means a special purpose subsidiary directly owned by the Borrower, or a trust formed by the Borrower, in each case for the sole purpose of issuing Hybrid Securities and which conducts no business other than the issuance of Hybrid Securities and activities incidental thereto.

“Increasing Lender” has the meaning set forth in Section 2.22.

“Indebtedness” of any Person means (without duplication) (a) Debt for Borrowed Money, (b) obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable arising in the ordinary course of business which are not overdue, (c) all obligations, contingent or otherwise, of such Person in respect of any letters of credit, bankers’ acceptances or interest rate, currency or commodity swap, cap or floor arrangements, (d) all indebtedness of others secured by (or for which the holder of such indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such Person, whether or not the indebtedness secured thereby has been assumed, (e) all amounts payable by such Person in connection with mandatory redemptions or repurchases of preferred stock, and (f) obligations of such Person under direct or indirect guarantees in respect of, and obligations (contingent or otherwise) to purchase or otherwise acquire, or otherwise to assure a creditor against loss in respect of, indebtedness or obligations of others of the kinds referred to in clauses (a) through (e) above.

“Indemnified Taxes” means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of the Borrower under any Credit Document and (b) to the extent not otherwise described in (a), Other Taxes.

“Indemnatee” has the meaning set forth in Section 11.03.

“Index Debt” means the senior unsecured long-term debt securities of the Borrower, without third-party credit enhancement provided by a Person other than the Borrower.

“Ineligible Institution” has the meaning assigned to such term in Section 11.04(b).

“Information” has the meaning set forth in Section 11.12.

“Initial LC Bank” means each of the Lead Lenders.

“Insufficiency” means, with respect to any Plan, the amount, if any, by which the present value of all vested and unvested accrued benefits under such Plan exceeds the fair market value of assets allocable to such benefits, all determined as of the then most recent valuation date for such Plan using actuarial assumptions used in determining such Plan’s target normal cost for purposes of Section 430(b) of the Code.

“Interest Election Request” means a request by the Borrower to convert or continue a Revolving Borrowing in accordance with Section 2.06.

“Interest Payment Date” means (a) with respect to any ABR Loan, the last Business Day of each March, June, September and December, (b) with respect to any Term SOFR Loan, the last day of the Interest Period applicable to the Borrowing of which such Loan is a part and, in the case of a Term SOFR Borrowing with an Interest Period of more than three months’ duration, the day that is three months after the first day of such Interest Period and (c) with respect to any Loan, the Termination Date.

“Interest Period” means with respect to any Term SOFR Borrowing, the period commencing on the date of such Borrowing and ending on the numerically corresponding day in the calendar month that is one, three or six months thereafter, as the Borrower may elect; *provided* that (a) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day; and (b) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period. For purposes hereof, the date of a Borrowing initially shall be the date on which such Borrowing is made and, in the case of a Revolving Borrowing, thereafter shall be the effective date of the most recent conversion or continuation of such Borrowing.

“ISP” means, with respect to any Letter of Credit, the “International Standby Practices 1998” published by the Institute of International Banking Law & Practice, Inc. (or such later version thereof as may be in effect at the time of issuance).

“LC Bank” means the Initial LC Banks or any other Lender approved by the Borrower and the Administrative Agent that may agree to issue Letters of Credit pursuant to an agreement in form satisfactory to the Borrower and the Administrative Agent, so long as such Lender expressly agrees to perform in accordance with their terms all of the obligations that by the terms of this Agreement are required to be performed by it as an LC Bank and notifies the Administrative Agent of its applicable lending office (which information shall be recorded by the Administrative Agent in the Register), for so long as such Initial LC Bank or Lender, as the case may be, shall have a Letter of Credit Commitment.

“LC Exposure” means, at any time, the sum of (a) the LC Outstandings at such time plus (b) the aggregate amount of all Unreimbursed LC Disbursements at such time. The LC Exposure of any Lender at any time shall be its Applicable Percentage of the total LC Exposure at such time.

“LC Outstandings” means, for any date of determination, the aggregate maximum amount available to be drawn under all Letters of Credit outstanding on such date (assuming the satisfaction of all conditions for drawing enumerated therein).

“LC Risk Participation Fee” has the meaning set forth in Section 2.12.

“Lead Lenders” means Barclays, JPMorgan Chase Bank, N.A., MUFG Bank, Ltd., Wells Fargo Bank, National Association, Bank of America, National Association, Bank of Montreal and Mizuho Bank, Ltd.

“Lender Notice Date” has the meaning assigned to such term in Section 2.21(b).

“Lenders” means (a) the Persons listed on Schedule 2.01, including any such Person identified thereon or in the signature pages hereto as a Lead Arranger, and any other Person that shall have become a party hereto pursuant to Section 2.22 or pursuant to an Assignment and Assumption, other than any such Person that ceases to be a party hereto pursuant to an Assignment and Assumption and (b) if and to the extent so provided in Section 2.04(c), the applicable LC Bank.

“Letter of Credit” means a standby letter of credit issued by the applicable LC Bank pursuant to the terms of this Agreement, together with the Existing Letters of Credit deemed issued hereunder pursuant to Section 2.04(h), in each case, as such letter of credit may from time to time be amended, modified or extended in accordance with the terms of this Agreement.

“Letter of Credit Commitment” means, with respect to each LC Bank, the obligation of such LC Bank to issue Letters of Credit for the account of the Borrower or, subject to the terms of Section 2.04(k), for the account of any Subsidiary of the Borrower from time to time in an aggregate amount up to \$25,000,000 (or such larger amount as may be separately agreed to in writing by such LC Bank and the Borrower and notified to the Administrative Agent). The Letter of Credit Commitment is part of, and not in addition to, the Commitments.

“Lien” has the meaning set forth in Section 6.01(a).

“Loans” means the loans made by the Lenders to the Borrower pursuant to this Agreement.

“Mandatorily Convertible Securities” means any mandatorily convertible equity-linked securities issued by the Borrower or a Hybrid Vehicle that meet the following criteria: (a) such securities require no repayments or prepayments and no mandatory redemptions or repurchases (other than repayments, prepayments, redemptions or repurchases that are to be settled by the issuance of equity securities by the Borrower), in each case prior to at least 91 days after the Termination Date and (b) the claims of holders of any such securities are subordinated to the claims of the Administrative Agent and the Lenders in respect of the Obligations on terms reasonably satisfactory to the Arrangers. As used in this definition, “mandatory redemption” shall not include conversion of a security into common stock of the Borrower.

“Margin Stock” means margin stock within the meaning of Regulations U and X issued by the Board.

“Material Adverse Effect” means a material adverse effect on (a) the business, assets, operations or condition (financial or otherwise) of the Borrower and its Subsidiaries taken as a whole; (b) the validity or enforceability of any of Credit Documents or the rights, remedies and benefits available to the Administrative Agent and the Lenders thereunder; or (c) the ability of the Borrower to consummate the Transactions.

“Material Subsidiary” means at any time NIPSCO, and each Subsidiary of the Borrower, other than NIPSCO, in respect of which:

(a) the Borrower’s and its other Subsidiaries’ investments in and advances to such Subsidiary and its Subsidiaries exceed 15% of the consolidated total assets of the Borrower and its Subsidiaries taken as a whole, as of the end of the most recent fiscal year; or

(b) the Borrower’s and its other Subsidiaries’ proportionate interest in the total assets (after intercompany eliminations) of such Subsidiary and its Subsidiaries exceeds 15% of the consolidated total assets of the Borrower and its Subsidiaries as of the end of the most recent fiscal year; or

(c) the Borrower's and its other Subsidiaries' equity in the income from continuing operations before income taxes, extraordinary items and cumulative effect of a change in accounting principles of such Subsidiary and its Subsidiaries exceeds 15% of the consolidated income of the Borrower and its Subsidiaries for the most recent fiscal year.

"Moody's" means Moody's Investors Service, Inc., and any successor thereto.

"Multiemployer Plan" means a multiemployer plan as defined in Section 4001(a)(3) of ERISA that is subject to Title IV of ERISA and to which the Borrower or an ERISA Affiliate makes, or is required to make, contributions or otherwise has any liability (including contingent liability).

"Multiple Employer Plan" means a single employer plan, as defined in Section 4001(a)(15) of ERISA, which (a) is maintained for employees of the Borrower or an ERISA Affiliate and at least one Person other than the Borrower and its ERISA Affiliates, or (b) was so maintained and in respect of which the Borrower or an ERISA Affiliate could have liability under Section 4064 or 4069 of ERISA in the event that such plan has been or were to be terminated.

"NIPSCO" means Northern Indiana Public Service Company LLC, an Indiana limited liability company.

"Non-Consenting Lender" means any Lender that does not approve any consent, waiver or amendment that (i) requires the approval of all or all affected Lenders in accordance with the terms of Section 11.02 and (ii) has been approved by the Required Lenders.

"Non-Extending Lender" has the meaning assigned to such term in Section 2.21(b).

"Non-Extension Notice Date" has the meaning assigned to such term in Section 2.04(j).

"Non-Recourse Debt" means Indebtedness of the Borrower or any of its Subsidiaries which is incurred in connection with the acquisition, construction, sale, transfer or other Disposition of specific assets, to the extent recourse, whether contractual or as a matter of law, for non-payment of such Indebtedness is limited (a) to such assets or (b) if such assets are (or are to be) held by a Subsidiary formed solely for such purpose, to such Subsidiary or the Capital Stock of such Subsidiary.

"Obligations" means all amounts, direct or indirect, contingent or absolute, of every type or description, and at any time existing and whenever incurred (including, without limitation, after the commencement of any bankruptcy proceeding), owing to the Administrative Agent or any Lender pursuant to the terms of this Agreement or any other Credit Document.

"OFAC" means the Office of Foreign Assets Control of the U.S. Department of the Treasury.

“Other Connection Taxes” means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Credit Document, or sold or assigned an interest in any Loan or Credit Document).

“Other Taxes” means any and all present or future stamp, documentary or similar Taxes, charges or similar levies arising from any payment made hereunder or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment.

“Outbound Investment Rules” means the regulations administered and enforced, together with any related public guidance issued, by the United States Treasury Department under U.S. Executive Order 14105 of August 9, 2023, or any similar law or regulation; as of the date of this Agreement, and as codified at 31 C.F.R. § 850.101 et seq.

“Outstanding Loans” means, as to any Lender at any time, the aggregate principal amount of all Loans made or maintained by such Lender then outstanding.

“Parent” means, with respect to any Lender, any Person as to which such Lender is, directly or indirectly, a subsidiary.

“Participant” has the meaning set forth in Section 11.04.

“Participant Register” has the meaning set forth in Section 11.04.

“Payment” has the meaning assigned to such term in Section 9.02(a).

“Payment Notice” has the meaning assigned to such term in Section 9.02(b).

“Payment Recipient” has the meaning assigned to such term in Section 9.02(a).

“PBGC” means the Pension Benefit Guaranty Corporation referred to and defined in ERISA and any successor entity performing similar functions.

“Periodic Term SOFR Determination Day” has the meaning assigned to such term in the definition of “Term SOFR”.

“Person” means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

“Plan” means any employee pension benefit plan (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA, and in respect of which the Borrower or any ERISA Affiliate is (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an “employer” as defined in Section 3(5) of ERISA.

“Plan Asset Regulations” means 29 CFR § 2510.3-101 et seq., as modified by Section 3(42) of ERISA.

“Pricing Grid” means the pricing grid attached hereto as Annex A.

“Prime Rate” means the rate of interest last quoted by The Wall Street Journal as the “Prime Rate” in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the “bank prime loan” rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the Administrative Agent) or any similar release by the Board (as determined by the Administrative Agent).

“Pro Forma Basis” means, in connection with any calculation of compliance with any financial covenant or term, the calculation thereof after giving effect on a pro forma basis to the change in such calculation required by the applicable provision hereof, and otherwise on a basis in accordance with GAAP as used in the preparation of the latest financial statements provided pursuant to Section 5.01(h)(i) or (ii) and otherwise reasonably satisfactory to the Administrative Agent.

“Project” means an energy or power generation, transmission or distribution facility (including, without limitation, a thermal energy generation, transmission or distribution facility and an electric power generation, transmission or distribution facility (including, without limitation, a cogeneration facility)), a gas production, transportation or distribution facility, or a minerals extraction, processing or distribution facility, together with (a) all related electric power transmission, fuel supply and fuel transportation facilities and power supply, thermal energy supply, gas supply, minerals supply and fuel contracts, (b) other facilities, services or goods that are ancillary, incidental, necessary or reasonably related to the marketing, development, construction, management, servicing, ownership or operation of such facility, (c) contractual arrangements with customers, suppliers and contractors in respect of such facility, and (d) any infrastructure facility related to such facility, including, without limitation, for the treatment or management of waste water or the treatment or remediation of waste, pollution or potential pollutants.

“Project Financing” means any tax equity investment in, or Indebtedness incurred by, a Project Financing Subsidiary to finance (a) the development and operation of the Project such Project Financing Subsidiary was formed to develop or (b) activities incidental thereto; *provided* that such Indebtedness or tax equity investment does not include recourse to the Borrower or any of its other Subsidiaries other than (x) recourse to the Capital Stock in any such Project Financing Subsidiary, and (y) recourse pursuant to a Contingent Guaranty.

“Project Financing Subsidiary” means any Subsidiary of the Borrower (a) that (i) is not a Material Subsidiary, and (ii) whose principal purpose is to develop a Project and activities incidental thereto (including, without limitation, the financing and operation of such Project), or to become a partner, member or other equity participant in a partnership, limited liability company or other entity having such a principal purpose, and (b) substantially all the assets of which are limited to the assets relating to the Project being developed or Capital Stock in such partnership, limited liability company or other entity (and substantially all of the assets of any such partnership, limited liability company or other entity are limited to the assets relating to such Project); *provided* that such Subsidiary incurs no Indebtedness other than in respect of a Project Financing.

“**PTE**” means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

“**QFC**” has the meaning assigned to the term “qualified financial contract” in, and shall be interpreted in accordance with, 12 U.S.C. § 5390(c)(8) (D).

“**QFC Credit Support**” is defined in Section 11.18.

“**Recipient**” means, as applicable, (a) the Administrative Agent and (b) any Lender.

“**Referenced Annual Financial Statements**” means the consolidated balance sheet of the Borrower and its Subsidiaries dated as of December 31, 2024, and related statements of income, statements of cash flows and common shareholders’ equity of the Borrower and its Subsidiaries for the fiscal year then ended.

“**Referenced Quarterly Financial Statements**” means the unaudited consolidated balance sheet of the Borrower and its Subsidiaries dated as of September 30, 2025, and related statements of income, statements of cash flows and common shareholders’ equity of the Borrower and its Subsidiaries for nine-month period then ended.

“**Register**” has the meaning set forth in Section 11.04.

“**Related Parties**” means, with respect to any specified Person, such Person’s Affiliates and the respective directors, officers, employees, agents, partners, advisors and representatives of such Person and such Person’s Affiliates.

“**Relevant Governmental Body**” means the Board or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board or the Federal Reserve Bank of New York, or any successor thereto.

“**Request for Issuance**” has the meaning set forth in Section 2.04.

“**Required Lenders**” means, subject to the terms of Section 2.20, Lenders having more than 50% in aggregate amount of the Commitments, or if the Commitments shall have been terminated, of the Total Outstanding Principal.

“**Resolution Authority**” means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

“**Responsible Officer**” of the Borrower means any of (a) the President, the chief financial officer, the chief accounting officer and the Treasurer of the Borrower and (b) any other officer of the Borrower whose responsibilities include monitoring compliance with this Agreement.

“**Revolving Credit Exposure**” means, with respect to any Lender at any time, the sum of the outstanding principal amount of such Lender’s Revolving Loans and its LC Exposure at such time.

“Revolving Loan” means a Loan made pursuant to Section 2.02.

“S&P” means Standard & Poor’s Financial Services LLC, a subsidiary of S&P Global Inc., and any successor thereto.

“Sanctioned Country” means, at any time, a region, country or territory which is, or whose government is, the subject or target of any Sanctions (at the date of this Agreement, the so-called Donetsk People’s Republic, the so-called Luhansk People’s Republic, the Crimea, the Zaporizhzhia and the Kherson Regions of Ukraine, Cuba, Iran, North Korea and Syria).

“Sanctioned Person” means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by OFAC, the U.S. Department of State, the United Nations Security Council, His Majesty’s Treasury of the United Kingdom, the European Union or any EU member state, (b) any Person located, operating, organized or resident in a Sanctioned Country, (c) any Person controlled by any such Person or (d) any Person otherwise the subject of any Sanctions.

“Sanctions” means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by OFAC or the U.S. Department of State or (b) the United Nations Security Council, the European Union, any European Union Member State, His Majesty’s Treasury of the United Kingdom or other relevant sanctions authority.

“SOFR” means, with respect to any U.S. Government Securities Business Day, a rate per annum equal to the secured overnight financing rate for such U.S. Government Securities Business Day published by the SOFR Administrator on the website of the SOFR Administrator, currently at <http://www.newyorkfed.org> (or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time) on the immediately succeeding U.S. Government Securities Business Day.

“SOFR Administrator” means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

“SOFR Loan” means a Loan that bears interest at a rate based on Term SOFR or Daily Simple SOFR, other than pursuant to clause (c) of the definition of “Alternate Base Rate”.

“SOFR Rate Day” has the meaning assigned to such term in the definition of “Daily Simple SOFR”.

“Subsidiary” means, with respect to any Person, any corporation or other entity of which at least a majority of the outstanding shares of stock or other ownership interests having by the terms thereof ordinary voting power to elect a majority of the Board of Directors of such corporation or other entity (irrespective of whether or not at the time stock or other equity interests of any other class or classes of such corporation or other entity shall have or might have voting power by reason of the happening of any contingency) is at the time directly or indirectly owned or controlled by such Person or one or more of the Subsidiaries of such Person.

“Substantial Subsidiaries” has the meaning set forth in Section 8.01.

“Supported QFC” is defined in Section 11.18.

“Taxes” means any and all present or future taxes, levies, imposts, duties, deductions, withholdings, assessments, fees or other charges imposed by any Governmental Authority, including any interest, penalties and additions to tax imposed thereon or in connection therewith.

“Term SOFR” means,

(a) for any calculation with respect to a SOFR Loan, the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the **“Periodic Term SOFR Determination Day”**) that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day, and

(b) for any calculation with respect to an ABR Loan on any day, the Term SOFR Reference Rate for a tenor of one month on the day (such day, the **“ABR Term SOFR Determination Day”**) that is two (2) U.S. Government Securities Business Days prior to such day, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any ABR Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such ABR Term SOFR Determination Day;

provided, that if Term SOFR determined as provided above shall ever be less than the Floor, then Term SOFR shall be deemed to be the Floor.

“Term SOFR Administrator” means the CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrative Agent in its reasonable discretion).

“Term SOFR Borrowing” means a Borrowing that bears interest at a rate based on Term SOFR.

“Term SOFR Loan” means a Loan that bears interest at a rate based on Term SOFR.

“Term SOFR Reference Rate” means the rate per annum determined by the Administrative Agent as the forward-looking term rate based on SOFR.

“Termination Date” means the earlier of (a) December 11, 2030 (or such later date pursuant to an extension in accordance with the terms of Section 2.21); provided that if such date shall not be a Business Day, the Termination Date shall be the next preceding Business Day, and (b) the date upon which the Commitments are terminated pursuant to Section 8.1 or otherwise.

“Total Outstanding Principal” means the aggregate amount of the Outstanding Loans of all Lenders plus the aggregate LC Exposure.

“Transactions” means the execution, delivery and performance by the Borrower of this Agreement and the Borrowing of Loans and issuances of Letters of Credit hereunder.

“Type”, when used in reference to any Loan or Borrowing, refers to whether the rate of interest on such Loan, or on the Loans comprising such Borrowing, is determined by reference to Term SOFR or the Alternate Base Rate.

“UK Financial Institution” means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

“UK Resolution Authority” means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

“Unadjusted Benchmark Replacement” means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

“Unreimbursed LC Disbursement” means the unpaid obligation (or, if the context so requires, the amount of such obligation) of the Borrower to reimburse the applicable LC Bank for a payment made by such LC Bank under a Letter of Credit, but shall not include any portion of such obligation that has been repaid with the proceeds of, or converted to, Loans hereunder.

“U.S. Government Securities Business Day” means any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

“U.S. Person” means (a) for purposes of Sections 4.01(w) and 6.01(f) hereof, any United States citizen, lawful permanent resident, entity organized under the laws of the United States or any jurisdiction within the United States, including any foreign branch of any such entity, or any person in the United States and (b) for all other purposes, a “United States person” within the meaning of Section 7701(a)(30) of the Code. **“U.S. Tax Compliance Certificate”** has the meaning specified in Section 2.17(e).

“U.S. Special Resolution Regimes” is defined in Section 11.18.

“Utility Subsidiary” means a Subsidiary of the Borrower that is subject to regulation by a Governmental Authority (federal, state or otherwise) having authority to regulate utilities, and any Wholly-Owned Subsidiary thereof.

“Wholly-Owned Subsidiary” means, with respect to any Person, any corporation or other entity of which all of the outstanding shares of stock or other ownership interests in which, other than directors’ qualifying shares (or the equivalent thereof), are at the time directly or indirectly owned or controlled by such Person or one or more of the Subsidiaries of such Person.

“Withdrawal Liability” means liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Sections 4201, 4203 and 4205 of ERISA.

“Withholding Agent” means the Borrower and the Administrative Agent.

“Write-Down and Conversion Powers” means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

SECTION 1.02. Classification of Loans and Borrowings. For purposes of this Agreement, Loans may be classified and referred to by Type (*e.g.*, a **“Term SOFR Loan”**). Borrowings also may be classified and referred to by Type (*e.g.*, a **“Term SOFR Borrowing”**).

SECTION 1.03. Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The word “or” shall not be exclusive. The word “will” shall be construed to have the same meaning and effect as the word “shall”. The word “law” shall be construed as referring to all statutes, rules, regulations, codes and other laws (including official rulings and interpretations thereunder having the force of law or with which affected Persons customarily comply), and all judgments, orders and decrees, of all Governmental Authorities. Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or

other document as from time to time amended, restated, supplemented or otherwise modified (subject to any restrictions on such amendments, restatements, supplements or modifications set forth herein), (b) any definition of or reference to any statute, rule or regulation shall be construed as referring thereto as from time to time amended, supplemented or otherwise modified (including by succession of comparable successor laws), (c) any reference herein to any Person shall be construed to include such Person's successors and assigns, (d) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (e) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement and (f) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights. The terms "knowledge of", "awareness of" and "receipt of notice of" in relation to the Borrower, and other similar expressions, mean knowledge of, awareness of, or receipt of notice by, a Responsible Officer of the Borrower.

SECTION 1.04. Accounting Terms; GAAP. Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time; *provided that*, if the Borrower notifies the Administrative Agent that the Borrower requests an amendment to any provision hereof to eliminate the effect of any change occurring after the Effective Date in GAAP or in the application thereof on the operation of such provision (or if the Administrative Agent notifies the Borrower that the Required Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith. Notwithstanding any other provision contained herein, all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made (i) without giving effect to any election under Accounting Standards Codification 825-10-25 (previously referred to as Statement of Financial Accounting Standards 159) (or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect) to value any Indebtedness or other liabilities of the Borrower or any Subsidiary at "fair value", as defined therein and (ii) without giving effect to any treatment of Indebtedness in respect of convertible debt instruments under Financial Accounting Standards Board Staff Position APB 14-1 to value any such Indebtedness in a reduced or bifurcated manner as described therein, and such Indebtedness shall at all times be valued at the full stated principal amount thereof.

SECTION 1.05. Amendment and Restatement of the Existing Credit Agreement.

The parties to this Agreement agree that, upon (i) the execution and delivery by each of the parties hereto of this Agreement and (ii) satisfaction of the conditions set forth in Section 3.01, the terms and provisions of the Existing Credit Agreement shall be and hereby are amended, superseded and restated in their entirety by the terms and provisions of this Agreement. This Agreement is not intended to and shall not constitute a novation. All Loans

made and Obligations incurred under the Existing Credit Agreement which are outstanding on the Effective Date shall continue as Loans and Obligations under (and shall be governed by the terms of) this Agreement and the other Credit Documents. Without limiting the foregoing, upon the effectiveness hereof: (a) all references in the “Credit Documents” (as defined in the Existing Credit Agreement) to the “Administrative Agent”, the “Credit Agreement” and the “Credit Documents” shall be deemed to refer to the Administrative Agent, this Agreement and the Credit Documents, (b) the Existing Letters of Credit which remain outstanding on the Effective Date shall continue as Letters of Credit under (and shall be governed by the terms of) this Agreement, (c) all obligations constituting “Obligations” with any Lender or any Affiliate of any Lender which are outstanding on the Effective Date shall continue as Obligations under this Agreement and the other Credit Documents (subject to clause (f) below), (d) the Administrative Agent shall make such reallocations, sales, assignments or other relevant actions in respect of each Lender’s credit exposure under the Existing Credit Agreement as are necessary in order that each such Lender’s Revolving Credit Exposure and outstanding Revolving Loans hereunder reflects such Lender’s Applicable Percentage of the outstanding aggregate Revolving Credit Exposures on the Effective Date, and (e) the Borrower hereby agrees to compensate each Lender for any and all losses, costs and expenses incurred by such Lender in connection with the sale, assignment, or conversion of any Loans (including the “Term SOFR Loans” under the Existing Credit Agreement) and such reallocation described above, in each case on the terms and in the manner set forth in Section 2.16 hereof.

SECTION 1.06. Rates.

The Administrative Agent does not warrant or accept responsibility for, and shall not have any liability with respect to (a) the continuation of, administration of, submission of, calculation of or any other matter related to Alternate Base Rate, Term SOFR, or any component definition thereof or rates referred to in the definition thereof, or any alternative, successor or replacement rate thereto (including any Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Benchmark Replacement) will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, the Alternate Base Rate, Term SOFR, or any other Benchmark prior to its discontinuance or unavailability, or (b) the effect, implementation or composition of any Conforming Changes. The Administrative Agent and its affiliates or other related entities may engage in transactions that affect the calculation of the Alternate Base Rate, Term SOFR, any alternative, successor or replacement rate (including any Benchmark Replacement) or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain the Alternate Base Rate, Term SOFR, or any other Benchmark, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

SECTION 1.07. Letter of Credit Amounts.

Unless otherwise specified herein, the amount of a Letter of Credit at any time shall be deemed to be the amount of such Letter of Credit available to be drawn at such time; provided that with respect to any Letter of Credit that, by its terms, provides for one or more automatic increases in the available amount thereof, the amount of such Letter of Credit shall be deemed to be the maximum amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum amount is available to be drawn at such time. For all purposes of this Agreement, if on any date of determination a Letter of Credit has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Rule 3.13 or Rule 3.14 of the ISP or similar terms in the governing rules or laws or of the Letter of Credit itself, or if compliant documents have been presented but not yet honored, such Letter of Credit shall be deemed to be “outstanding” and “undrawn” in the amount so remaining available to be paid, and the obligations of the Borrower and each Lender shall remain in full force and effect until the applicable LC Bank and the Lenders shall have no further obligations to make any payments or disbursements under any circumstances with respect to any Letter of Credit.

**ARTICLE II
THE CREDITS****SECTION 2.01. Commitments.**

(a) Subject to the terms and conditions set forth herein, each Lender severally agrees to make Revolving Loans in Dollars to the Borrower from time to time during the Availability Period in an aggregate principal amount that will not result in (i) such Lender’s Revolving Credit Exposure exceeding such Lender’s Commitment or (ii) the sum of the Revolving Credit Exposures of all of the Lenders exceeding the Aggregate Commitments.

(b) [Reserved].

(c) Subject to the terms and conditions set forth herein, each LC Bank agrees to issue, extend or amend Letters of Credit and each Lender severally agrees to participate in such Letters of Credit, in each case as set forth herein, from time to time during the Availability Period in an aggregate stated amount that will not result in (i) the aggregate LC Outstandings under this Agreement exceeding \$175,000,000, (ii) any Lender’s Revolving Credit Exposure exceeding such Lender’s Commitment, (iii) the aggregate LC Outstandings of all Letters of Credit issued by any LC Bank exceeding at any time such LC Bank’s Letter of Credit Commitment or (iv) the sum of the Revolving Credit Exposures of all of the Lenders exceeding the Aggregate Commitments.

(d) Within the foregoing limits and subject to the terms and conditions set forth herein, the Borrower may borrow, prepay and reborrow Revolving Loans and request the issuance, extension or amendment of Letters of Credit.

SECTION 2.02. Revolving Loans and Revolving Borrowings; Requests for Borrowings.

(a) Each Revolving Loan shall be made as part of a Borrowing consisting of Revolving Loans made by the Lenders ratably in accordance with their respective Commitments. The failure of any Lender to make any Loan required to be made by it shall not relieve any other Lender of its obligations hereunder; provided that the Commitments of the Lenders are several and no Lender shall be responsible for any other Lender’s failure to make Loans as required.

(b) Subject to Section 2.14 and Section 2.23, each Revolving Borrowing shall be comprised entirely of ABR Loans or Term SOFR Loans or some combination thereof as the Borrower may request in accordance herewith. Each Lender at its option may make any Term SOFR Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Loan; provided that any exercise of such option shall not affect the obligation of the Borrower to repay such Loan in accordance with the terms of this Agreement.

(c) At the commencement of each Interest Period for any Term SOFR Revolving Borrowing, such Borrowing shall be in an aggregate amount that is an integral multiple of \$5,000,000 and not less than \$10,000,000. At the time that each ABR Revolving Borrowing is made, such Borrowing shall be in an aggregate amount that is an integral multiple of \$1,000,000; provided that an ABR Revolving Borrowing may be in an aggregate amount that is equal to the entire unused balance of the Aggregate Commitments. Borrowings of more than one Type may be outstanding at the same time; provided that there shall not at any time be more than a total of ten Term SOFR Borrowings outstanding under this Agreement.

(d) To request a Revolving Borrowing, the Borrower shall notify the Administrative Agent of such request by email (i) in the case of a Term SOFR Borrowing, not later than 11:00 a.m., New York City time, three Business Days before the date of the proposed Borrowing; or (ii) in the case of an ABR Borrowing, not later than 1:00 p.m., New York City time, on the date of the proposed Borrowing. Each such email Borrowing Request shall be irrevocable and shall be confirmed promptly by email, hand delivery or telecopy to the Administrative Agent of a written Borrowing Request in substantially the form of Exhibit C (or such other form as shall be approved by the Administrative Agent) signed by an Authorized Officer of the Borrower. Each such email and written Borrowing Request shall specify the following information:

- (i) the aggregate amount of the requested Borrowing;
- (ii) the date of such Borrowing, which shall be a Business Day;
- (iii) whether such Borrowing is to be an ABR Borrowing or a Term SOFR Borrowing and the aggregate amount of each Type of Borrowing (if applicable); and
- (iv) in the case of a Term SOFR Borrowing, the initial Interest Period to be applicable thereto, which shall be a period contemplated by the definition of the term "Interest Period".

If no election as to the Type of Borrowing is specified, then the requested Borrowing shall be an ABR Borrowing. If no Interest Period is specified with respect to any requested Term SOFR Revolving Borrowing, then the Borrower shall be deemed to have selected an Interest Period of one month's duration. Promptly following receipt of a Borrowing Request in accordance with this Section, the Administrative Agent shall advise each Lender of the details thereof and of the amount of such Lender's Loan to be made as part of the requested Borrowing.

(e) Notwithstanding any other provision of this Agreement, (i) the Borrower shall not be entitled to request, or to elect to convert or continue, any Term SOFR Borrowing if the Interest Period requested with respect thereto would end after the Termination Date and (ii) the Borrower shall not be entitled to request any Borrowing based on Daily Simple SOFR (which shall apply only as a fallback rate pursuant to Section 2.23).

SECTION 2.03. [Reserved].

SECTION 2.04. Letters of Credit

(a) *LC Banks.* Subject to the terms and conditions hereof, the Borrower may from time to time request any LC Bank to issue, extend or amend one or more Letters of Credit hereunder. Any such request by the Borrower shall be notified to the Administrative Agent at least five Business Days prior to the date upon which the Borrower proposes that the applicable LC Bank issue, extend or amend such Letter of Credit and in the case of an extension request, shall be in substantially the form of Exhibit E (or such other form as shall be approved by the Administrative Agent and the applicable LC Bank) accompanied by the letter of credit application form of the LC Bank appropriately completed and signed by a Responsible Officer of the Borrower including agreed-upon draft language for such Letter of Credit reasonably acceptable to the applicable LC Bank. At no time shall (i) the aggregate LC Outstandings exceed the sum of the Commitments, (ii) the sum of the aggregate LC Outstandings under this Agreement exceed \$175,000,000 or (iii) the aggregate LC Outstandings of all Letters of Credit issued by any LC Bank exceed at any time such LC Bank's Letter of Credit Commitment. No LC Bank shall be under any obligation to issue any Letter of Credit if (i) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain such LC Bank from issuing such Letter of Credit, or any Law applicable to such LC Bank or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over such LC Bank shall prohibit, or request that such LC Bank refrain from, the issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon such LC Bank with respect to such Letter of Credit any restriction, reserve or capital requirement (for which such LC Bank is not otherwise compensated hereunder) not in effect on the Effective Date, or shall impose upon such LC Bank any unreimbursed loss, cost or expense which was not applicable on the Effective Date and which such LC Bank in good faith deems material to it, (ii) the issuance of such Letter of Credit would violate one or more policies of such LC Bank applicable to letters of credit generally (iii) except as otherwise agreed by the Administrative Agent and such LC Bank, such Letter of Credit is in an initial stated amount less than \$10,000, (iv) such Letter of Credit is to be denominated in a currency other than Dollars or (v) such Letter of Credit contains any provisions for automatic reinstatement of the stated amount after any drawing thereunder. No LC Bank shall be under any obligation to amend or extend any Letter of Credit if (i) such Issuing Bank would have no obligation at such time to issue the Letter of Credit in its amended form under the terms hereof or (ii) the beneficiary of such Letter of Credit does not accept the proposed amendment thereto.

(b) *Letters of Credit.* Each Letter of Credit shall be issued (or the stated maturity thereof extended or terms thereof modified or amended) on not less than five Business Days' prior written notice thereof to the Administrative Agent (which shall promptly distribute copies thereof to the Lenders) and the applicable LC Bank. Each such notice (a ***"Request for Issuance"***) shall

specify (i) the date (which shall be a Business Day) of issuance of such Letter of Credit (or the date of effectiveness of such extension, modification or amendment) and the stated expiry date thereof (which shall be (A) subject to Section 2.04(j), not more than twelve months after the date of issuance or last extension and (B) not later than five days prior to the Termination Date then in effect (or, if such day is not a Business Day, the next preceding Business Day)), (ii) the proposed stated amount of such Letter of Credit and (iii) such other information as shall demonstrate compliance of such Letter of Credit with the requirements specified therefor in this Agreement. Each Request for Issuance shall be irrevocable unless modified or rescinded by the Borrower not less than two days prior to the proposed date of issuance (or effectiveness) specified therein. If the applicable LC Bank shall have approved the form of such Letter of Credit (or such extension, modification or amendment thereof), such LC Bank shall not later than 11:00 A.M. (New York City time) on the proposed date specified in such Request for Issuance, and upon fulfillment of the applicable conditions precedent and the other requirements set forth herein and as otherwise agreed to between such LC Bank and the Borrower, issue (or extend, amend or modify) such Letter of Credit and provide notice and a copy thereof to the Administrative Agent. The Administrative Agent shall furnish (x) to each Lender, a copy of such notice and (y) to each Lender that may so request, a copy of such Letter of Credit.

(c) *Reimbursement on Demand.* Subject to the provisions of Section 2.04(d) hereof, the Borrower hereby agrees to pay (whether with the proceeds of Loans made pursuant to this Agreement or otherwise) to the applicable LC Bank on demand (i) on and after each date on which such LC Bank shall pay any amount under any Letter of Credit issued by such LC Bank a sum equal to such amount so paid (which sum shall constitute a demand loan from such LC Bank to the Borrower from the date of such payment by such LC Bank until so paid by the Borrower), plus (ii) interest on any amount remaining unpaid by the Borrower to such LC Bank under clause (i), above, from the date such sum becomes payable on demand until payment in full, at a rate *per annum* which is equal to 2% plus the then applicable Alternate Base Rate until paid in full.

(d) *Loans for Unreimbursed LC Disbursements.* If any LC Bank shall make any payment under any Letter of Credit and if the conditions precedent set forth in Section 3.02 of this Agreement have been satisfied as of the date of such honor, then, each Lender's payment made to such LC Bank pursuant to paragraph (c) of this Section 2.04 in respect of such Unreimbursed LC Disbursement shall be deemed to constitute an ABR Loan made for the account of the Borrower by such Lender. Each such ABR Loan shall mature and be due and payable on the earlier of (i) the first March 31, June 30, September 30 or December 31 to occur following the date such ABR Loan is made and (ii) the Termination Date.

(e) *Participation; Reimbursement of the LC Banks.*

(i) Upon the issuance of any Letter of Credit by any LC Bank (and, in the case of the Existing Letters of Credit, on the Effective Date), such LC Bank hereby sells and transfers to each Lender, and each Lender hereby acquires from such LC Bank, an undivided interest and participation to the extent of such Lender's Applicable Percentage in and to such Letter of Credit, including the obligations of such LC Bank under and in respect thereof and the Borrower's reimbursement and other obligations in respect thereof, whether now existing or hereafter arising.

(ii) If any LC Bank shall not have been reimbursed in full for any payment made by such LC Bank under any Letter of Credit issued by such LC Bank on the date of such payment, such LC Bank shall promptly notify the Administrative Agent and the Administrative Agent shall promptly notify each Lender of such non-reimbursement and the amount thereof. Upon receipt of such notice from the Administrative Agent, each Lender shall pay to the Administrative Agent for the account of such LC Bank an amount equal to such Lender's Applicable Percentage of such Unreimbursed LC Disbursement, plus interest on such amount at a rate per annum equal to the Federal Funds Effective Rate from the date of such payment by such LC Bank to the date of payment to such LC Bank by such Lender. All such payments by each Lender shall be made in United States dollars and in same day funds not later than 3:00 p.m. (New York City time) on the later to occur of (A) the Business Day immediately following the date of such payment by the applicable LC Bank and (B) the Business Day on which such Lender shall have received notice of such non-reimbursement; *provided, however*, that if such notice is received by such Lender later than 11:00 A.M. (New York City time) on such Business Day, such payment shall be payable on the next Business Day. Each Lender agrees that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever. If a Lender shall have paid to the applicable LC Bank its ratable portion of any Unreimbursed LC Disbursement, together with all interest thereon required by the second sentence of this subparagraph (ii), such Lender shall be entitled to receive its ratable share of all interest paid by the Borrower in respect of such Unreimbursed LC Disbursement. If such Lender shall have made such payment to the applicable LC Bank, but without all such interest thereon required by the second sentence of this subparagraph (ii), such Lender shall be entitled to receive its ratable share of the interest paid by the Borrower in respect of such Unreimbursed LC Disbursement only from the date it shall have paid all interest required by the second sentence of this subparagraph (ii).

(iii) The failure of any Lender to make any payment to the applicable LC Bank in accordance with subparagraph (ii) above, shall not relieve any other Lender of its obligation to make payment, but neither such LC Bank nor any Lender shall be responsible for the failure of any other Lender to make such payment. If any Lender shall fail to make any payment to the applicable LC Bank in accordance with subparagraph (ii) above, then such Lender shall pay to such LC Bank forthwith on demand such corresponding amount together with interest thereon, for each day until the date such amount is repaid to such LC Bank at the Federal Funds Effective Rate. Nothing herein shall in any way limit, waive or otherwise reduce any claims that any party hereto may have against any non-performing Lender.

(f) *Obligations Absolute.* The payment obligations of each Lender under Section 2.04(e) and of the Borrower under Section 2.04(c) of this Agreement in respect of any payment under any Letter of Credit and any Loan made under Section 2.04(d) shall be unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances, including, without limitation, the following circumstances:

(i) any lack of validity or enforceability of any Credit Document or any other agreement or instrument relating thereto or to such Letter of Credit;

(ii) any amendment or waiver of, or any consent to departure from, all or any of the Credit Documents;

(iii) the existence of any claim, set-off, defense or other right which the Borrower may have at any time against any beneficiary, or any transferee, of such Letter of Credit (or any Persons for whom any such beneficiary or any such transferee may be acting), any LC Bank, or any other Person, whether in connection with this Agreement, the transactions contemplated herein or by such Letter of Credit, or any unrelated transaction;

(iv) any statement or any other document presented under such Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect;

(v) payment in good faith by the applicable LC Bank under the Letter of Credit issued by such LC Bank against presentation of a draft or certificate which does not comply with the terms of such Letter of Credit; or

(vi) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing.

(g) *Liability of LC Banks and the Lenders.* The Borrower assumes all risks of the acts and omissions of any beneficiary or transferee of any Letter of Credit. Neither the LC Banks, the Lenders nor any of their respective officers, directors, employees, agents or Affiliates shall be liable or responsible for (i) the use that may be made of such Letter of Credit or any acts or omissions of any beneficiary or transferee thereof in connection therewith; (ii) the validity, sufficiency or genuineness of documents, or of any endorsement thereon, even if such documents should prove to be in any or all respects invalid, insufficient, fraudulent or forged; (iii) payment by any LC Bank against presentation of documents that do not comply with the terms of such Letter of Credit, including failure of any documents to bear any reference or adequate reference to such Letter of Credit; or (iv) any other circumstances whatsoever in making or failing to make payment under such Letter of Credit, *except* that the Borrower or any Lender shall have the right to bring suit against the applicable LC Bank, and such LC Bank shall be liable to the Borrower and any Lender, to the extent of any direct, as opposed to consequential, damages suffered by the Borrower or such Lender which were caused by such LC Bank's wilful misconduct or gross negligence as determined by a court of competent jurisdiction in a final and non-appealable judgment, including such LC Bank's wilful or grossly negligent failure to make timely payment under such Letter of Credit following the presentation to it by the beneficiary thereof of a draft and accompanying certificate(s) which strictly comply with the terms and conditions of such Letter of Credit. In furtherance and not in limitation of the foregoing, the applicable LC Bank may accept sight drafts and accompanying certificates presented under the Letter of Credit issued by such LC Bank that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary. Notwithstanding the foregoing, no Lender shall be obligated to indemnify the Borrower for damages caused by any LC Bank's wilful misconduct or gross negligence as determined by a court of competent jurisdiction in a final and non-appealable judgment, and the obligation of the Borrower to reimburse the Lenders hereunder shall be absolute and unconditional, notwithstanding the gross negligence or wilful misconduct of any LC Bank.

(h) *Transitional Provision.* Subject to the satisfaction of the conditions contained in Sections 3.01 and 3.02, from and after the Effective Date the Existing Letters of Credit shall be deemed to be Letters of Credit issued pursuant to this Section 2.04.

(i) *LC Bank Agreements.* Unless otherwise requested by the Administrative Agent, each LC Bank shall report in writing to the Administrative Agent (i) promptly following the end of each calendar month, the aggregate amount of Letters of Credit issued by it and outstanding at the end of such month, (ii) on or prior to each Business Day on which such LC Bank expects to issue, amend, renew or extend any Letter of Credit, the date of such issuance, amendment, renewal or extension, and the aggregate face amount of the Letters of Credit to be issued, amended, renewed or extended by it and outstanding after giving effect to such issuance, amendment, renewal or extension occurred (and whether the amount thereof changed), it being understood that such LC Bank shall not permit any issuance, renewal, extension or amendment resulting in an increase in the amount of any Letter of Credit to occur without first obtaining written confirmation from the Administrative Agent that it is then permitted under this Agreement, (iii) on each Business Day on which such LC Bank makes any LC Disbursement, the date of such LC Disbursement and the amount of such LC Disbursement, (iv) on any Business Day on which the Borrower fails to reimburse an LC Disbursement required to be reimbursed to such LC Bank on such day, the date of such failure and the amount of such LC Disbursement and (v) on any other Business Day, such other information as the Administrative Agent shall reasonably request.

(j) *Auto-Extension Letters of Credit.* If the Borrower so requests in any applicable request for a Letter of Credit pursuant to Section 2.04(a), each LC Bank may, in its sole discretion, agree to issue a Letter of Credit that has automatic extension provisions (each, an “**Auto-Extension Letter of Credit**”); provided that any such Auto-Extension Letter of Credit must permit such LC Bank to prevent any such extension at least once in each twelve-month period (commencing with the date of issuance of such Letter of Credit) by giving prior notice to the beneficiary thereof not later than a day set forth in such Letter of Credit (the “**Non-Extension Notice Date**”) in each such twelve-month period to be agreed upon at the time such Letter of Credit is issued. Unless otherwise directed by the applicable LC Bank, the Borrower shall not be required to make a specific request to such LC Bank for any such extension. Any LC Bank that agrees to issue an Auto-Extension Letter of Credit shall notify the Administrative Agent of such issuance within five Business Days after the date of issuance thereof and shall notify the Administrative Agent of any prevention of extension. Once an Auto-Extension Letter of Credit has been issued, the Lenders shall be deemed to have authorized (but may not require) the applicable LC Bank to permit the extension of such Letter of Credit at any time to an expiry date not later than five days prior to the Termination Date then in effect (or, if such day is not a Business Day, the next preceding Business Day); provided, however, that no LC Bank shall permit any such extension if such LC Bank has determined that it would not be permitted, or would have no obligation, at such time to issue such Letter of Credit in its revised form (as extended) under the terms hereof (including the applicable conditions specified in Section 3.02).

(k) *Letters of Credit Issued for Account of Subsidiaries.* Notwithstanding that a Letter of Credit issued or outstanding hereunder is in support of any obligations of, or is for the account of, a Subsidiary, the Borrower shall be a joint applicant in respect of the applicable Request for Issuance for such Letter of Credit obligated as a primary obligor to reimburse the applicable LC Bank hereunder for any and all drawings under such Letter of Credit and irrevocably waives any defenses that might otherwise be available to it as a guarantor or surety of obligations of such Subsidiary. The Borrower hereby acknowledges that the issuance of Letters of Credit for the account of Subsidiaries inures to the benefit of the Borrower, and that the Borrower's business derives substantial benefits from the businesses of such Subsidiaries. To the extent that any Letter of Credit is issued for the account of any Subsidiary of the Borrower, the Borrower agrees that (i) such Subsidiary shall have no rights against the applicable LC Bank, the Administrative Agent or any Lender, (ii) the Borrower shall be responsible for the obligations in respect of such Letter of Credit under this Agreement and any application or reimbursement agreement, (iii) the Borrower shall have sole right to give instructions and make agreements with respect to this Agreement and the Letter of Credit, and the disposition of documents related thereto, and (iv) the Borrower shall have all powers and rights in respect of any security arising in connection with the Letter of Credit and the transaction related thereto. The Borrower shall, at the request of the LC Bank, cause such Subsidiary to execute and deliver an agreement confirming the terms specified in the immediately preceding sentence and acknowledging that it is bound thereby, together with all documentation and other information in respect of any applicable Subsidiary that is required by the regulatory authorities under the applicable "know your customer" and anti-money-laundering rules and regulations, including, without limitation, the Act (it being understood and agreed that the issuance of any Letter of Credit for any applicable Subsidiary shall be subject to the satisfactory completion of the foregoing).

SECTION 2.05. Funding of Borrowings.

(a) Each Lender shall make each Loan to be made by it hereunder on the proposed date thereof by wire transfer of immediately available funds (i) in the case of Term SOFR Borrowings, by 1:00 p.m., New York City time and (ii) in the case of ABR Borrowings, by 3:00 p.m., New York City time, in each case to the account of the Administrative Agent designated by it for such purpose by notice to the Lenders. The Administrative Agent will make such Loans available to the Borrower by promptly crediting the amounts so received, in like funds, to an account established and maintained by the Borrower at the Administrative Agent's office in New York City.

(b) Unless the Administrative Agent shall have received notice from a Lender prior to the proposed time of any Borrowing that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with paragraph (a) of this Section and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and the Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Administrative Agent, at (i) in the case of such Lender, the Federal Funds Effective Rate or (ii) in the case of the Borrower, the interest rate applicable to ABR Loans. If such Lender pays such amount to the Administrative Agent, then such amount shall constitute such Lender's Loan included in such Borrowing.

SECTION 2.06. Interest Elections.

(a) Each Borrowing initially shall be of the Type or Types specified in the applicable Borrowing Request and, in the case of a Term SOFR Borrowing, shall have an initial Interest Period as specified in such Borrowing Request. Thereafter, the Borrower may elect to convert such Borrowing to a different Type or to continue such Borrowing and, in the case of a Term SOFR Borrowing, may elect Interest Periods therefor, all as provided in this Section. The Borrower may elect different options with respect to different portions of the affected Borrowing, in which case each such portion shall be allocated ratably among the Lenders holding the Loans comprising such Borrowing, and the Loans comprising each such portion shall be considered a separate Borrowing.

(b) To make an election pursuant to this Section, the Borrower shall notify the Administrative Agent of such election by email by the time that a Borrowing Request would be required under Section 2.02 if the Borrower were requesting a Borrowing of the Type resulting from such election to be made on the effective date of such election; provided, however, with regard to any election pursuant to this Section 2.06 related to a Term SOFR Borrowing, notice of election shall be delivered not later than 11:00 a.m., New York City time, three (3) Business Days prior to the effective date of such election. Each such email Interest Election Request shall be irrevocable and shall be confirmed promptly by telecopy or email to the Administrative Agent of a written Interest Election Request in substantially the form of Exhibit G (or such other form as shall be approved by the Administrative Agent) and signed by the Borrower.

(c) Each Interest Election Request shall specify the following information in compliance with Section 2.02:

(i) the Borrowing to which such Interest Election Request applies and, if different options are being elected with respect to different portions of such Borrowing, the portions thereof to be allocated to each resulting Type of Borrowing (in which case the information to be specified pursuant to clauses (iii) and (iv) below shall be specified for each resulting Borrowing);

(ii) the effective date of the election made pursuant to such Interest Election Request, which shall be a Business Day;

(iii) whether the resulting Borrowing is to be an ABR Borrowing or a Term SOFR Borrowing; and

(iv) if the resulting Borrowing is a Term SOFR Borrowing, the Interest Period to be applicable thereto after giving effect to such election, which shall be a period contemplated by the definition of the term "Interest Period".

If any such Interest Election Request requests a Term SOFR Borrowing but does not specify an Interest Period, then the Borrower shall be deemed to have selected an Interest Period of one month's duration.

(d) Promptly following receipt of an Interest Election Request, the Administrative Agent shall advise each Lender of the details thereof and of such Lender's portion of each resulting Type of Borrowing.

(e) If the Borrower fails to deliver a timely Interest Election Request with respect to a Term SOFR Borrowing prior to the end of the Interest Period applicable thereto, then, unless such Borrowing is repaid as provided herein, at the end of such Interest Period such Borrowing shall be converted to an ABR Borrowing. Notwithstanding any contrary provision hereof, if an Event of Default has occurred and is continuing and the Administrative Agent, at the request of the Required Lenders, so notifies the Borrower, then, so long as an Event of Default is continuing (i) no outstanding Borrowing may be converted to or continued as a Term SOFR Borrowing and (ii) unless repaid, each Term SOFR Borrowing shall be converted to an ABR Borrowing at the end of the Interest Period applicable thereto. For the avoidance of doubt, the Borrower shall not be entitled to request that any Borrowing bear interest based on Daily Simple SOFR (which shall apply only as a fallback rate pursuant to Section 2.23).

(f) Notwithstanding anything to the contrary herein or any notice or other requirements for borrowing or conversion of Loans hereunder, the parties hereto agree that as of the Effective Date all outstanding "Eurodollar Loans", if any, under the Existing Credit Agreement shall be converted to Term SOFR Loans with an Interest Period of one month.

SECTION 2.07. Mandatory Termination or Reduction of Commitments.

Unless previously terminated, the Commitments shall terminate on the Termination Date.

SECTION 2.08. Mandatory Prepayments.

(a) If at any time the Total Outstanding Principal exceeds the Aggregate Commitments then in effect for any reason whatsoever (including, without limitation, as a result of any reduction in the Aggregate Commitments pursuant to Section 2.09), the Borrower shall prepay Loans or cash collateralize LC Exposure in an account with the Administrative Agent pursuant to the final paragraph of Section 8.01, as applicable, in such aggregate amount (together with accrued interest thereon to the extent required by Section 2.13) as shall be necessary so that, after giving effect to such prepayment, the Total Outstanding Principal does not exceed the Aggregate Commitments.

(b) Each prepayment of Loans pursuant to this Section 2.08 shall be accompanied by the Borrower's payment of any amounts payable under Section 2.16 in connection with such prepayment. Prepayments of Revolving Loans shall be applied ratably to the Loans so prepaid.

SECTION 2.09. Optional Reduction or Termination of Commitments.

(a) The Borrower may at any time terminate, or from time to time reduce, the Commitments (including the unused Letter of Credit Commitments of the LC Banks); *provided* that (i) each reduction of the Commitments shall be in an amount that is an integral multiple of \$10,000,000 and (ii) the Borrower shall not terminate or reduce the Commitments if, after giving effect to any concurrent prepayment of the Loans in accordance with Section 2.11, the Total Outstanding Principal would exceed the Aggregate Commitments thereafter in effect.

(b) The Borrower shall notify the Administrative Agent of any election to terminate or reduce the Commitments under Section 2.09(a) at least five Business Days prior to the effective date of such termination or reduction, specifying such election and the effective date thereof. Promptly following receipt of any notice, the Administrative Agent shall advise the Lenders of the contents thereof. Each notice delivered by the Borrower pursuant to this Section shall be irrevocable; *provided* that a notice of termination of the Commitments delivered by the Borrower may state that such notice is conditioned upon the effectiveness of other credit facilities, in which case such notice may be revoked by the Borrower (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied. Any termination or reduction of the Commitments shall be permanent.

(c) Each reduction of the Commitments pursuant to this Section 2.09 shall be made ratably among the Lenders in accordance with their respective Commitments immediately preceding such reduction.

SECTION 2.10. Repayment of Loans; Evidence of Debt.

(a) The Borrower hereby unconditionally promises to pay to the Administrative Agent (i) for the account of each Lender the then unpaid principal amount of each Revolving Loan on the Termination Date and (ii) for the account of each Lender the then unpaid principal amount of each ABR Loan deemed to be made pursuant to Section 2.04(d) on the maturity date therefor as determined pursuant to Section 2.04(d).

(b) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrower to such Lender resulting from each Loan made by such Lender, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(c) The Administrative Agent shall maintain accounts in which it shall record (i) the amount of each Loan made hereunder, the Type thereof and the Interest Period applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder for the account of the Lenders and each Lender's share thereof.

(d) The Register and the corresponding entries made in the accounts maintained pursuant to paragraph (b) or (c) of this Section shall be *prima facie* evidence of the existence and amounts of the obligations recorded therein; *provided* that the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrower to repay the Loans in accordance with the terms of this Agreement.

(e) Any Lender may request that Loans made by it be evidenced by a promissory note. In such event, the Borrower shall prepare, execute and deliver to such Lender a promissory note payable to such Lender and its registered assigns and in substantially the form of Exhibit F. Thereafter, the Loans evidenced by such promissory note and interest thereon shall at all times (including after assignment pursuant to Section 11.04) be represented by one or more promissory notes in such form payable to the payee named therein and its registered assigns.

SECTION 2.11. Optional Prepayment of Loans.

(a) The Borrower shall have the right at any time and from time to time to prepay any Borrowing in whole or in part, subject to prior notice in accordance with paragraph (b) of this Section.

(b) The Borrower shall notify the Administrative Agent by telecopy or email of any prepayment hereunder (i) in the case of prepayment of a Term SOFR Borrowing, not later than 11:00 a.m., New York City time, three Business Days before the date of prepayment or (ii) in the case of prepayment of an ABR Borrowing, not later than 11:00 a.m., New York City time, one Business Day before the date of prepayment. Each such notice shall be irrevocable and shall specify the prepayment date and the principal amount of each Borrowing or portion thereof to be prepaid; *provided* that, if a notice of prepayment is given in connection with a conditional notice of termination of the Commitments as contemplated by Section 2.09, then such notice of prepayment may be revoked if such notice of termination is revoked in accordance with Section 2.09. Each such notice of prepayment shall be confirmed promptly by hand delivery or telecopy to the Administrative Agent of a prepayment notice in substantially the form of Exhibit H (or such other form as shall be approved by the Administrative Agent) and signed by the Borrower. Promptly following receipt of any such notice relating to a Borrowing, the Administrative Agent shall advise the Lenders of the contents thereof. Each partial prepayment of any Revolving Borrowing shall be in an amount that would be permitted in the case of an advance of a Revolving Borrowing of the same Type as provided in Section 2.02, it being understood that the foregoing minimum shall not apply to the prepayment in whole of the outstanding Revolving Loans of all Lenders. Each prepayment of a Revolving Borrowing shall be applied ratably to the Loans included in the prepaid Revolving Borrowing. Prepayments shall be accompanied by accrued interest to the extent required by Section 2.13 and by any amounts payable under Section 2.16 in connection with such prepayment.

SECTION 2.12. Fees.

(a) The Borrower agrees to pay to the Administrative Agent for the account of each Lender a facility fee (each a “**Facility Fee**”), which shall accrue at the Applicable Rate on the daily amount of the Commitment of such Lender (whether used or unused) during the period from and including the Effective Date to but excluding the date on which such Commitment terminates; *provided* that, if such Lender continues to have any Revolving Credit Exposure after its Commitment terminates, then such Facility Fee shall continue to accrue on the daily amount of such Lender’s Revolving Credit Exposure from and including the date on which its Commitment terminates to but excluding the date on which such Lender ceases to have any Revolving Credit Exposure. Accrued Facility Fees shall be payable in arrears on the last day of March, June, September and December of each year and on the date on which the Commitments terminate, commencing on the first such date to occur after the Effective Date; *provided* that any Facility Fees accruing after the date on which the Commitments terminate shall be payable on demand. All Facility Fees shall be computed on the basis of a year of 360 days and shall be payable for the actual number of days elapsed (including the first day but excluding the last day).

(b) The Borrower agrees to pay to the Administrative Agent for the account of each Lender a letter of credit risk participation fee (each a “**LC Risk Participation Fee**”), which shall accrue at the Applicable Rate on the average daily amount of the LC Outstandings during the period from and including the Effective Date to but excluding the Termination Date or such later date as on which there shall cease to be any LC Outstandings. Accrued LC Risk Participation Fees shall be payable in arrears on the last day of March, June, September and December of each year and on the date on which the Commitments terminate, commencing on the first such date to occur after the Effective Date; *provided* that any LC Risk Participation Fees accruing after the date on which the Commitments terminate shall be payable on demand. All LC Risk Participation Fees shall be computed on the basis of a year of 360 days and shall be payable for the actual number of days elapsed (including the first day but excluding the last day). The Borrower shall also pay to the LC Bank for its own account (x) a fronting fee, which fronting fee shall accrue at a per annum rate agreed upon between the Borrower and the applicable LC Bank on the average daily amount of such LC Outstandings in respect of all Letters of Credit issued by such LC Bank during the period each such Letter of Credit shall be outstanding, which fronting fee shall be payable in arrears on the last day of March, June, September and December of each year and on the date on which such Letter of Credit terminates, and (y) documentary and processing charges in connection with the issuance, or modification cancellation, negotiation, or transfer of, and draws under Letters of Credit issued by such LC Bank in accordance with such LC Bank’s standard schedule for such charges as in effect from time to time.

(c) The Borrower agrees to pay to the Administrative Agent and each Arranger, in each case, for its own account and for the account of the other Persons entitled thereto, the fees provided for in the applicable fee letter dated November 14, 2025, executed and delivered with respect to the credit facility provided for herein, in each case, in the amounts and at the times set forth therein and in immediately available funds.

(d) All fees payable hereunder shall be paid in immediately available funds. Fees due and paid shall not be refundable under any circumstances.

SECTION 2.13. Interest.

(a) The Loans comprising each ABR Borrowing shall bear interest at a rate *per annum* equal to the Alternate Base Rate plus the Applicable Rate.

(b) The Loans comprising each Term SOFR Borrowing shall bear interest at a rate *per annum* equal to Term SOFR for the Interest Period in effect for such Borrowing plus the Applicable Rate.

(c) [Reserved].

(d) Notwithstanding the foregoing, if any principal of or interest on any Loan or any fee or other amount payable by the Borrower hereunder is not paid when due, whether at stated maturity, upon acceleration or otherwise, such overdue amount shall bear interest, after as well as before judgment, at a rate *per annum* equal to (i) in the case of overdue principal of any Loan, 2% plus the rate otherwise applicable to such Loan as provided above or (ii) in the case of any other amount, 2% plus the rate applicable to ABR Loans as provided above.

(e) Accrued interest on each Loan shall be payable in arrears on each Interest Payment Date for such Loan; *provided that* (i) interest accrued pursuant to paragraph (d) of this Section shall be payable on demand, (ii) in the event of any repayment or prepayment of any Loan, accrued interest on the principal amount repaid or prepaid shall be payable on the date of such repayment or prepayment, (iii) in the event of any conversion of any Term SOFR Revolving Loan prior to the end of the current Interest Period therefor, accrued interest on such Loan shall be payable on the effective date of such conversion and (iv) all accrued interest shall be payable upon termination of the Commitments.

(f) All interest hereunder shall be computed on the basis of a year of 360 days, except that interest computed by reference to the Alternate Base Rate at times when the Alternate Base Rate is based on the Prime Rate shall be computed on the basis of a year of 365 days (or 366 days in a leap year), and in each case shall be payable for the actual number of days elapsed (including the first day but excluding the last day). The applicable Alternate Base Rate or Term SOFR shall be determined by the Administrative Agent, and such determination shall be conclusive absent manifest error.

SECTION 2.14. Inability to Determine Rates; Illegality.

(a) Subject to Section 2.23, if the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that Term SOFR cannot be determined pursuant to the definition thereof on or prior to the first day of any Interest Period, the Administrative Agent will promptly so notify the Borrower and each Lender. Upon notice thereof by the Administrative Agent to the Borrower, any obligation of the Lenders to make or continue Term SOFR Loans or to convert ABR Loans to Term SOFR Loans shall be suspended (to the extent of the affected Term SOFR Loans or, in the case of a Term SOFR Borrowing, the affected Interest Periods) until the Administrative Agent revokes such notice. Upon receipt of such notice, (i) the Borrower may revoke any pending request for a borrowing of, conversion to or continuation of Term SOFR Loans (to the extent of the affected Term SOFR Loans or, in the case of a Term SOFR Borrowing, the affected Interest Periods) or, failing that, in the case of any request for an affected Term SOFR Borrowing, then such request shall be ineffective, (ii) any outstanding affected Term SOFR Loans will be deemed to have been converted into ABR Loans. Upon any such conversion, the Borrower shall also pay any additional amounts required pursuant to Section 2.16. If the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that Term SOFR cannot be determined pursuant to the definition thereof, in each case on any given day, the interest rate on ABR Loans shall be determined by the Administrative Agent without reference to clause (c) of the definition of “Alternate Base Rate” until the Administrative Agent revokes such determination.

(b) If any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable lending office to make, maintain or fund Loans whose interest is determined by reference to Term SOFR, or to determine or charge interest rates based upon Term SOFR, then, upon notice thereof by such Lender to the Borrower (through the Administrative Agent), (a) any obligation of such Lender to make or continue Term SOFR Loans or to convert ABR Loans to Term SOFR Loans shall be suspended, and (b) the interest rate on which ABR Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to clause (c) of the definition of “Alternate Base Rate”, in each case until such Lender notifies the Administrative Agent and the Borrower that the circumstances giving rise to such

determination no longer exist. Upon receipt of such notice, (i) the Borrower shall, upon demand from such Lender (with a copy to the Administrative Agent), prepay or, if applicable, convert all Term SOFR Loans of such Lender to ABR Loans (the interest rate on which ABR Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to clause (c) of the definition of “Alternate Base Rate”), on the Interest Payment Date therefor, if such Lender may lawfully continue to maintain such Term SOFR Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such Term SOFR Loans and (ii) if necessary to avoid such illegality, the Administrative Agent shall during the period of such suspension compute the Alternate Base Rate applicable to such Lender without reference to clause (c) of the definition of “Alternate Base Rate” until the Administrative Agent is advised in writing by such Lender that it is no longer illegal for such Lender to determine or charge interest rates based upon Term SOFR. Upon any such prepayment or conversion, the Borrower shall also pay any additional amounts required pursuant to Section 2.16.

SECTION 2.15. Increased Costs.

(a) If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, liquidity, compulsory loan, insurance charge or similar assessment or requirement against assets of, deposits with or for the account of, or credit extended by, any Lender or any LC Bank (except any such reserve requirement described in paragraph (e) of this Section);

(ii) impose on any Lender or any LC Bank or any applicable interbank market any other condition affecting this Agreement or Loans made by such Lender or participation therein or Unreimbursed LC Disbursements or Letters of Credit and participations therein; or

(iii) subject the Administrative Agent or any Lender to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses

(b) through (d) of the definition of Excluded Taxes and (C) Connection Income Taxes) on its loans, loan principal, Letter of Credit Commitment or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto;

and the result of any of the foregoing shall be to increase the cost to the Administrative Agent, such Lender or such LC Bank of making, continuing, converting to or maintaining any Loan or Unreimbursed LC Disbursement or issuing or maintaining Letters of Credit and participation interests therein (or of maintaining its obligation to make any such Loan or issue or participate in such Letter of Credit) or to reduce the amount of any sum received or receivable by the Administrative Agent, such Lender or such LC Bank hereunder (whether of principal, interest or otherwise), then the Borrower will pay to the Administrative Agent, such Lender or such LC Bank, as the case may be, such additional amount or amounts as will compensate the Administrative Agent, such Lender or such LC Bank for such additional costs incurred or reduction suffered.

(b) If any Lender or any LC Bank determines that any Change in Law regarding capital adequacy or liquidity requirements has or would have the effect of reducing the rate of return on such Lender's or such LC Bank's capital or on the capital of its holding company, if any, as a consequence of this Agreement to a level below that which such Lender or such LC Bank or its holding company could have achieved but for such Change in Law (taking into consideration its policies and the policies of its holding company with respect to capital adequacy and liquidity), then from time to time the Borrower will pay to such Lender or such LC Bank, as the case may be, such additional amount or amounts as will compensate it or its holding company for any such reduction suffered.

(c) A certificate of a Lender or the applicable LC Bank, as the case may be, setting forth the amount or amounts necessary to compensate it or its holding company as specified in paragraph (a) or (b) of this Section shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay the amount shown as due on any such certificate within 10 days after receipt thereof.

(d) Failure or delay on the part of any Lender or any LC Bank to demand compensation pursuant to this Section shall not constitute a waiver of its right to demand such compensation; provided that the Borrower shall not be required to compensate a Lender pursuant to this Section for any increased costs or reductions incurred more than ninety days prior to the date that such Lender or such LC Bank notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of its intention to claim compensation therefor; provided, further that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the ninety day period referred to above shall be extended to include the period of retroactive effect thereof.

SECTION 2.16. Compensation for Losses. In the event of (a) the payment of any principal of any Term SOFR Loan other than on the last day of an Interest Period applicable thereto (including as a result of an Event of Default), (b) the conversion of any Term SOFR Loan other than on the last day of the Interest Period applicable thereto, (c) the failure to borrow, convert, continue or prepay any Revolving Loan on the date specified in any notice delivered pursuant hereto (regardless of whether such notice is permitted to be revocable under Section 2.11(b) and is revoked in accordance therewith), or (d) the assignment of any Term SOFR Loan other than on the last day of the Interest Period applicable thereto as a result of a request by the Borrower pursuant to Section 2.19, then, in any such event, the Borrower shall, after receipt of a written request by any Lender affected by any such event (which request shall set forth in reasonable detail the basis for requesting such amount), compensate each Lender for any actual loss, cost or expense attributable to such event. A certificate of any Lender setting forth any amount or amounts that such Lender is entitled to receive pursuant to this Section shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within 10 days after receipt thereof.

SECTION 2.17. Taxes.

(a) Any and all payments by or on account of any obligation of the Borrower hereunder shall be made free and clear of and without deduction for any Taxes, except as required by applicable law. If any applicable law (as determined in the good faith discretion of an applicable Withholding Agent) requires the deduction or withholding of any Tax from any such payment by a Withholding Agent, then (i) the applicable Withholding Agent shall be entitled to make such deduction or withholding and timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law, and (ii) if such Tax is an Indemnified Tax, then the amount payable shall be increased as necessary so that after making all required deductions (including deductions and withholdings of Indemnified Taxes applicable to additional sums payable under this Section) the applicable Recipient receives an amount equal to the sum it would have received had no such deductions or withholdings been made.

(b) In addition, the Borrower shall pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law.

(c) The Borrower shall indemnify each Recipient, within 10 days after written demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) paid by such Recipient and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender or any LC Bank, or by the Administrative Agent on its own behalf or on behalf of a Lender or any LC Bank, shall be conclusive absent manifest error.

(d) As soon as practicable after any payment of Indemnified Taxes by the Borrower to a Governmental Authority, the Borrower shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(e)

(i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Credit Document shall deliver to the Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 2.17(e)(ii)(A) and (ii)(B) and Section 2.17(f) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing,

(A) any Lender that is a U.S. Person shall deliver to the Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed copies of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), whichever of the following is applicable:

(1) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Credit Document, executed copies of IRS Form W-8BEN or IRS Form W-8BEN-E (as applicable) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the “interest” article of such tax treaty and (y) with respect to any other applicable payments under any Credit Document, IRS Form W-8BEN or IRS Form W-8BEN-E (as applicable) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the “business profits” or “other income” article of such tax treaty;

(2) executed copies of IRS Form W-8ECI;

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit I-1 to the effect that such Foreign Lender is not a “bank” within the meaning of Section 881(c)(3)(A) of the Code, a “10 percent shareholder” of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a “controlled foreign corporation” described in Section 881(c)(3)(C) of the Code (a “U.S. Tax Compliance Certificate”) and (y) executed copies of IRS Form W-8BEN or IRS Form W-8BEN-E (as applicable); or

(4) to the extent a Foreign Lender is not the beneficial owner, executed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN, IRS Form W-8BEN-E, a U.S. Tax Compliance Certificate substantially in the form of Exhibit I-2 or Exhibit I-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit I-4 on behalf of each such direct and indirect partner; and

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed copies of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made.

Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(f) If a payment made to a Lender under any Credit Document would be subject to U.S. Federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by Law and at such time or times reasonably requested by the Borrower or the Administrative Agent such documentation prescribed by applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this Section 2.17(f), "FATCA" shall include any amendments made to FATCA after the date of this Agreement. Each Lender agrees that if any documentation it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such documentation or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(g) If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 2.17 (including by the payment of additional amounts pursuant to this Section 2.17), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this Section 2.17(g) (plus any penalties,

interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this Section 2.17(g), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this Section 2.17(g) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any indemnified party to make available its tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(h) Each Lender shall severally indemnify the Administrative Agent, within 10 days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that the Borrower has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Borrower to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 11.04 relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Credit Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Credit Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this paragraph (h).

(i) Each party's obligations under this Section 2.17 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Credit Document.

(j) For purposes of this Section 2.17, the term "applicable law" includes FATCA.

SECTION 2.18. Payments Generally; Pro Rata Treatment; Sharing of Set-Offs.

(a) The Borrower shall make each payment required to be made by it hereunder (whether of principal, interest or fees, or under Section 2.15, 2.16, 2.17 or 11.03, or otherwise) prior to 12:00 noon, New York City time, on the date when due, in immediately available funds, without set-off or counterclaim. Any amounts received after such time on any date may, in the discretion of the Administrative Agent, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. All such payments shall be made to the Administrative Agent at its office listed in Section 11.01(b), except that payments pursuant to Sections 2.15, 2.16, 2.17 and 11.03 shall be made directly to the Persons entitled thereto. The Administrative Agent shall distribute any such payments received by it for the account of any other Person to the appropriate recipient promptly following receipt thereof. If any payment hereunder shall be due on a day that is not a Business Day, the date for payment shall be extended to the next succeeding Business Day, and, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension. All payments hereunder shall be made in Dollars.

(b) If at any time insufficient funds are received by and available to the Administrative Agent to pay fully all amounts of principal, interest and fees then due hereunder, such funds shall be applied (i) first, to pay interest and fees then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of interest and fees then due to such parties, and (ii) second, to pay principal then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of principal then due to such parties.

(c) If any Lender shall, by exercising any right of set-off or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of the Obligations owing to it resulting in such Lender receiving payment of a greater proportion of the aggregate amount of such Obligations and accrued interest thereon than the proportion received by any other Lender, then the Lender receiving such greater proportion shall purchase (for cash at face value) participations in the Revolving Loans of, or other Obligations owing to, other Lenders to the extent necessary so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Revolving Loans or other Obligations, as applicable; *provided* that (i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest, and (ii) the provisions of this paragraph shall not be construed to apply to any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement or any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans to any assignee or participant, other than to the Borrower or any other Subsidiary or Affiliate of the Borrower (as to which the provisions of this paragraph shall apply). The Borrower consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against the Borrower rights of set-off and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of the Borrower in the amount of such participation.

(d) Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the Federal Funds Effective Rate.

(e) If any Lender shall fail to make any payment required to be made by it pursuant to Section 2.04(e), 2.05(b) or 2.18(d), then the Administrative Agent may, in its discretion (notwithstanding any contrary provision hereof), apply any amounts thereafter received by the Administrative Agent for the account of such Lender to satisfy such Lender's obligations under such Sections until all such unsatisfied obligations are fully paid.

(f) None of the funds or assets of the Borrower that are used to pay any amount due pursuant to this Agreement shall constitute funds obtained from transactions with or relating to Anti-Corruption Laws or Sanctions.

SECTION 2.19. Mitigation Obligations; Replacement of Lenders.

(a) Any Lender claiming reimbursement or compensation from the Borrower under either of Sections 2.15 and 2.17 for any losses, costs or other liabilities shall use reasonable efforts (including, without limitation, reasonable efforts to designate a different lending office of such Lender for funding or booking its Loans or to assign its rights and obligations hereunder to another of its offices, branches or affiliates) to mitigate the amount of such losses, costs and other liabilities, if such efforts can be made and such mitigation can be accomplished without such Lender suffering (i) any economic disadvantage for which such Lender does not receive full indemnity from the Borrower under this Agreement or (ii) otherwise be disadvantageous to such Lender.

(b) In determining the amount of any claim for reimbursement or compensation under Sections 2.15 and 2.17, each Lender will use reasonable methods of calculation consistent with such methods customarily employed by such Lender in similar situations.

(c) Each Lender will notify the Borrower either directly or through the Administrative Agent of any event giving rise to a claim under Section 2.15 or Section 2.17 promptly after the occurrence thereof which notice shall be accompanied by a certificate of such Lender setting forth in reasonable detail the circumstances of such claim.

(d) If any Lender requests compensation under Section 2.15, or if the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.17, or if any Lender is a Defaulting Lender or a Non-Consenting Lender, then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in Section 11.04, provided that the Administrative Agent may, in its sole discretion, elect to waive the \$3,500 processing and recordation fee in connection therewith), all its interests, rights and obligations under this Agreement to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); *provided* that (i) the Borrower shall have received the prior written consent of the Administrative Agent and each LC Bank, which consent, in the case of the Administrative Agent, shall not unreasonably be withheld and, in the case of each LC Bank, may be given or withheld in the sole discretion of such LC Bank, (ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder, from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts), (iii) in the case of any such assignment resulting from a claim for compensation under Section 2.15 or payments required to be made pursuant to Section 2.17, such assignment will result in a reduction in such compensation or payments, (iv) such assignment does not conflict with applicable law and (v) in the case of any assignment resulting from a Lender becoming a Non-Consenting Lender, the applicable assignee shall have consented to the applicable amendment, waiver or consent.

(e) A Lender shall not be required to make any such assignment and delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

(f) Each party hereto agrees that (i) an assignment required pursuant to this Section 2.19 may be effected pursuant to an Assignment and Assumption executed by the Borrower, the Administrative Agent and the assignee, and (ii) the Lender required to make such assignment need not be a party thereto in order for such assignment to be effective and shall be deemed to have consented to and be bound by the terms thereof; provided that, following the effectiveness of any such assignment, the other parties to such assignment agree to execute and deliver such documents necessary to evidence such assignment as reasonably requested by the applicable Lender; provided that any such documents shall be without recourse to or warranty by the parties thereto.

SECTION 2.20. Defaulting Lenders.

Notwithstanding any provision of this Agreement to the contrary, if any Lender becomes a Defaulting Lender, then the following provisions shall apply for so long as such Lender is a Defaulting Lender:

(a) fees shall cease to accrue on the Commitment of such Defaulting Lender pursuant to Section 2.12(a);

(b) the Commitment and Revolving Credit Exposure of such Defaulting Lender shall not be included in determining whether the Required Lenders have taken or may take any action hereunder (including any consent to any amendment, waiver or other modification pursuant to Section 11.02); provided, that this clause (b) shall not apply to the vote of a Defaulting Lender in the case of an amendment, waiver or other modification requiring the consent of such Lender or each Lender affected thereby;

(c) if any LC Exposure exists at the time such Lender becomes a Defaulting Lender then:

(i) so long as no Default shall be continuing, all or any part of the LC Exposure of such Defaulting Lender shall be reallocated among the non-Defaulting Lenders in accordance with their respective Applicable Percentages but only to the extent the sum of all non-Defaulting Lenders' Revolving Credit Exposures plus such Defaulting Lender's LC Exposure does not exceed the total of all non-Defaulting Lenders' Commitments and to the extent the sum of each non-Defaulting Lender's Revolving Credit Exposure and LC Exposure does not exceed such non-Defaulting Lender's Commitment;

(ii) if the reallocation described in clause (i) above cannot, or can only partially, be effected, the Borrower shall within one (1) Business Day following notice by the Administrative Agent cash collateralize for the benefit of the applicable LC Bank only the Borrower's obligations corresponding to such Defaulting Lender's LC Exposure (after giving effect to any partial reallocation pursuant to clause (i) above) in accordance with the procedures set forth in the last paragraph of Section 8.01 for so long as such LC Exposure is outstanding;

(iii) if the Borrower cash collateralizes any portion of such Defaulting Lender's LC Exposure pursuant to clause (ii) above, the Borrower shall not be required to pay any fees to such Defaulting Lender pursuant to Section 2.12(b) or the applicable LC Bank pursuant to Section 2.12(b)(x) (solely with respect to any fronting fee), in each case with respect to such Defaulting Lender's LC Exposure during the period such Defaulting Lender's LC Exposure is cash collateralized;

(iv) if the LC Exposure of the non-Defaulting Lenders is reallocated pursuant to clause (i) above, then the fees payable to the Lenders pursuant to Section 2.12(b) shall be adjusted in accordance with such non-Defaulting Lenders' Applicable Percentages;

(v) if all or any portion of such Defaulting Lender's LC Exposure is neither reallocated nor cash collateralized pursuant to clause (i) or (ii) above, then, without prejudice to any rights or remedies of any LC Bank or any other Lender hereunder, all Facility Fees that otherwise would have been payable to such Defaulting Lender (solely with respect to the portion of such Defaulting Lender's Commitment that was utilized by such LC Exposure) and letter of credit fees payable under Section 2.12(b) with respect to such Defaulting Lender's LC Exposure shall be payable to the applicable LC Bank until and to the extent that such LC Exposure is reallocated and/or cash collateralized; and

(d) so long as such Lender is a Defaulting Lender, no LC Bank shall be required to issue, amend or increase any Letter of Credit, unless it is reasonably satisfied that (i) the related exposure and the Defaulting Lender's then outstanding LC Exposure will be 100% covered by the Commitments of the non-Defaulting Lenders and/or cash collateral will be provided by the Borrower in accordance with Section 2.20(c), and (ii) participating interests in any such newly issued or increased Letter of Credit shall be allocated among non-Defaulting Lenders in a manner consistent with Section 2.20(c)(i) (and such Defaulting Lender shall not participate therein).

If (i) a Bankruptcy Event or a Bail-In Action with respect to a Parent of any Lender shall occur following the date hereof and for so long as such event shall continue or (ii) any LC Bank has a good faith belief that any Lender has defaulted in fulfilling its obligations under one or more other agreements in which such Lender commits to extend credit, no LC Bank shall be required to issue, amend or increase any Letter of Credit, unless the applicable LC Bank shall have entered into arrangements with the Borrower or such Lender, satisfactory to the applicable LC Bank to defease any risk to it in respect of such Lender hereunder.

In the event that the Administrative Agent, the Borrower and the LC Banks each agrees that a Defaulting Lender has adequately remedied all matters that caused such Lender to be a Defaulting Lender, then the LC Exposure of the Lenders shall be readjusted to reflect the inclusion of such Lender's Commitment and on such date such Lender shall purchase at par such of the Loans of the other Lenders as the Administrative Agent shall determine may be necessary in order for such Lender to hold such Loans in accordance with its Applicable Percentage.

SECTION 2.21. Extension of Termination Date.

(a) The Borrower may at any time and from time to time not less than ten (10) Business Days prior to any anniversary of the Effective Date (other than the Termination Date), by notice to the Administrative Agent (who shall promptly notify the Lenders), request that each Lender extend (each such date on which an extension occurs, an "**Extension Date**") such Lender's then effective Termination Date (the "**Existing Termination Date**") to the date that is one year after such Lender's Existing Termination Date; provided, that if any requested Extension Date is not a Business Day, such Extension Date shall be the immediately succeeding Business Day.

(b) Each Lender, acting in its sole and individual discretion, shall, by notice to the Administrative Agent given not later than the date that is ten (10) Business Days after the date on which the Administrative Agent received the Borrower's extension request (and in any event, prior to the proposed Extension Date) (the "**Lender Notice Date**"), advise the Administrative Agent whether or not such Lender agrees to such extension (each Lender that determines to so extend its Termination Date, an "**Extending Lender**"). Each Lender that determines not to so extend its Termination Date (a "**Non-Extending Lender**") shall notify the Administrative Agent of such fact promptly after such determination (but in any event no later than the Lender Notice Date), and any Lender that does not so advise the Administrative Agent on or before the Lender Notice Date shall be deemed to be a Non-Extending Lender. The election of any Lender to agree to such extension shall not obligate any other Lender to so agree, and it is understood and agreed that no Lender shall have any obligation whatsoever to agree to any request made by the Borrower for extension of the Termination Date.

(c) The Administrative Agent shall promptly notify the Borrower of each Lender's determination under this Section.

(d) The Borrower shall have the right, but shall not be obligated, on or before the applicable Termination Date for any Non-Extending Lender to replace such Non-Extending Lender with, and add as "Lenders" under this Agreement in place thereof, one or more financial institutions that are not Ineligible Institutions (each, an "**Additional Commitment Lender**") approved by the Administrative Agent and the LC Banks, which approval shall not be unreasonably withheld or delayed, each of which Additional Commitment Lenders shall have entered into an Assignment and Assumption (in accordance with and subject to the restrictions contained in Section 11.04, with the Borrower obligated to pay any applicable processing or recordation fee; provided, that the Administrative Agent may, in its sole discretion, elect to waive the \$3,500 processing and recordation fee in connection therewith) with such Non-Extending Lender, pursuant to which such Additional Commitment Lenders shall, effective on or before the applicable Termination Date for such Non-Extending Lender, assume a Commitment (and, if any such Additional Commitment Lender is already a Lender, its Commitment shall be in addition to such Lender's Commitment hereunder on such date). Prior to any Non-Extending Lender being replaced by one or more Additional Commitment Lenders pursuant hereto, such

Non-Extending Lender may elect, in its sole discretion, by giving irrevocable notice thereof to the Administrative Agent and the Borrower (which notice shall set forth such Lender's new Termination Date), to become an Extending Lender. The Administrative Agent may effect such amendments to this Agreement as are reasonably necessary to provide solely for any such extensions with the consent of the Borrower but without the consent of any other Lenders.

(e) If (and only if) the total of the Commitments of the Lenders that have agreed to extend their Termination Date and the new or increased Commitments of any Additional Commitment Lenders is more than 50% of the aggregate amount of the Commitments in effect immediately prior to the applicable Extension Date, then, effective as of the applicable Extension Date, the Termination Date of each Extending Lender and of each Additional Commitment Lender shall be extended to the date that is one year after the then Existing Termination Date (except that, if such date is not a Business Day, such Termination Date as so extended shall be the immediately preceding Business Day) and each Additional Commitment Lender shall thereupon become a "Lender" for all purposes of this Agreement and shall be bound by the provisions of this Agreement as a Lender hereunder and shall have the obligations of a Lender hereunder. For purposes of clarity, it is acknowledged and agreed that the Termination Date on any date of determination shall not be a date more than five (5) years after such date of determination, whether such determination is made before or after giving effect to any extension request made hereunder.

(f) Notwithstanding the foregoing, (x) no more than two (2) extensions of the Termination Date shall be permitted hereunder and (y) any extension of any Revolving Termination Date pursuant to this Section 2.21 shall not be effective with respect to any Extending Lender unless:

(i) no Default or Event of Default shall have occurred and be continuing on the applicable Extension Date and immediately after giving effect thereto;

(ii) the representations and warranties of the Borrower set forth in this Agreement are true and correct on and as of the applicable Extension Date and after giving effect thereto, as though made on and as of such date (or to the extent that such representations and warranties specifically refer to an earlier date, as of such earlier date); and

(iii) the Administrative Agent shall have received a certificate dated as of the applicable Extension Date from the Borrower signed by an Authorized Officer of the Borrower (A) certifying the accuracy of the foregoing clauses (i) and (ii) and (B) certifying and attaching the resolutions adopted by the Borrower approving or consenting to such extension.

(g) On the Termination Date of each Non-Extending Lender, (i) the Commitment of each Non-Extending Lender shall automatically terminate and (ii) the Borrower shall repay such Non-Extending Lender in accordance with Section 2.09 (and shall pay to such Non-Extending Lender all of the other Obligations owing to it under this Agreement) and after giving effect thereto shall prepay any Revolving Loans outstanding on such date (and pay any additional amounts required pursuant to Section 2.15) to the extent necessary to keep outstanding Revolving Loans ratable with any revised Applicable Percentages of the respective Lenders effective as of such date, and the Administrative Agent shall administer any necessary reallocation of the Revolving Credit Exposures (without regard to any minimum borrowing, pro rata borrowing and/or pro rata payment requirements contained elsewhere in this Agreement).

(h) This Section shall supersede any provisions in Section 2.18 or Section 11.02 to the contrary.

SECTION 2.22. Expansion Option. The Borrower may from time to time elect to increase the Commitments, in each case in an initial minimum amount of \$50,000,000 and increments of \$1,000,000 in excess thereof, so long as, after giving effect thereto, the aggregate amount of such increases does not exceed \$500,000,000. The Borrower may arrange for any such increase to be provided by one or more Lenders (each Lender so agreeing to an increase in its Commitment, an “**Increasing Lender**”), or by one or more new banks, financial institutions or other entities (each such new bank, financial institution or other entity, an “**Augmenting Lender**”; provided that no Ineligible Institution may be an Augmenting Lender), which agree to increase their existing Commitments or provide new Commitments, as the case may be; provided that (i) each Increasing Lender and each Augmenting Lender shall be subject to the approval of the Borrower, the Administrative Agent and each LC Bank and (ii) (x) in the case of an Increasing Lender, the Borrower and such Increasing Lender execute an agreement substantially in the form of Exhibit J hereto, and (y) in the case of an Augmenting Lender, the Borrower and such Augmenting Lender execute an agreement substantially in the form of Exhibit K hereto. No consent of any Lender (other than the Lenders participating in the increase) shall be required for any increase in Commitments pursuant to this Section 2.22. Increases and new Commitments created pursuant to this Section 2.22 shall become effective on the date agreed by the Borrower, the Administrative Agent and the relevant Increasing Lenders or Augmenting Lenders, and the Administrative Agent shall notify each Lender thereof. Notwithstanding the foregoing, no increase in the Commitments (or in the Commitment of any Lender) shall become effective under this paragraph unless, (i) on the proposed date of the effectiveness of such increase, (A) the conditions set forth in Section 3.02 shall be satisfied or waived by the Required Lenders, each Increasing Lender and each Augmenting Lender and the Administrative Agent shall have received a certificate to that effect dated such date and executed by an Authorized Officer of the Borrower and (B) the Borrower shall be in compliance (on a pro forma basis) with the covenant contained in Article VII and (ii) the Administrative Agent shall have received documents and opinions consistent with those delivered on the Effective Date as to the organizational power and authority of the Borrower to borrow hereunder after giving effect to such increase. On the effective date of any increase in the Commitments, (i) each relevant Increasing Lender and Augmenting Lender shall make available to the Administrative Agent such amounts in immediately available funds as the Administrative Agent shall determine, for the benefit of the other Lenders, as being required in order to cause, after giving effect to such increase and the use of such amounts to make payments to such other Lenders, each Lender’s portion of the outstanding Revolving Loans of all the Lenders to equal its Applicable Percentage of such outstanding Revolving Loans, and (ii) the Borrower shall be deemed to have repaid and reborrowed all outstanding Revolving Loans as of the date of any increase in the Commitments (with such reborrowing to consist of the Types of Revolving Loans, with related Interest Periods if applicable, specified in a notice delivered by the Borrower, in accordance with the requirements of Section 2.02). The deemed payments made pursuant to clause (ii) of the

immediately preceding sentence shall be accompanied by payment of all accrued interest on the amount prepaid and, in respect of each Term SOFR Loan, shall be subject to indemnification by the Borrower pursuant to the provisions of Section 2.16 if the deemed payment occurs other than on the last day of the related Interest Periods. Nothing contained in this Section 2.22 shall constitute, or otherwise be deemed to be, a commitment on the part of any Lender to increase its Commitment hereunder at any time. In connection with any increase of the Commitments pursuant to this Section 2.22, any Augmenting Lender becoming a party hereto shall (1) execute such documents and agreements as the Administrative Agent may reasonably request and (2) in the case of any Augmenting Lender that is organized under the laws of a jurisdiction outside of the United States of America, provide to the Administrative Agent and each LC Bank, its name, address, tax identification number and/or such other information as shall be necessary for the Administrative Agent and each LC Bank to comply with “know your customer” and anti-money laundering rules and regulations, including without limitation, the Patriot Act.

SECTION 2.23. Benchmark Replacement Setting.

(a) Benchmark Replacement. Notwithstanding anything to the contrary herein or in any other Credit Document, upon the occurrence of a Benchmark Transition Event, then (A) if a Benchmark Replacement is determined in accordance with clause (a) of the definition of “Benchmark Replacement” for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Credit Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Credit Document and (B) if a Benchmark Replacement is determined in accordance with clause (b) of the definition of “Benchmark Replacement” for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Credit Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the Administrative Agent has posted such proposed amendment to all affected Lenders and the Borrower so long as the Administrative Agent has not received, by such time, written notice of objection to such amendment from Lenders comprising the Required Lenders. To the extent the Benchmark Replacement pursuant to this Section 2.23 is Daily Simple SOFR, all interest payments for any Loans bearing interest based on such Benchmark Replacement will be payable on the last Business Day of each March, June, September and December.

(b) Benchmark Replacement Conforming Changes. In connection with the use, administration, adoption or implementation of Term SOFR, or any Benchmark Replacement, the Administrative Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Credit Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Credit Document.

(c) Notices; Standards for Decisions and Determinations. The Administrative Agent will promptly notify the Borrower and the Lenders of (i) the implementation of any Benchmark Replacement and (ii) the effectiveness of any Conforming Changes in connection with the use, administration, adoption or implementation of a Benchmark Replacement. The Administrative Agent will promptly notify the Borrower of the removal or reinstatement of any tenor of a Benchmark pursuant to Section 2.23(d). Any determination, decision or election that

may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.23, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Credit Document, except, in each case, as expressly required pursuant to this Section 2.23.

(d) Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein or in any other Credit Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including Term SOFR) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (B) the administrator of such Benchmark or the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is not or will not be representative or in compliance with or aligned with the International Organization of Securities Commissions (IOSCO) Principles for Financial Benchmarks, then the Administrative Agent may modify the definition of “Interest Period” (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable, non-representative, non-compliant or non-aligned tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is not or will not be representative or in compliance with or aligned with the International Organization of Securities Commissions (IOSCO) Principles for Financial Benchmarks for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of “Interest Period” (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(e) Benchmark Unavailability Period. Upon the Borrower’s receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any pending request for a Term SOFR Borrowing of, conversion to or continuation of Term SOFR Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request into a request for a Borrowing of or conversion to ABR Loans. During any Benchmark Unavailability Period or at any time that any tenor for the then-current Benchmark is not an Available Tenor, the component of Alternate Base Rate based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of Alternate Base Rate.

ARTICLE III
CONDITIONS

SECTION 3.01. Conditions Precedent to the Effectiveness of this Agreement. This Agreement shall not become effective until the date on which each of the following conditions is satisfied (or waived in accordance with Section 11.02).

(a) The Administrative Agent (or its counsel) shall have received from each party thereto either (i) a counterpart of this Agreement signed on behalf of such party or (ii) written evidence satisfactory to the Administrative Agent (which may include facsimile or electronic transmission of a signed signature page of this Agreement) that such party has signed a counterpart of this Agreement.

(b) The Lenders, the Administrative Agent, the Arrangers and each other Person entitled to the payment of fees or the reimbursement or payment of expenses, pursuant hereto or to those certain fee letters dated November 14, 2025, executed and delivered with respect to the credit facility provided for herein, shall have received all fees required to be paid by the Effective Date (including, without limitation, all fees owing on the Effective Date under Section 2.12(c) hereof), and all expenses for which invoices have been presented on or before the Effective Date.

(c) The Administrative Agent shall have received certified copies of the resolutions of the Board of Directors of the Borrower approving this Agreement, and of all documents evidencing other necessary corporate action and governmental and regulatory approvals with respect to this Agreement.

(d) The Administrative Agent shall have received from the Borrower, to the extent generally available in the relevant jurisdiction, a copy of a certificate or certificates of the Secretary of State (or other appropriate public official) of the jurisdiction of its incorporation, dated reasonably near the Effective Date, (i) listing the charter of the Borrower and each amendment thereto on file in such office and certifying that such amendments are the only amendments to the Borrower's charter on file in such office, and (ii) stating that the Borrower is duly incorporated and in good standing under the laws of the jurisdiction of its place of incorporation.

(e) (i) The Administrative Agent shall have received a certificate or certificates of the Borrower, signed on behalf of the Borrower by a Secretary, an Assistant Secretary or a Responsible Officer thereof, dated the Effective Date, certifying as to (A) the absence of any amendments to the charter of the Borrower since the date of the certificates referred to in paragraph (d) above, (B) a true and correct copy of the bylaws of the Borrower as in effect on the Effective Date, (C) the absence of any proceeding for the dissolution or liquidation of the Borrower, (D) the truth, in all material respects (provided, that, in each case, such materiality qualifier shall not be applicable to any representations and warranties that are already qualified or modified by "materiality," "Material Adverse Effect" or similar language in the text thereof), of the representations and warranties contained in the Credit Documents to which the Borrower is a party, as the case may be, as though made on and as of the Effective Date, and (E) the absence, as of the Effective Date, of any Default or Event of Default; and (ii) each of such certifications shall be true.

(f) The Administrative Agent shall have received a certificate of the Secretary or an Assistant Secretary of the Borrower certifying the names and true signatures of the officers of the Borrower authorized to sign, and signing, this Agreement and the other Credit Documents to be delivered hereunder on or before the Effective Date.

(g) The Administrative Agent shall have received from McGuireWoods LLP, counsel for the Borrower, a favorable opinion, substantially in the form of Exhibit B hereto and as to such other matters as any Lender through the Administrative Agent may reasonably request.

(h) The Administrative Agent and the Lenders shall have received, at least ten Business Days prior to the Effective Date (or such later date approved by the Administrative Agent) all documentation and other information that is required by the regulatory authorities under the applicable “know your customer” and anti-money-laundering rules and regulations, including, without limitation, the Act.

(i) To the extent the Borrower qualifies as a “legal entity customer” under the Beneficial Ownership Regulation, the Borrower shall have delivered, at least five days prior to the Effective Date, a Beneficial Ownership Certification in relation to the Borrower, to each Lender who requests the same in writing at least ten days prior to the Effective Date.

SECTION 3.02. Conditions Precedent to Each Extension of Credit. The obligation of each Lender to make any Extension of Credit and of each LC Bank to issue, extend (other than an extension pursuant to an automatic extension provision set forth in the applicable Letter of Credit) or amend any Letter of Credit (including the initial Extension of Credit but excluding any conversion or continuation of any Loan), and any increase in Commitments pursuant to Section 2.22 shall be subject to the satisfaction (or waiver in accordance with Section 11.02) of each of the following conditions:

(a) The representations and warranties of the Borrower set forth in this Agreement (other than the representation and warranty set forth in Section 4.01(g)) shall be true and correct in all material respects on and as of the date of each Extension of Credit, the date of any such increase in Commitments pursuant to Section 2.22 and each Extension Date, except to the extent that such representations and warranties are specifically limited to a prior date, in which case such representations and warranties shall be true and correct in all material respects on and as of such prior date provided, that, in each case, such materiality qualifier shall not be applicable to any representations and warranties that are already qualified or modified by “materiality,” “Material Adverse Effect” or similar language in the text thereof.

(b) After giving effect to (A) such Extension of Credit, together with all other Extensions of Credit to be made contemporaneously therewith, and (B) the repayment of any Loans or Unreimbursed LC Disbursements that are to be contemporaneously repaid at the time such Loan is made, such Extension of Credit will not result in the sum of the then Total Outstanding Principal exceeding the Aggregate Commitments.

(c) Such Extension of Credit will comply with all other applicable requirements of Article II, including, without limitation Sections 2.01, 2.02 and 2.04, as applicable.

(d) At the time of and immediately after giving effect to such Extension of Credit, no Default or Event of Default shall have occurred and be continuing or would result from such Extension of Credit or from the application of the proceeds thereof.

(e) At the time of and immediately after giving effect to any increase in Commitments pursuant to Section 2.22 no Default or Event of Default shall have occurred and be continuing or would result therefrom.

(f) In the case of a Revolving Loan, the Administrative Agent shall have timely received a Borrowing Request; and, in the case of a Letter of Credit issuance, extension (other than an extension pursuant to an automatic extension provision set forth in the applicable Letter of Credit) or amendment, a Request for Issuance.

Each Extension of Credit and the acceptance by the Borrower of the benefits thereof shall be deemed to constitute a representation and warranty by the Borrower on the date thereof as to the matters specified in paragraphs (a), (b), (c) and (d) of this Section.

ARTICLE IV REPRESENTATIONS AND WARRANTIES

SECTION 4.01. Representations and Warranties of the Borrower. The Borrower represents and warrants as follows:

(a) The Borrower is a corporation duly organized, validly existing, in good standing, and authorized to transact business under the laws of the State of its incorporation.

(b) The execution, delivery and performance by the Borrower of the Credit Documents to which it is a party (i) are within the Borrower's corporate powers, (ii) have been duly authorized by all necessary corporate action, (iii) do not contravene (A) the Borrower's charter or by-laws, as the case may be, or (B) in any material respect, any law, rule or regulation, or any material Contractual Obligation or legal restriction, binding on or affecting the Borrower or any Material Subsidiary, as the case may be, and (iv) do not require the creation of any Lien on the property of the Borrower or any Material Subsidiary under any Contractual Obligation binding on or affecting the Borrower or any Material Subsidiary.

(c) No authorization or approval or other action by, and no notice to or filing with, any Governmental Authority or other Person is required for the due execution, delivery and performance by the Borrower of this Agreement or any other Credit Document to which any of them is a party, except for such as (i) have been obtained or made and that are in full force and effect or (ii) are not presently required under applicable law and have not yet been applied for.

(d) Each Credit Document to which the Borrower is a party is a legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

(e) The Referenced Annual Financial Statements, copies of which have been made available or furnished to each Lender, fairly present in all material respects the financial condition of the Borrower and its Subsidiaries as at the date thereof and the results of the operations of the Borrower and its Subsidiaries for the period ended on such date, all in accordance with GAAP consistently applied.

(f) The Referenced Quarterly Financial Statements, copies of which have been made available or furnished to each Lender, fairly present in all material respects (subject to year end audit adjustments) the financial condition of the Borrower and its Subsidiaries as at the date thereof and the results of the operations of the Borrower and its Subsidiaries for the period ended on such date, all in accordance with GAAP consistently applied.

(g) Since December 31, 2024, there has been no material adverse change in such condition or operations, or in the business, assets, operations or condition (financial or otherwise) of the Borrower.

(h) There is no pending or threatened action, proceeding or investigation affecting the Borrower before any court, governmental agency or other Governmental Authority or arbitrator that (taking into account the exhaustion of appeals) would have a Material Adverse Effect, or that purports to affect the legality, validity or enforceability of this Agreement or any promissory notes executed pursuant hereto.

(i) The Borrower and its Subsidiaries, taken as a whole, do not hold or carry Margin Stock having an aggregate value in excess of 25% of the value of their consolidated assets, and no part of the proceeds of any Loan or Letter of Credit hereunder will be used to buy or carry any Margin Stock.

(j) No ERISA Event has occurred, or is reasonably expected to occur, with respect to any Plan that could reasonably be expected to have a Material Adverse Effect.

(k) Schedule SB (Actuarial Information) to the 2024 Annual report (Form 5500 Series) for each Plan, copies of which have been filed with the Internal Revenue Service and made available or furnished to each Lender, is complete and accurate and fairly presents the funding status of such Plan, and since the date of such Schedule SB there has been no adverse change in such funding status which may reasonably be expected to have a Material Adverse Effect.

(l) Neither the Borrower nor any ERISA Affiliate has incurred or is reasonably expected to incur any Withdrawal Liability to any Multiemployer Plan which may reasonably be expected to have a Material Adverse Effect.

(m) Neither the Borrower nor any ERISA Affiliate has been notified by the sponsor of a Multiemployer Plan that such Multiemployer Plan has been terminated, within the meaning of Title IV of ERISA, and no Multiemployer Plan is reasonably expected to be terminated, within the meaning of Title IV of ERISA, in either such case, that could reasonably be expected to have a Material Adverse Effect.

(n) The Borrower is not an “investment company”, or a company “controlled” by an “investment company”, within the meaning of the Investment Company Act of 1940, as amended.

(o) The Borrower has filed all federal, state and other material income tax returns required to be filed by it and has paid or caused to be paid all taxes due for the periods covered thereby, including interest and penalties, except for any such taxes, interest or penalties which are being contested in good faith and by proper proceedings and in respect of which the Borrower has set aside adequate reserves for the payment thereof in accordance with GAAP or any such taxes, interest or penalties that could not reasonably be expected to result in a Material Adverse Effect.

(p) The Borrower and its Subsidiaries are and have been in compliance with all laws (including, without limitation, all Environmental Laws), except to the extent that any failure to be in compliance, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

(q) No Subsidiary of the Borrower is party to, or otherwise bound by, any agreement that prohibits such Subsidiary from making any payments, directly or indirectly, to the Borrower, by way of dividends, advances, repayment of loans or advances, reimbursements of management or other intercompany charges, expenses and accruals or other returns on investment, or any other agreement that restricts the ability of such Subsidiary to make any payment, directly or indirectly, to the Borrower, other than prohibitions and restrictions permitted to exist under Section 6.01(e).

(r) The information, exhibits and reports furnished by the Borrower or any of its Subsidiaries to the Administrative Agent or to any Lender in connection with the negotiation of, or compliance with, the Credit Documents, taken as a whole, do not contain any material misstatement of fact and do not omit to state a material fact or any fact necessary to make the statements contained therein not materially misleading in light of the circumstances made.

(s) The Borrower and its Subsidiaries have implemented and maintain in effect policies and procedures reasonably designed to ensure compliance by the Borrower and its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions, and the Borrower and its Subsidiaries and their respective officers and employees and, to the knowledge of the Borrower and its Subsidiaries, its respective directors and agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of (a) the Borrower or its Subsidiaries or, to the knowledge of the Borrower or its Subsidiaries, any of their respective directors, officers or employees, or (b) to the knowledge of the Borrower, any agent of the Borrower or any of its Subsidiaries which agent will act in any capacity in connection with or benefit from the credit facility established hereby, is a Sanctioned Person. No Borrowing, use of proceeds hereunder or other Transactions will violate Anti-Corruption Laws or applicable Sanctions.

(t) The Borrower is not an Affected Financial Institution.

(u) The information included in each Beneficial Ownership Certification is true and correct in all respects.

(v) None of the Borrower or any of its Subsidiaries is an entity deemed to hold “plan assets” (within the meaning of the Plan Asset Regulations), and neither the execution, delivery nor performance of the transactions hereunder, including the making of any Loan and the issuance of any Letter of Credit hereunder, will give rise to a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code.

(w) Neither the Borrower nor any of its Subsidiaries is a “covered foreign person” as that term is used in the Outbound Investment Rules. Neither the Borrower nor any of its Subsidiaries currently engages, or has any present intention to engage in the future, directly or indirectly, in (i) a “covered activity” or a “covered transaction”, as each such term is defined in the Outbound Investment Rules, (ii) any activity or transaction that would constitute a “covered activity” or a “covered transaction”, as each such term is defined in the Outbound Investment Rules, if the Borrower were a U.S. Person or (iii) any other activity that would cause the Administrative Agent or any Lender to be in violation of the Outbound Investment Rules or cause the Administrative Agent or any Lender to be legally prohibited by the Outbound Investment Rules from performing under this Agreement.

ARTICLE V

AFFIRMATIVE COVENANTS

SECTION 5.01. Affirmative Covenants. So long as any Lender shall have any Commitment hereunder or any principal of any Loan, Unreimbursed LC Disbursement, interest or fees payable hereunder shall remain unpaid or any Letter of Credit shall remain outstanding, the Borrower will, unless the Required Lenders shall otherwise consent in writing:

(a) **Compliance with Laws, Etc.** (i) Comply, and cause each of its Subsidiaries to comply, in all material respects with all applicable laws, rules, regulations and orders (including, without limitation, any of the foregoing relating to employee health and safety or public utilities and all Environmental Laws), unless the failure to so comply could not reasonably be expected to have a Material Adverse Effect and (ii) maintain in effect and enforce policies and procedures reasonably designed to ensure compliance by the Borrower and its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions.

(b) **Maintenance of Properties, Etc.** Maintain and preserve, and cause each Material Subsidiary to maintain and preserve, all of its material properties which are used in the conduct of its business in good working order and condition, ordinary wear and tear excepted, if the failure to do so could reasonably be expected to have a Material Adverse Effect.

(c) **Payment of Taxes, Etc.** Pay and discharge, and cause each of its Subsidiaries to pay and discharge, before the same shall become delinquent, (i) except to the extent the failure to do so could not be reasonably be expected to result in a Material Adverse Effect, all taxes, assessments and governmental charges or levies imposed upon it or upon its property, and (ii) all legal claims which, if unpaid, might by law become a lien upon its property; *provided, however*, that neither the Borrower nor any of its Subsidiaries shall be required to pay or discharge any such tax, assessment, charge or claim which is being contested in good faith and by proper proceedings and as to which appropriate reserves are being maintained.

(d) **Maintenance of Insurance.** Maintain, and cause each of its Subsidiaries to maintain, insurance with responsible and reputable insurance companies or associations in such amounts and covering such risks as is usually obtained by companies engaged in similar businesses of comparable size and financial strength and owning similar properties in the same general areas in which the Borrower or such Subsidiary operates, or, to the extent the Borrower or Subsidiary deems it reasonably prudent to do so, through its own program of self-insurance.

(e) **Preservation of Corporate Existence, Etc.** Preserve and maintain, and cause each Material Subsidiary to preserve and maintain, its corporate existence, rights (charter and statutory) and franchises, except as otherwise permitted under this Agreement; *provided that* no such Person shall be required to preserve any right or franchise with respect to which the Board of Directors of such Person has determined that the preservation thereof is no longer desirable in the conduct of the business of such Person and that the loss thereof is not disadvantageous in any material respect to the Borrower or the Lenders.

(f) **Visitation Rights.** At any reasonable time and from time to time, permit the Administrative Agent or any of the Lenders or any agents or representatives thereof, on not less than five Business Days' notice (which notice shall be required only so long as no Default shall be occurred and be continuing), to examine and make copies of and abstracts from the records and books of account of, and visit the properties of, the Borrower or any of its Subsidiaries, and to discuss the affairs, finances and accounts of the Borrower and its Subsidiaries with any of their respective officers and with their independent certified public accountants; subject, however, in all cases to the imposition of such conditions as the Borrower or Subsidiary shall deem necessary based on reasonable considerations of safety and security and provided that so long as no Default or Event of Default shall have occurred and be continuing, each Lender will be limited to one visit each year.

(g) **Keeping of Books.** (i) Keep, and cause each of its Subsidiaries to keep, proper books of record and account, in which full and correct entries shall be made of all material financial transactions and the assets and business of the Borrower and its Subsidiaries, and (ii) maintain, and cause each of its Subsidiaries to maintain, a system of accounting established and administered in accordance with generally accepted accounting principles consistently applied.

(h) **Reporting Requirements.** Deliver to the Administrative Agent for distribution to the Lenders:

(i) as soon as available and in any event within 60 days after the end of each of the first three quarters of each fiscal year of the Borrower (or, if earlier, concurrently with the filing thereof with the Securities and Exchange Commission or any national securities exchange in accordance with applicable law or regulation), commencing with the fiscal quarter ending March 31, 2026, balance sheets and cash flow statements of the Borrower and its Consolidated Subsidiaries in comparative form as of the end of such quarter and statements of income, statements of common shareholders' equity of the Borrower and its Consolidated Subsidiaries for the period commencing at the end of the previous fiscal year of the Borrower and ending with the end of such quarter, each prepared in accordance with generally accepted accounting principles consistently applied, subject to normal year-end audit adjustments, certified by the chief financial officer of the Borrower.

(ii) as soon as available and in any event within 90 days after the end of each fiscal year of the Borrower (or, if earlier, concurrently with the filing thereof with the Securities and Exchange Commission or any national securities exchange in accordance with applicable law or regulation), commencing with the fiscal year ended December 31, 2025, a copy of the audit report for such year for the Borrower and its Consolidated Subsidiaries containing balance sheets and cash flow statements of the Borrower and its Consolidated Subsidiaries and statements of income, statements of common shareholders' equity of the Borrower and its Consolidated Subsidiaries for such year prepared in accordance with generally accepted accounting principles consistently applied as reported on by independent certified public accountants of recognized national standing acceptable to the Required Lenders, which audit was conducted by such accounting firm in accordance with generally accepted auditing standards;

(iii) concurrently with the delivery of financial statements pursuant to clauses (i) and (ii) above or the notice relating thereto contemplated by the final sentence of this Section 5.01(h), a certificate of a senior financial officer of the Borrower (A) to the effect that no Default or Event of Default has occurred and is continuing (or, if any Default or Event of Default has occurred and is continuing, describing the same in reasonable detail and describing the action that the Borrower has taken and proposes to take with respect thereto), and (B) setting forth calculations, in reasonable detail, establishing Borrower's compliance (the first test period for the delivery of such certificate to be for the period ended December 31, 2025), as at the end of such fiscal quarter, with the financial covenant contained in Article VII;

(iv) as soon as possible and in any event within five days after the occurrence of each Default or Event of Default continuing on the date of such statement, a statement of the chief financial officer of the Borrower setting forth details of such Event of Default or event and the action which the Borrower has taken and proposes to take with respect thereto;

(v) promptly after the sending or filing thereof, copies of all reports which the Borrower sends to its stockholders, and copies of all reports and registration statements (other than registration statements filed on Form S-8) that the Borrower or any Subsidiary of the Borrower files with the Securities and Exchange Commission;

(vi) promptly and in any event within 10 days after the Borrower knows or has reason to know that any material ERISA Event has occurred, a statement of the chief financial officer of the Borrower describing such ERISA Event and the action, if any, which the Borrower or any affected ERISA Affiliate proposes to take with respect thereto;

(vii) promptly and in any event within two Business Days after receipt thereof by the Borrower (or knowledge being obtained by the Borrower of the receipt thereof by any ERISA Affiliate), copies of each notice from the PBGC stating its intention to terminate any Plan or to have a trustee appointed to administer any Plan;

(viii) promptly and in any event within five Business Days after receipt thereof by the Borrower (or knowledge being obtained by the Borrower of the receipt thereof by any ERISA Affiliate) from the sponsor of a Multiemployer Plan, a copy of each notice received by the Borrower or any ERISA Affiliate concerning (A) the imposition on the Borrower or any ERISA Affiliate of material Withdrawal Liability by a Multiemployer Plan, (B) the termination, within the meaning of Title IV of ERISA, of any Multiemployer Plan or (C) the amount of liability incurred, or which may be incurred, by the Borrower or any ERISA Affiliate in connection with any event described in clause (A) or (B) above;

(ix) promptly after the Borrower has knowledge of the commencement thereof, notice of any actions, suits and proceedings before any court or governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, affecting the Borrower or any Material Subsidiary of the type described in Section 4.01(h);

(x) promptly after the Borrower knows of any change in the rating of the Index Debt by S&P or Moody's, a notice of such changed rating;

(xi) any change in the information provided in the Beneficial Ownership Certification that would result in a change to the list of beneficial owners identified in such certification; and

(xii) (1) such other information respecting the condition or operations, financial or otherwise, of the Borrower or any of its Subsidiaries as any Lender through the Administrative Agent may from time to time reasonably request and (2) information and documentation reasonably requested by the Administrative Agent or any Lender for purposes of compliance with applicable "know your customer" requirements under the Act or other applicable anti-money laundering laws.

Notwithstanding the foregoing, the Borrower's obligations to deliver the documents or information required under any of clauses (i), (ii) and (v) above shall be deemed to be satisfied upon (x) the relevant documents or information being publicly available on the Borrower's website or other publicly available electronic medium (such as EDGAR) within the time period required by such clause, and (y) the delivery by the Borrower of notice to the Administrative Agent for distribution to the Lenders, within the time period required by such clause, that such documents or information are so available.

(i) **Use of Proceeds.** Use the proceeds of the Loans and the Letters of Credit hereunder for working capital and other general corporate purposes, and not request any Extensions of Credit, nor use, and shall procure that its Subsidiaries and its or their respective directors, officers, employees and agents shall not use, the proceeds of any Extension of Credit directly or indirectly (i) for the purpose of funding, financing or facilitating any acquisition for which the Board of Directors of the Person to be acquired (or whose assets are to be acquired) shall have indicated publicly its opposition to the consummation of such acquisition (which opposition has not been publicly withdrawn), (ii) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (iii) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country or (iv) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

(j) **Ratings.** At all times maintain ratings by both Moody's and S&P with respect to the Index Debt.

ARTICLE VI NEGATIVE COVENANTS

SECTION 6.01. Negative Covenants. So long as any Lender shall have any Commitment hereunder or any principal of any Loan, Unreimbursed LC Disbursement, interest or fees payable hereunder shall remain unpaid or any Letter of Credit shall remain outstanding, the Borrower will not, without the written consent of the Required Lenders:

(a) **Limitation on Liens.** Create or suffer to exist, or permit any of its Subsidiaries (other than a Utility Subsidiary) to create or suffer to exist, any lien, security interest, or other charge or encumbrance (collectively, "**Liens**") upon or with respect to any of its properties, whether now owned or hereafter acquired, or collaterally assign for security purposes, or permit any of its Subsidiaries (other than a Utility Subsidiary) to so assign any right to receive income in each case to secure or provide for or guarantee the payment of Debt for Borrowed Money of any Person, without in any such case effectively securing, prior to or concurrently with the creation, issuance, assumption or guaranty of any such Debt for Borrowed Money, the Obligations (together with, if the Borrower shall so determine, any other Debt for Borrowed Money of or guaranteed by the Borrower or any of its Subsidiaries ranking equally with the Loans and Unreimbursed LC Disbursements and then existing or thereafter created) equally and ratably with (or prior to) such Debt for Borrowed Money; *provided, however*, that the foregoing restrictions shall not apply to or prevent the creation or existence of:

(i) (A) Liens on any property acquired, constructed or improved by the Borrower or any of its Subsidiaries (other than a Utility Subsidiary) after the date of this Agreement that are created or assumed prior to, contemporaneously with, or within 180 days after, such acquisition or completion of such construction or improvement, to secure or provide for the payment of all or any part of the purchase price of such property or the cost of such construction or improvement; or (B) in addition to Liens contemplated by clauses (ii) and (iii) below, Liens on any property existing at the time of acquisition thereof, provided that the Liens shall not apply to any property theretofore owned by the Borrower or any such Subsidiary other than, in the case of any such construction or improvement, (1) unimproved real property on which the property so constructed or the improvement is located, (2) other property (or improvements thereon) that is an improvement to or is acquired or constructed for specific use with such acquired or constructed property (or improvement thereof), and (3) any rights and interests (A) under any agreements or other documents relating to, or (B) appurtenant to, the property being so constructed or improved or such other property;

(ii) existing Liens on any property or indebtedness of a corporation that is merged with or into or consolidated with the Borrower or any of its Subsidiaries; *provided* that such Lien was not created in contemplation of such merger or consolidation;

(iii) Liens on any property or indebtedness of a corporation existing at the time such corporation becomes a Subsidiary of the Borrower; *provided* that such Lien was not created in contemplation of such occurrence;

(iv) Liens to secure Debt for Borrowed Money of a Subsidiary of the Borrower to the Borrower or to another Subsidiary of the Borrower;

(v) Liens in favor of the United States of America, any State, any foreign country or any department, agency or instrumentality or political subdivision of any such jurisdiction, to secure partial, progress, advance or other payments pursuant to any contract or statute or to secure any Debt for Borrowed Money incurred for the purpose of financing all or any part of the purchase price of the cost of constructing or improving the property subject to such Liens, including, without limitation, Liens to secure Debt for Borrowed Money of the pollution control or industrial revenue bond type;

(vi) Liens on any property (including any natural gas, oil or other mineral property) to secure all or part of the cost of exploration, drilling or development thereof or to secure Debt for Borrowed Money incurred to provide funds for any such purpose;

(vii) Liens existing on the date of this Agreement;

(viii) Liens for the sole purposes of extending, renewing or replacing in whole or in part Debt for Borrowed Money secured by any Lien referred to in the foregoing clauses (i) through (vii), inclusive, or this clause (viii); *provided, however*, that the principal amount of Debt for Borrowed Money secured thereby shall not exceed the principal amount of Debt for Borrowed Money so secured at the time of such extension, renewal or replacement (which, for purposes of this limitation as it applies to a synthetic lease, shall be deemed to be (x) the lessor's original cost of the property subject to such lease at the time of extension, renewal or replacement, *less* (y) the aggregate amount of all prior payments under such lease allocated pursuant to the terms of such lease to reduce the principal amount of the lessor's investment, and borrowings by the lessor, made to fund the original cost of the property), and that such extension, renewal or replacement shall be limited to all or a part of the property or indebtedness which secured the Lien so extended, renewed or replaced (plus improvements on such property);

(ix) Liens on any property or assets of a Project Financing Subsidiary, or on any Capital Stock in a Project Financing Subsidiary, in either such case, that secure only a Project Financing or a Contingent Guaranty that supports a Project Financing; or

(x) Any Lien, other than a Lien described in any of the foregoing clauses (i) through (ix), inclusive, to the extent that it secures Debt for Borrowed Money, or guaranties thereof, the outstanding principal balance of which at the time of creation of such Lien, when added to the aggregate principal balance of all Debt for Borrowed Money secured by Liens incurred under this clause (x) then outstanding, does not exceed \$500,000,000.

If at any time the Borrower or any of its Subsidiaries shall create, issue, assume or guaranty any Debt for Borrowed Money secured by any Lien and the first paragraph of this Section 6.01(a) requires that the Loans be secured equally and ratably with such Debt for Borrowed Money, the Borrower shall promptly deliver to the Administrative Agent and each Lender:

(1) a certificate of a duly authorized officer of the Borrower stating that the covenant contained in the first paragraph of this Section 6.01(a) has been complied with; and

(2) an opinion of counsel acceptable to the Required Lenders to the effect that such covenant has been complied with and that all documents executed by the Borrower or any of its Subsidiaries in the performance of such covenant comply with the requirements of such covenant.

(b) **Mergers, Etc.** Merge or consolidate with or into, or consummate a Division as the Dividing Person, or reorganize in a jurisdiction outside the United States, or, except in a transaction permitted under paragraph (c) of this Section, convey, transfer, lease or otherwise Dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to any Person, or permit any of its Subsidiaries to do so, except that:

(i) any Subsidiary of the Borrower may merge or consolidate with or transfer assets to or acquire assets from any other Subsidiary of the Borrower, provided that in the case of any such merger, consolidation, or transfer of assets to which NIPSCO is a party, the Borrower shall own at least 70% of the Capital Stock of the continuing or surviving Person; and

(ii) any Subsidiary of the Borrower may merge into the Borrower or transfer assets to the Borrower;

(iii) the Borrower or any Subsidiary of the Borrower may merge, or consolidate with or transfer all or substantially all of its assets to any other Person; provided that in each case under this clause (iii), immediately after giving effect thereto, (A) no Event of Default shall have occurred and be continuing (determined, for purposes of compliance with Article VII after giving effect to such transaction, on a pro forma basis as if such transaction had occurred on the last day of the Borrower's fiscal quarter then most recently ended); (B) in the case of any such merger, consolidation or transfer of assets to which the Borrower is a party, the Borrower shall be the continuing or surviving corporation; (C) in the case of any such merger, consolidation, or transfer of assets to which NIPSCO is a party, NIPSCO shall be the continuing or surviving corporation and the Borrower shall own at least 70% of the Capital Stock of NIPSCO after giving effect thereto; and (D) the Index Debt shall be rated at least BBB- by S&P and at least Baa3 by Moody's.

(c) **Sales, Etc. of Assets.** Sell, lease, transfer or otherwise Dispose of, or permit any of its Subsidiaries to sell, lease, transfer or otherwise Dispose of (other than in connection with a transaction authorized by paragraph (b) of this Section) any substantial part of its assets; *provided* that the foregoing shall not prohibit (i) the realization on a Lien permitted to exist under Section 6.01(a); or (ii) any such sale, conveyance, lease, transfer or other Disposition that (A) (1) is for a price not materially less than the fair market value of such assets, (2) would not materially impair the ability of the Borrower to perform its obligations under this Agreement and (3) together with all other such sales, conveyances, leases, transfers and other Dispositions, would have no Material Adverse Effect, or (B) would not result in the sale, lease, transfer or other Disposition, in the aggregate, of more than 15% of the consolidated total assets of the Borrower and its Subsidiaries, determined in accordance with GAAP, as of the last day of the Borrower's fiscal year then most recently ended for which financial statement shall have been delivered (or required to be delivered) pursuant to Section 5.01(h)(ii).

(d) **Compliance with ERISA.** (i) Terminate, or permit any ERISA Affiliate to terminate, any Plan so as to result in a Material Adverse Effect or (ii) permit to exist any occurrence of any Reportable Event (as defined in Title IV of ERISA), or any other event or condition, that presents a material (in the reasonable opinion of the Required Lenders) risk of such a termination by the PBGC of any Plan, if such termination could reasonably be expected to have a Material Adverse Effect.

(e) **Certain Restrictions.** Permit any of its Subsidiaries to enter into or permit to exist any agreement that by its terms prohibits such Subsidiary from making any payments, directly or indirectly, to the Borrower by way of dividends, advances, repayment of loans or advances, reimbursements of management or other intercompany charges, expenses and accruals or other returns on investment, or any other agreement that restricts the ability of such Subsidiary to make any payment, directly or indirectly, to the Borrower; *provided* that the foregoing shall not apply to prohibitions and restrictions (i) imposed by applicable law, (ii) (A) imposed under an agreement in existence on the date of this Agreement, and (B) described on Schedule 6.01(e), (iii) existing with respect to a Subsidiary on the date it becomes a Subsidiary that are not created in contemplation thereof (but shall apply to any extension or renewal of, or any amendment or modification expanding the scope of, any such prohibition or restriction), (iv) contained in agreements relating to the sale of a Subsidiary pending such sale, *provided* that such prohibitions or restrictions apply only to the Subsidiary that is to be sold and such sale is permitted hereunder, (v) imposed on a Project Financing Subsidiary in connection with a Project Financing, or (vi) that could not reasonably be expected to have a Material Adverse Effect.

(f) **Outbound Investment Rules.** Permit, and will not permit any of its Subsidiaries to, (a) be or become a "covered foreign person", as that term is defined in the Outbound Investment Rules, or (b) engage, directly or indirectly, in (i) a "covered activity" or a "covered transaction", as each such term is defined in the Outbound Investment Rules, (ii) any activity or transaction that would constitute a "covered activity" or a "covered transaction", as each such term is defined in the Outbound Investment Rules, if the Borrower were a U.S. Person or (iii) any other activity that would cause the Administrative Agent or any Lender to be in violation of the Outbound Investment Rules or cause the Administrative Agent or any Lender to be legally prohibited by the Outbound Investment Rules from performing under this Agreement.

**ARTICLE VII
FINANCIAL COVENANT**

So long as any Lender shall have any Commitment hereunder or any principal of any Loan, Unreimbursed LC Disbursement, interest or fees payable hereunder shall remain unpaid or any Letter of Credit shall remain outstanding, the Borrower shall maintain a Debt to Capitalization Ratio of not more than 0.70 to 1.00.

**ARTICLE VIII
EVENTS OF DEFAULT**

SECTION 8.01. Events of Default. If any of the following events ("*Events of Default*") shall occur and be continuing:

- (a) The Borrower shall fail to pay any principal of any Loan or Unreimbursed LC Disbursement when the same becomes due and payable or shall fail to pay any interest, fees or other amounts hereunder within three Business Days after when the same becomes due and payable; or
- (b) Any representation or warranty made by the Borrower in any Credit Document or by the Borrower (or any of its officers) in connection with this Agreement shall prove to have been incorrect in any material respect (or any such representation or warranty that was otherwise qualified by materiality shall prove to have been false or misleading in any respect) when made; or
- (c) The Borrower shall fail to perform or observe any term, covenant or agreement contained in Section 5.01(e), 5.01(f), 5.01(h)(other than clause (y) of the last paragraph thereof), 5.01(i), 6.01 or Article VII; or
- (d) The Borrower shall fail to perform or observe any term, covenant or agreement contained in any Credit Document on its part to be performed or observed (other than one identified in paragraph (a), (b) or (c) above) if the failure to perform or observe such other term, covenant or agreement shall remain unremedied for thirty days after written notice thereof shall have been given to the Borrower by the Administrative Agent or any Lender; or
- (e) The Borrower or any of its Subsidiaries shall fail to pay any principal of or premium or interest on any Indebtedness (excluding Non-Recourse Debt) which is outstanding in a principal amount of at least \$100,000,000 in the aggregate (but excluding the Loans) of the Borrower or such Subsidiary, as the case may be, when the same becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Indebtedness; or any other event shall occur or condition shall exist under any agreement or instrument relating to any such Indebtedness and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such event or condition is to accelerate, or to permit the acceleration of, the scheduled maturity of such Indebtedness; or any such Indebtedness shall be declared to be due and payable, or required to be prepaid (other than by a regularly scheduled required prepayment), prior to the stated maturity thereof; or

(f) The Borrower shall generally not pay its debts as such debts become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors; or any proceeding shall be instituted by or against the Borrower seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its property and, in the case of any such proceeding instituted against the Borrower (but not instituted by the Borrower), either such proceeding shall remain undismissed or unstayed for a period of 60 days, or any of the actions sought in such proceeding (including, without limitation, the entry of an order for relief against, or the appointment of a receiver, trustee, custodian or other similar official for, the Borrower or for any substantial part of its property) shall occur; or the Borrower shall take any corporate action to authorize any of the actions set forth above in this paragraph (f); or

(g) One or more Subsidiaries of the Borrower in which the aggregate sum of (i) the amounts invested by the Borrower and its other Subsidiaries in the aggregate, by way of purchases of Capital Stock, Capital Leases, loans or otherwise, and (ii) the amount of recourse, whether contractual or as a matter of law (but excluding Non-Recourse Debt), available to creditors of such Subsidiary or Subsidiaries against the Borrower or any of its other Subsidiaries, is \$125,000,000 or more (collectively, “**Substantial Subsidiaries**”) shall generally not pay their respective debts as such debts become due, or shall admit in writing their respective inability to pay their debts generally, or shall make a general assignment for the benefit of creditors; or any proceeding shall be instituted by or against Substantial Subsidiaries seeking to adjudicate them bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of them or their respective debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for them or for any substantial part of their respective property and, in the case of any such proceeding instituted against Substantial Subsidiaries (but not instituted by the Borrower or any Subsidiary of the Borrower), either such proceeding shall remain undismissed or unstayed for a period of 60 days, or any of the actions sought in such proceeding (including, without limitation, the entry of an order for relief against, or the appointment of a receiver, trustee, custodian or other similar official for, the Substantial Subsidiaries or for any substantial part of their respective property) shall occur; or Substantial Subsidiaries shall take any corporate action to authorize any of the actions set forth above in this paragraph (g); or

(h) Any judgment or order for the payment of money in excess of \$100,000,000 shall be rendered against the Borrower or any of its Subsidiaries and either (i) enforcement proceedings shall have been commenced by any creditor upon such judgment or order or (ii) there shall be any period of 30 consecutive days during which a stay of enforcement of such judgment or order, by reason of a pending appeal or otherwise, shall not be in effect; or

(i) Any ERISA Event shall have occurred with respect to a Plan and, 30 days after notice thereof shall have been given to the Borrower by the Administrative Agent, (i) such ERISA Event shall still exist and (ii) the sum (determined as of the date of occurrence of such ERISA Event) of the Insufficiency of such Plan and the Insufficiency of any and all other Plans with respect to which an ERISA Event shall have occurred and then exist (or, in the case of a Plan

with respect to which an ERISA Event described in clauses (c) through (e) of the definition of ERISA Event shall have occurred and then exist, the liability related thereto) is equal to or greater than \$15,000,000 (when aggregated with paragraphs (j), (k) and (l) of this Section 8.01), and a Material Adverse Effect could reasonably be expected to occur as a result thereof; or

(j) The Borrower or any ERISA Affiliate shall have been notified by the sponsor of a Multiemployer Plan that it has incurred Withdrawal Liability to such Multiemployer Plan in an amount which, when aggregated with all other amounts required to be paid to Multiemployer Plans by the Borrower and its ERISA Affiliates as Withdrawal Liability (determined as of the date of such notification), exceeds \$15,000,000 or requires payments exceeding \$15,000,000 per annum (in either case, when aggregated with paragraphs (i), (k) and (l) of this Section 8.01), and a Material Adverse Effect could reasonably be expected to occur as a result thereof; or

(k) The Borrower or any ERISA Affiliate shall have been notified by the sponsor of a Multiemployer Plan that such Multiemployer Plan is being terminated, within the meaning of Title IV of ERISA, if as a result of such termination the aggregate annual contributions of the Borrower and its ERISA Affiliates to all Multiemployer Plans which are being terminated have been or will be increased over the amounts contributed to such Multiemployer Plans for the respective plan year of each such Multiemployer Plan immediately preceding the plan year in which the termination occurs by an amount exceeding \$15,000,000 (when aggregated with paragraphs (i), (j) and (l) of this Section 8.01), and a Material Adverse Effect could reasonably be expected to occur as a result thereof; or

(l) The Borrower or any ERISA Affiliate shall have committed a failure described in Section 303(k)(1) of ERISA and the amount determined under Section 303(k)(3) of ERISA is equal to or greater than \$15,000,000 (when aggregated with paragraphs (i), (j) and (k) of this Section 8.01), and a Material Adverse Effect could reasonably be expected to occur as a result thereof; or

(m) Any provision of the Credit Documents shall be held by a court of competent jurisdiction to be invalid or unenforceable against the Borrower, or the Borrower shall so assert in writing; or

(n) Any Change of Control shall occur;

then, and in any such event, the Administrative Agent (i) shall at the request, or may with the consent, of the Required Lenders, by notice to the Borrower, declare the Commitment of each Lender and the obligation of each LC Bank to issue or maintain Letters of Credit hereunder to be terminated, whereupon the same shall forthwith terminate, and (ii) shall at the request or with the consent of the Required Lenders, by notice to the Borrower, declare all amounts payable under this Agreement to be forthwith due and payable, whereupon all such amounts shall become and be forthwith due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Borrower; *provided* that in the event of an actual or deemed entry of an order for relief with respect to the Borrower under the Federal Bankruptcy Code, (1) the Commitment of each Lender and the obligation of each LC Bank to issue or maintain Letters of Credit hereunder shall automatically be terminated and (2) all such amounts shall automatically become and be due and payable, without presentment, demand, protest or any notice of any kind, all of which are hereby expressly waived by the Borrower.

Notwithstanding anything to the contrary contained herein, no notice given or declaration made by the Administrative Agent pursuant to this Section 8.01 shall affect (i) the obligation of any LC Bank to make any payment under any outstanding Letter of Credit issued by such LC Bank in accordance with the terms of such Letter of Credit or (ii) the obligations of each Lender in respect of each such Letter of Credit; *provided, however*, that upon the occurrence and during the continuance of any Event of Default, the Administrative Agent shall at the request, or may with the consent, of the Required Lenders, upon notice to the Borrower, require the Borrower to deposit with the Administrative Agent an amount in the cash account (the “*Cash Account*”) described below equal to the then current LC Outstandings. Such Cash Account shall at all times be free and clear of all rights or claims of third parties. The Cash Account shall be maintained with the Administrative Agent in the name of, and under the sole dominion and control of, the Administrative Agent, and amounts deposited in the Cash Account shall bear interest at a rate equal to the rate generally offered by Barclays for deposits equal to the amount deposited by the Borrower in the Cash Account pursuant to this Section 8.01, for a term to be agreed to between the Borrower and the Administrative Agent. If any drawings under any Letter of Credit then outstanding or thereafter made are not reimbursed in full immediately upon demand or, in the case of subsequent drawings, upon being made, then, in any such event, the Administrative Agent may apply the amounts then on deposit in the Cash Account, in such priority as the Administrative Agent shall elect, toward the payment in full of any or all of the Borrower’s obligations hereunder as and when such obligations shall become due and payable. Upon payment in full, after the termination of the Letters of Credit, of all such obligations, the Administrative Agent will repay to the Borrower any cash then on deposit in the Cash Account.

ARTICLE IX THE ADMINISTRATIVE AGENT

SECTION 9.01. The Administrative Agent.

(a) Each of the Lenders and each LC Bank hereby irrevocably appoints the Administrative Agent as its agent and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof, together with such actions and powers as are reasonably incidental thereto. The motivations of the Administrative Agent are commercial in nature and not to invest in the general performance or operations of the Borrower.

(b) The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent, and such bank and its Affiliates may accept deposits from, lend money to and generally engage in any kind of business with the Borrower or any of the Borrower’s Subsidiaries or other Affiliates thereof as if it were not the Administrative Agent hereunder.

(c) The Administrative Agent shall not have any duties or obligations except those expressly set forth herein. Without limiting the generality of the foregoing, (i) the Administrative Agent shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing, (ii) the Administrative Agent shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby that the Administrative Agent is required to exercise in writing by the Required Lenders, and (iii) except as expressly set forth herein, the Administrative Agent shall not have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its other Subsidiaries that is communicated to or obtained by the bank serving as Administrative Agent or any of its Affiliates in any capacity. The Administrative Agent shall not be liable for any action taken or not taken by it with the consent or at the request of the Required Lenders (or, if applicable, all of the Lenders) or in the absence of its own gross negligence or willful misconduct. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until written notice thereof is given to the Administrative Agent by the Borrower or a Lender, and the Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (1) any statement, warranty or representation made in or in connection with this Agreement, (2) the contents of any certificate, report or other document delivered hereunder or in connection herewith, (3) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein, (4) the validity, enforceability, effectiveness or genuineness of this Agreement or any other agreement, instrument or document, or (5) the satisfaction of any condition set forth in Article III or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent and the conformity thereof to such express requirement.

(d) The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing believed by it to be genuine and to have been signed or sent by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to be made by the proper Person, and shall not incur any liability for relying thereon. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower) independent accountants and other experts selected by it and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

(e) The Administrative Agent may perform any and all its duties and exercise its rights and powers by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all its duties and exercise its rights and powers through their respective Related Parties. The exculpatory provisions of the preceding paragraphs shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent.

(f) Subject to the appointment and acceptance of a successor Administrative Agent as provided in this paragraph, the Administrative Agent may resign at any time by notifying the Lenders and the Borrower. Upon any such resignation, the Required Lenders shall have the right, with the consent of the Borrower (which consent shall not unreasonably be withheld), to appoint a successor, *provided* that no such consent of the Borrower shall be required if an Event of Default has occurred and is continuing. If no successor shall have been so appointed by the

Required Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may, on behalf of the Lenders, appoint a successor Administrative Agent which shall be a bank with an office in New York, New York, or an Affiliate of any such bank, in any event having total assets in excess of \$500,000,000 and who shall serve until such time, if any, as an Agent shall have been appointed as provided above. Upon the acceptance of its appointment as Administrative Agent hereunder by a successor, such successor shall succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall be discharged from its duties and obligations hereunder. The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the Administrative Agent's resignation hereunder, the provisions of this Article and Section 11.03 shall continue in effect for its benefit in respect of any actions taken or omitted to be taken by it while it was acting as Administrative Agent.

(g) Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any related agreement or any document furnished hereunder or thereunder.

(h) No Lender identified on the signature pages of this Agreement as a "Lead Arranger", "Co-Documentation Agent" or "Co-Syndication Agent", or that is given any other title hereunder other than "LC Bank" or "Administrative Agent", shall have any right, power, obligation, liability, responsibility or duty under this Agreement other than as expressly set forth herein or those applicable to all Lenders as such. Without limiting the generality of the foregoing, no Lender so identified as a "Lead Arranger", "Co-Documentation Agent" or "Co-Syndication Agent" or that is given any other title hereunder, shall have, or be deemed to have, any fiduciary relationship with any Lender. Each Lender acknowledges that it has not relied, and will not rely, on the Lenders so identified in deciding to enter into this Agreement or in taking or not taking action hereunder.

(i) Notwithstanding anything to the contrary herein or in any other Credit Document, the authority to enforce rights and remedies hereunder and in the other Credit Documents against the Borrower shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Administrative Agent in accordance with Section 8.01 for the benefit of all the Lenders and LC Banks; *provided, however*, that the foregoing shall not prohibit (i) the Administrative Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Administrative Agent) hereunder and under the other Credit Documents, (ii) the LC Banks from exercising the rights and remedies that inure to its benefit (solely in its capacity as LC Bank) hereunder and under the other Credit Documents, (iii) any Lender from exercising setoff rights in accordance with Section 11.08 (subject to the terms of Section 2.18(c)) or (iv) any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of

a Bankruptcy Event relative to the Borrower; and *provided, further*, that if at any time there is no Person acting as Administrative Agent hereunder and under the other Credit Documents, then (A) the Required Lenders shall have the rights otherwise ascribed to the Administrative Agent pursuant to Section 8.01 and (B) in addition to the matters set forth in clauses (ii), (iii) and (iv) of the preceding proviso and subject to Section 2.18(c), any Lender may, with the consent of the Required Lenders, enforce any rights and remedies available to it and as authorized by the Required Lenders.

(j) Each Lender and each LC Bank acknowledges and agrees that the Extensions of credit made hereunder are commercial loans and letters of credit and not for the purpose of investing in the general performance or operations of the Borrower, or for the purpose of purchasing, acquiring or holding any other type of financial instrument such as security (and each Lender and each LC Bank agrees not to assert a claim in contravention of the foregoing, such as a claim under the federal or state securities law). Each Lender further represents that it is engaged in making, acquiring or holding commercial loans in the ordinary course of its business and has, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement as a Lender, and to make, acquire or hold Loans hereunder. Each Lender shall, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information (which may contain material, non-public information within the meaning of the United States securities laws concerning the Borrower and its Affiliates) as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any related agreement or any document furnished hereunder or thereunder and in deciding whether or to the extent to which it will continue as a Lender or assign or otherwise transfer its rights, interests and obligations hereunder.

(k) The Lenders acknowledge that there may be a constant flow of information (including information which may be subject to confidentiality obligations in favor of the Borrower) between the Borrower and its Affiliates, on the one hand, and Barclays and its Affiliates, on the other hand. Without limiting the foregoing, the Borrower or its Affiliates may provide information, including updates to previously provided information to Barclays and/or its Affiliates acting in different capacities, including as Lender, lead bank, arranger or potential securities investor, independent of such entity's role as administrative agent hereunder. The Lenders acknowledge that neither Barclays nor its Affiliates shall be under any obligation to provide any of the foregoing information to them. Notwithstanding anything to the contrary set forth herein or in any other Credit Document, except for notices, reports and other documents expressly required to be furnished to the Lenders by the Administrative Agent herein, the Administrative Agent shall not have any duty or responsibility to provide, and shall not be liable for the failure to provide, any Lender with any credit or other information concerning the Loans, the Lenders, the business, prospects, operations, property, financial and other condition or creditworthiness of the Borrower or any of its Affiliates that is communicated to, obtained by, or in the possession of, the Administrative Agent or any of its Affiliates in any capacity, including any information obtained by the Administrative Agent in the course of communications among the Administrative Agent and the Borrower, any Affiliate thereof or any other Person. Notwithstanding the foregoing, any such information may (but shall not be required to) be shared by the Administrative Agent with one or more Lenders, or any formal or informal committee or ad hoc group of such Lenders, including at the direction of the Borrower.

SECTION 9.02. Erroneous Payments.

(a) Each Lender and each LC Bank (and each Participant of any of the foregoing, by its acceptance of a participation) hereby acknowledges and agrees that if the Administrative Agent notifies such Lender or LC Bank that the Administrative Agent has determined in its sole discretion that any funds (or any portion thereof) received by such Lender or LC Bank (any of the foregoing, a “**Payment Recipient**”) from the Administrative Agent (or any of its Affiliates) were erroneously transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Payment Recipient) (whether as a payment, prepayment or repayment of principal, interest, fees or otherwise; individually and collectively, a “**Payment**”) and demands in writing the return of such Payment, such Payment Recipient shall promptly, but in no event later than two (2) Business Days thereafter, return to the Administrative Agent the amount of any such Payment as to which such a demand was made. A notice of the Administrative Agent to any Payment Recipient under this Section shall be conclusive, absent manifest error.

(b) Without limitation of clause (a) above, each Payment Recipient further acknowledges and agrees that if such Payment Recipient receives a Payment from the Administrative Agent (or any of its Affiliates) (x) that is in an amount, or on a date different from the amount and/or date specified in a notice of payment sent by the Administrative Agent (or any of its Affiliates) with respect to such Payment (a “**Payment Notice**”), (y) that was not preceded or accompanied by a Payment Notice, or (z) that such Payment Recipient otherwise becomes aware was transmitted, or received, in error or by mistake (in whole or in part), in each case, it understands and agrees at the time of receipt of such Payment that an error has been made (and that it is deemed to have knowledge of such error) with respect to such Payment. Each Payment Recipient agrees that, in each such case, it shall promptly notify the Administrative Agent of such occurrence and, upon demand from the Administrative Agent, it shall promptly, but in no event later than one Business Day thereafter, return to the Administrative Agent the amount of any such Payment (or portion thereof) as to which such a demand was made.

(c) Any Payment required to be returned by a Payment Recipient under this Section shall be made in same day funds in the currency so received, together with interest thereon in respect of each day from and including the date such Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Administrative Agent at the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect. Each Payment Recipient hereby agrees that it shall not assert and, to the fullest extent permitted by applicable law, hereby waives, any right to retain such Payment, and any claim, counterclaim, defense or right of set-off or recoupment or similar right to any demand by the Administrative Agent for the return of any Payment received, including without limitation any defense based on “discharge for value” or any similar doctrine.

(d) The parties hereto agree that (x) in the event an erroneous Payment (or portion thereof) is not recovered from any Lender that has received such Payment (or portion thereof) for any reason, the Administrative Agent shall be subrogated to all the rights of such Lender with respect to such amount and (y) an erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by the Borrower provided that this Section 9.02 shall not be interpreted to increase (or accelerate the due date for), or have the effect of increasing (or accelerating the due date for), the Obligations of the Borrower relative to the amount (and/or timing for payment) of the Obligations that would have been payable had such erroneous Payment not been made by the Administrative Agent; provided, further, that for the avoidance of doubt, immediately preceding clauses (x) and (y) shall not apply to the extent any such erroneous Payment is, and solely with respect to the amount of such erroneous Payment that is, comprised of funds received by the Administrative Agent from the Borrower for the purpose of making a Payment.

(e) Each party's obligations, agreements and waivers under this Section 9.02 shall survive the resignation or replacement of the Administrative Agent, any transfer of rights or obligations by, or the replacement of, a Lender or LC Bank, the termination of the Commitments and/or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under any Credit Document.

ARTICLE X CERTAIN ERISA MATTERS

SECTION 10.01. Certain ERISA Matters.

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and not, for the avoidance of doubt, to or for the benefit of the Borrower, that at least one of the following is and will be true:

(i) such Lender is not using "plan assets" (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments or this Agreement,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement,

(iii) (A) such Lender is an investment fund managed by a “Qualified Professional Asset Manager” (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Letters of Credit, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless either (1) sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant in accordance with sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and not, for the avoidance of doubt, to or for the benefit of the Borrower, that the Administrative Agent is not a fiduciary with respect to the assets of such Lender involved in such Lender’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Credit Document or any documents related hereto or thereto).

ARTICLE XI MISCELLANEOUS

SECTION 11.01. Notices. All notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by email or telecopy, as follows:

(a) if to the Borrower, to it at:

290 West Nationwide Boulevard
Columbus, Ohio 43215
Attention: Vice President, Treasurer and Corporate Finance
Email: treasuryops@nisource.com

with a copy to the Borrower at:

290 West Nationwide Boulevard
Columbus, Ohio 43215
Attention: Assistant Treasurer
Email: treasuryops@nisource.com

801 East 86th Avenue
Merrillville, Indiana 46410
Attention: Vice President and Deputy General Counsel, Corporate and Assistant Corporate Secretary

(b) if to the Administrative Agent, to Barclays Bank PLC at:

Loan Operations
400 Jefferson Park
Whippany, New Jersey 07981
Attn: Mandy DelaRosa, Eric Zhuno – Agency Services
Email: 12145455230@tls.ldsprod.com

and

Email: Mandy.Delarosa@barclays.com; Eric.Zhuno@barclays.com
Telephone: Mandy DelaRosa at (201) 499-2069 or Eric Zhuno at (201) 499-8120

and for all compliance/financial and Lender queries:

745 Seventh Avenue, 8th Floor
New York, New York 10019
Attn: Robert Walsh
Telephone: (212) 526-6047
Email: Robert.xa.walsh@barclays.com
Email: ltmny@barclays.com

(c) if to Barclays as an Initial LC Bank, at:

745 Seventh Avenue, 8th Floor
New York, New York 10019
Attn: Letters of Credit / Nnamdi Otudoh
Telephone: (212) 526-8527
Email: xrbdmlcsupport@barclays.com
Email: Nnamdi.otudoh@barclays.com

(d) if to any Lender or any LC Bank (other than Barclays), to it at its address (or telecopy number or email) set forth in its Administrative Questionnaire.

Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next business day for the recipient). Notices delivered through Electronic Systems, to the extent provided in paragraph (f) below, shall be effective as provided in said paragraph (f).

(e) Notices and other communications to the Lenders hereunder may be delivered or furnished by using Electronic Systems pursuant to procedures approved by the Administrative Agent; provided that the foregoing shall not apply to notices pursuant to Article II unless otherwise agreed by the Administrative Agent and the applicable Lender. The Administrative Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications.

(f) Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (ii) notices or communications posted to an Internet or intranet website, including an Electronic System, shall be deemed received upon the deemed receipt by the intended recipient, at its e-mail address as described in the foregoing clause (i), of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (i) and (ii) above, if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient.

(g) Any party hereto may change its address, telecopy number or email for notices and other communications hereunder by notice to the other parties hereto. All notices and other communications given to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt.

(h) Electronic Systems.

(i) The Borrower and each Lender agrees that the Administrative Agent may, but shall not be obligated to, make Communications (as defined below) available to the Lenders by posting the Communications on Debt Domain, Intralinks, Syndtrak, ClearPar or a substantially similar Electronic System.

(ii) Any Electronic System used by the Administrative Agent is provided "as is" and "as available." The Agent Parties (as defined below) and the Borrower do not warrant the adequacy of such Electronic Systems and expressly disclaim liability for errors or omissions in the Communications. No warranty of any kind, express, implied or statutory, including, without limitation, any warranty of merchantability, fitness for a particular purpose, non-infringement of third-party rights or freedom from viruses or other code defects, is made by any Agent Party or the Borrower in connection with the Communications or any Electronic System. In no event shall the Administrative Agent or any of its Related Parties (collectively, the "Agent Parties") or the Creditor Parties have any liability to the Borrower, any Lender, Administrative Agent or any other Person or entity for damages of any kind, including, without limitation, direct or indirect, special, incidental or consequential damages, losses or expenses (whether in tort, contract or otherwise) arising out of the Borrower's or the Administrative Agent's transmission of Communications through an Electronic System, except to the extent that such damages, losses or expenses are determined by a court of competent jurisdiction by final and nonappealable

judgment to have resulted from the gross negligence or willful misconduct of such Agent Party. "Communications" means, collectively, any notice, demand, communication, information, document or other material provided by or on behalf of the Borrower pursuant to any Credit Document or the transactions contemplated therein which is distributed by the Administrative Agent or any Lender by means of electronic communications pursuant to this Section, including through an Electronic System.

SECTION 11.02. Waivers; Amendments.

(a) No failure or delay by the Administrative Agent, any LC Bank or any Lender in exercising any right or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Administrative Agent, the LC Banks and the Lenders hereunder are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Agreement or consent to any departure by the Borrower therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) of this Section, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, no Extension of Credit shall be construed as a waiver of any Default, regardless of whether the Administrative Agent, any LC Bank or any Lender may have had notice or knowledge of such Default at the time.

(b) Neither this Agreement nor any provision hereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by the Borrower and the Required Lenders or by the Borrower and the Administrative Agent with the consent of the Required Lenders; *provided* that no such agreement shall (i) increase the Commitment of any Lender without the written consent of such Lender, (ii) reduce the principal amount of any Loan or any Unreimbursed LC Disbursement or reduce the rate of interest thereon, or reduce any fees or other amounts payable hereunder, without the written consent of each Lender affected thereby, (iii) postpone the scheduled date of payment of the principal amount of any Loan, any Unreimbursed LC Disbursement or any interest thereon, or any fees or other amounts payable hereunder, or reduce the amount of, waive or excuse any such payment, or postpone the scheduled date of expiration of any Commitment, without the written consent of each Lender affected thereby, (iv) change Section 2.18(b) or (c) in a manner that would alter the *pro rata* sharing of payments required thereby, without the written consent of each Lender, (v) [reserved], (vi) waive any of the conditions precedent to the effectiveness of this Agreement set forth in Section 3.01 without the written consent of each Lender, (vii) issue any Letter of Credit with an expiry date, or extend the expiry date of any Letter of Credit to a date, that is later than five days prior to the Termination Date then in effect (or, if such day is not a Business Day, the next preceding Business Day) without the written consent of each Lender, (viii) change any of the provisions of this Section or the definition of "Required Lenders" or any other provision hereof specifying the number or percentage of Lenders required to waive, amend or modify any rights hereunder or make any determination or grant any consent hereunder, without the written consent of each Lender or (ix) subordinate, or have the effect of subordinating, the Obligations hereunder to any other Indebtedness, without the written consent of each Lender adversely affected thereby; *provided, further*, that no such agreement shall amend, modify or otherwise

affect the rights or duties of the Administrative Agent or any LC Bank hereunder without the prior written consent of the Administrative Agent or such LC Bank, as the case may be. Notwithstanding the foregoing, no consent with respect to any amendment, waiver or other modification of this Agreement shall be required of any Defaulting Lender, except with respect to any amendment, waiver or other modification referred to in clause (i), (ii) or (iii) of the first proviso of this paragraph and then only in the event such Defaulting Lender shall be directly affected by such amendment, waiver or other modification.

SECTION 11.03. Expenses; Indemnity; Damage Waiver.

(a) The Borrower shall pay (i) all reasonable out-of-pocket expenses incurred by the Administrative Agent and its Affiliates, including the reasonable fees, charges and disbursements of counsel for the Administrative Agent, in connection with the initial syndication of the credit facilities provided for herein, the preparation and administration of this Agreement or any amendments, modifications or waivers of the provisions hereof (whether or not the transactions contemplated hereby or thereby shall be consummated), (ii) all reasonable out-of-pocket expenses incurred by the LC Banks, including the reasonable fees, charges and disbursements of counsel for each LC Bank, in connection with the execution, delivery, administration, modification and amendment of any Letters of Credit to be issued by it hereunder, and (iii) all reasonable out-of-pocket expenses incurred by the Administrative Agent, any LC Bank or any Lender, including the reasonable fees, charges and disbursements of any counsel for the Administrative Agent, any LC Bank or any Lender, in connection with the enforcement or protection of its rights in connection with this Agreement, including its rights under this Section, or in connection with the Loans made and Letters of Credit issued hereunder, including in connection with any workout, restructuring or negotiations in respect thereof.

(b) The Borrower shall indemnify the Administrative Agent, each Co-Syndication Agent, each Co-Documentation Agent, each Arranger, each LC Bank and each Lender and each Related Party of any of the foregoing Persons (each such Person being called an “***Indemnatee***”) against, and hold each Indemnatee harmless from, any and all losses, claims, penalties, damages, liabilities and related reasonable expenses, including the reasonable fees, charges and disbursements of any counsel for any Indemnatee, incurred by or asserted against any Indemnatee arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement or any agreement or instrument contemplated hereby, the performance by the parties hereto of their respective obligations hereunder or the consummation of the Transactions or any other transaction contemplated hereby, (ii) any Loan or Letter of Credit or the use of the proceeds therefrom, (iii) any actual or alleged presence or release of Hazardous Materials on or from any property now, in the past or hereafter owned or operated by the Borrower or any of its Subsidiaries, or any Environmental Liability related in any way to the Borrower or any of its Subsidiaries, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Borrower or any of its Subsidiaries, and regardless of whether any Indemnatee is a party thereto; *provided* that such indemnity shall not, as to any Indemnatee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnatee. This Section 11.03(b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(c) To the extent that the Borrower fails to pay any amount required to be paid by it to the Administrative Agent or any LC Bank under paragraph (a) or (b) of this Section, each Lender severally agrees to pay to the Administrative Agent or such LC Bank such Lender's Applicable Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount; *provided* that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent or such LC Bank in its capacity as such.

(d) To the extent permitted by applicable law, (i) the Borrower shall not assert, and does hereby waive, any claim against any Co-Syndication Agent, any Co-Documentation Agent, any LC Bank and any Lender and each Related Party of any of the foregoing Persons for any damages arising from the use by others of information or other materials obtained through telecommunications, electronic or other information transmission systems (including the Internet), and (ii) without limiting the rights of indemnification of any Indemnitee set forth in this Agreement with respect to liabilities asserted by third parties, each party hereto shall not assert, and hereby waives, any claim against each other party, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement or any agreement or instrument contemplated hereby, the Transactions or any Loan or the use of the proceeds thereof.

(e) All amounts due under this Section shall be payable not later than 20 days after written demand therefor.

SECTION 11.04. Successors and Assigns.

(a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby; provided that, (i) except to the extent permitted pursuant to Section 6.01(b)(ii), the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender and each LC Bank (and any attempted assignment or transfer by the Borrower without such consent shall be null and void) and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) (i) Subject to the conditions set forth in paragraph (b)(ii) below, any Lender may assign to one or more Persons (other than an Ineligible Institution) all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it) with the prior written consent (such consent not to be unreasonably withheld or delayed) of:

(A) the Borrower (provided that the Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within ten (10) Business Days after having received notice thereof); provided, further, that no consent of the Borrower shall be required for an assignment to a Lender, an Affiliate of a Lender, an Approved Fund or, if an Event of Default has occurred and is continuing, any other assignee;

(B) the Administrative Agent; and

(C) each LC Bank.

(ii) Assignments shall be subject to the following additional conditions:

(A) except in the case of an assignment to a Lender or an Affiliate of a Lender or an Approved Fund or an assignment of the entire remaining amount of the assigning Lender's Commitment or Loans, the amount of the Commitment or Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent) shall not be less than \$5,000,000 unless each of the Borrower and the Administrative Agent otherwise consent, provided that no such consent of the Borrower shall be required if an Event of Default has occurred and is continuing;

(B) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement, provided that this clause shall not be construed to prohibit the assignment of a proportionate part of all the assigning Lender's rights and obligations in respect of such Lender's Loans;

(C) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee of \$3,500, such fee to be paid by either the assigning Lender or the assignee Lender or shared between such Lenders;

(D) the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire in which the assignee designates one or more credit contacts to whom all syndicate-level information (which may contain material non-public information about the Borrower and its affiliates and their Related Parties or their respective securities) will be made available and who may receive such information in accordance with the assignee's compliance procedures and applicable laws, including Federal and state securities laws;

(E) without the prior written consent of the Administrative Agent, no assignment shall be made to a prospective assignee that bears a relationship to the Borrower described in Section 108(e)(4) of the Code; and

(F) no assignment shall be made to any Affiliate of the Borrower.

For the purposes of this Section 11.04(b), the terms “Approved Fund” and “Ineligible Institution” have the following meanings:

“Approved Fund” means any Person (other than a natural person (or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural person)) that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course of its business and that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

“Ineligible Institution” means (a) a natural person (or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural person), (b) a Defaulting Lender, (c) the Borrower, any of its Subsidiaries or any of its Affiliates, or (d) a company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural person or relative(s) thereof.

Subject to acceptance and recording thereof pursuant to paragraph (d) of this Section, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender’s rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2.15, 2.16, 2.17 and 11.03). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this paragraph shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (e) of this Section.

(c) The Administrative Agent, acting for this purpose as a non-fiduciary agent of the Borrower, shall maintain at one of its offices in The City of New York a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitment of, and principal amount (and stated interest) of the Loans and other Obligations owing to, each Lender pursuant to the terms hereof from time to time (the “**Register**”). The entries in the Register shall be conclusive (absent manifest error), and the Borrower, the Administrative Agent, the LC Banks and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(d) Upon its receipt of a duly completed Assignment and Assumption executed by an assigning Lender and an assignee, the assignee’s completed Administrative Questionnaire (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in paragraph (b) of this Section and any written consent to such assignment required by paragraph (b) of this Section, the Administrative Agent shall accept such Assignment and Assumption and record the information contained therein in the Register. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

(e) Any Lender may, without the consent of or notice to the Borrower, any LC Bank or the Administrative Agent, sell participations to one or more banks or other entities (a “**Participant**”), other than an Ineligible Institution, in all or a portion of such Lender’s rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans owing to it); *provided* that (i) such Lender’s obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrower and the Administrative Agent shall continue to deal solely and directly with such Lender in connection with such Lender’s rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; *provided* that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in the first proviso to Section 11.02(b) that affects such Participant. Subject to paragraph (f) of this Section, the Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.15, 2.16 and 2.17 (subject to the requirements and limitations therein (it being understood that the documentation required under Section 2.17(e) and (f) shall be delivered to the participating Lender)) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section; provided that such Participant agrees to be subject to the provisions of Section 2.19 as though it were an assignee under paragraph (b) of this Section. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 11.08 as though it were a Lender; provided that such Participant agrees to be subject to Section 2.18 as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant’s interest in the obligations under this Agreement (the “**Participant Register**”); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register to any Person (including the identity of any Participant or any information relating to a Participant’s interest in the obligations under this Agreement) except to the extent that such disclosure is necessary to establish that such interest is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(f) A Participant shall not be entitled to receive any greater payment under Section 2.15 or 2.17 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation.

(g) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including, without limitation, to a Federal Reserve Bank or any central bank, and this Section shall not apply to any such pledge or assignment of a security interest; *provided* that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such assignee for such Lender as a party hereto.

SECTION 11.05. *Survival.* All covenants, agreements, representations and warranties made by the Borrower herein and in the certificates or other instruments delivered in connection with or pursuant to this Agreement shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of this Agreement and the making of any Loans and issuance of any Letters of Credit. The provisions of Sections 2.15, 2.16, 2.17, 10.01(c)(iii) and 11.03 and Article IX shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Loans, the expiration or termination of the Commitments or the termination of this Agreement or any provision hereof.

SECTION 11.06. *Counterparts; Integration; Effectiveness; Electronic Execution.* This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement, the commitment letter relating to the credit facility provided hereby (to the extent provided therein) and any separate letter agreements with respect to fees payable to the Administrative Agent constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 3.01, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or other electronic imaging shall be effective as delivery of an original executed counterpart of this Agreement. The words “execution,” “signed,” “signature,” “delivery,” and words of like import in or relating to any document to be signed in connection with this Agreement and the transactions contemplated hereby shall be deemed to include Electronic Signatures, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

SECTION 11.07. *Severability.* Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

SECTION 11.08. Right of Setoff. If an Event of Default shall have occurred and be continuing, each Lender and each LC Bank or any Affiliate thereof is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender, such LC Bank or such Affiliate to or for the credit or the account of the Borrower against any of and all the Obligations now or hereafter existing under this Agreement or any other Credit Document held by such Lender or such LC Bank, irrespective of whether or not such Lender or such LC Bank shall have made any demand under this Agreement or any other Credit Document and although such obligations of the Borrower may be contingent or unmatured or are owed to a branch, office or Affiliate of such Lender or such LC Bank different from the branch, office or Affiliate holding such deposit or obligated on such indebtedness; provided that in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.20 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent, the LC Banks, and the Lenders, and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of each Lender, each LC Bank and their respective Affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) that such Lender, such LC Bank or their respective Affiliates may have. Each Lender and LC Bank agrees to notify the Borrower and the Administrative Agent promptly after any such setoff and application; provided that the failure to give such notice shall not affect the validity of such setoff and application.

SECTION 11.09. Governing Law; Jurisdiction; Consent to Service of Process.

(a) This Agreement shall be construed in accordance with and governed by the law of the State of New York.

(b) The Borrower hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Supreme Court of the State of New York sitting in the Borough of Manhattan and of the United States District Court of the Southern District of New York sitting in the Borough of Manhattan, and any appellate court from any thereof, in any action or proceeding (whether in tort, contract, law or equity) arising out of or relating to this Agreement, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement shall affect any right that the Administrative Agent, any LC Bank or any Lender may otherwise have to bring any action or proceeding relating to this Agreement against the Borrower or its properties in the courts of any jurisdiction.

(c) The Borrower hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any court referred to in paragraph (b) of this Section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 11.01. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

SECTION 11.10. WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

SECTION 11.11. Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

SECTION 11.12. Confidentiality. Each of the Administrative Agent and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its and its Affiliates' directors, officers, employees and agents, including accountants, legal counsel and other advisors (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) to any other party to this Agreement, (e) in connection with the exercise of any remedies hereunder or any suit, action or proceeding relating to this Agreement or the enforcement of rights hereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement or (ii) actual or prospective counterparty (or its advisors) to any swap or derivative transaction or any credit insurance or reinsurance provider, in each case, relating to the Borrower and its obligations, (g) with the consent of the Borrower, (h) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section or (ii) becomes available to the Administrative Agent, any LC Bank or any Lender on a nonconfidential basis from a source other than the Borrower or any Subsidiary of the Borrower or (i) on a confidential basis to (i) any rating agency in connection with rating the Borrower or its Subsidiaries or the credit facilities provided hereunder or (ii) the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers or other

market identifiers with respect to the credit facilities provided hereunder. For the purposes of this Section, “**Information**” means all information received from the Borrower or any Subsidiary of the Borrower relating to the Borrower or any Subsidiary of the Borrower or its respective businesses, other than any such information that is available to the Administrative Agent, any LC Bank or any Lender on a nonconfidential basis prior to disclosure by the Borrower or any Subsidiary of the Borrower; *provided* that, in the case of information received from the Borrower or any Subsidiary of the Borrower after the Effective Date, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information. In addition, the Administrative Agent and the Lenders may disclose the existence of this Agreement and information about this Agreement to market data collectors, similar service providers to the lending industry and service providers to the Administrative Agent, the Co-Documentation Agents, the Co-Syndication Agents, the Arrangers and the Lenders in connection with the administration of this Agreement, the other Credit Documents, and the Commitments.

EACH LENDER ACKNOWLEDGES THAT INFORMATION AS DEFINED IN THE IMMEDIATELY PRECEDING PARAGRAPH FURNISHED TO IT PURSUANT TO THIS AGREEMENT MAY INCLUDE MATERIAL NON-PUBLIC INFORMATION CONCERNING THE BORROWER AND ITS RELATED PARTIES OR THEIR RESPECTIVE SECURITIES, AND CONFIRMS THAT IT HAS DEVELOPED COMPLIANCE PROCEDURES REGARDING THE USE OF MATERIAL NON-PUBLIC INFORMATION AND THAT IT WILL HANDLE SUCH MATERIAL NON-PUBLIC INFORMATION IN ACCORDANCE WITH THOSE PROCEDURES AND APPLICABLE LAW, INCLUDING FEDERAL AND STATE SECURITIES LAWS.

ALL INFORMATION, INCLUDING REQUESTS FOR WAIVERS AND AMENDMENTS, FURNISHED BY THE BORROWER OR THE ADMINISTRATIVE AGENT PURSUANT TO, OR IN THE COURSE OF ADMINISTERING, THIS AGREEMENT WILL BE SYNDICATE-LEVEL INFORMATION, WHICH MAY CONTAIN MATERIAL NON-PUBLIC INFORMATION ABOUT THE BORROWER AND ITS RELATED PARTIES OR THEIR RESPECTIVE SECURITIES. ACCORDINGLY, EACH LENDER REPRESENTS TO THE BORROWER AND THE ADMINISTRATIVE AGENT THAT IT HAS IDENTIFIED IN ITS ADMINISTRATIVE QUESTIONNAIRE A CREDIT CONTACT WHO MAY RECEIVE INFORMATION THAT MAY CONTAIN MATERIAL NON-PUBLIC INFORMATION IN ACCORDANCE WITH ITS COMPLIANCE PROCEDURES AND APPLICABLE LAW.

For the avoidance of doubt, nothing in this Section 11.12 shall prohibit any Person from voluntarily disclosing or providing any Information within the scope of this confidentiality provision to any governmental, regulatory or self-regulatory organization (any such entity, a “**Regulatory Authority**”) to the extent that any such prohibition on disclosure set forth in this Section 11.12 shall be prohibited by the laws or regulations applicable to such Regulatory Authority.

SECTION 11.13. USA PATRIOT Act. Each Lender hereby notifies the Borrower that pursuant to the requirements of the Act, it is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender to identify the Borrower in accordance with the Act and the Beneficial Ownership Regulation.

SECTION 11.14. Acknowledgments. The Borrower hereby acknowledges that:

(a) it has been advised by and consulted with its own legal, accounting, regulatory and tax advisors (to the extent it deemed appropriate) in the negotiation, execution and delivery of this Agreement and the other Credit Documents;

(b) neither any Arranger, any Agent nor any Lender has any fiduciary relationship with or duty to the Borrower arising out of or in connection with this Agreement or any of the other Credit Documents, and the relationship between any Arranger, the Administrative Agent and the Lenders, on one hand, and the Borrower, on the other hand, in connection herewith or therewith is solely that of debtor and creditor, and, to the fullest extent permitted by law, the Borrower hereby waives and releases any claims that it may have against the Administrative Agent, the Arrangers and the Lenders with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby;

(c) it is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Credit Documents;

(d) no joint venture is created hereby or by the other Credit Documents or otherwise exists by virtue of the transactions contemplated hereby among the Arrangers, the Administrative Agent and the Lenders or between the Borrower and the Lenders; and

(e) each Lender and its Affiliates may have economic interests that conflict with those of the Borrower.

SECTION 11.15. Acknowledgment and Consent to Bail-In of Affected Financial Institutions. Notwithstanding anything to the contrary in any Credit Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Credit Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Credit Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

SECTION 11.16. Interest Rate Limitation. Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any Loan, together with all fees, charges and other amounts that are treated as interest on such Loan under applicable law (collectively, “*charges*”), shall exceed the maximum lawful rate (the “*Maximum Rate*”) that may be contracted for, charged, taken, received or reserved by the Lender holding such Loan in accordance with applicable law, the rate of interest payable in respect of such Loan hereunder, together with all charges payable in respect thereof, shall be limited to the Maximum Rate. To the extent lawful, the interest and charges that would have been paid in respect of such Loan but were not paid as a result of the operation of this Section shall be cumulated and the interest and charges payable to such Lender in respect of other Loans or periods shall be increased (but not above amount collectable at the the Maximum Rate therefor) until such cumulated amount, together with interest thereon at the Federal Funds Effective Rate for each day to the date of repayment, shall have been received by such Lender. Any amount collected by such Lender that exceeds the maximum amount collectible at the Maximum Rate shall be applied to the reduction of the principal balance of such Loan or refunded to the Borrower so that at no time shall the interest and charges paid or payable in respect of such Loan exceed the maximum amount collectible at the Maximum Rate.

SECTION 11.17. Payments Set Aside. To the extent that any payment by or on behalf of the Borrower is made to the Administrative Agent, any LC Bank or any Lender, or the Administrative Agent, any LC Bank or any Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Administrative Agent, such LC Bank or such Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred, and (b) each Lender and each LC Bank severally agrees to pay to the Administrative Agent upon demand its applicable share (without duplication) of any amount so recovered from or repaid by the Administrative Agent, plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to the Federal Funds Effective Rate from time to time in effect.

SECTION 11.18. Acknowledgement Regarding Any Supported QFCs. To the extent that the Loan Documents provide support, through a guarantee or otherwise, for Swap Obligations or any other agreement or instrument that is a QFC (such support, “**QFC Credit Support**” and each such QFC a “**Supported QFC**”), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the “**U.S. Special Resolution Regimes**”) in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

In the event a Covered Entity that is party to a Supported QFC (each, a “**Covered Party**”) becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

NISOURCE INC., as Borrower

By: /s/ Tchapo Napoe

Name: Tchapo Napoe

Title: Vice President, Treasurer and Corporate Finance

Federal Tax Identification Number: 35-2108964

Signature Page to
Seventh Amended and Restated Revolving Credit Agreement

BARCLAYS BANK PLC, as a Lender, as an LC Bank and
as Administrative Agent

By: /s/ Sydney G. Dennis

Name: Sydney G. Dennis

Title: Director

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Seventh Amended and Restated Revolving Credit Agreement

JPMORGAN CHASE BANK, N.A., as a Lender and as an
LC Bank

By: /s/ Khawaja Tariq
Name: Khawaja Tariq
Title: Vice President

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MUFG BANK, LTD., as a Lender and as an LC Bank

By: /s/ Christopher Hudnut

Name: Christopher Hudnut

Title: Director

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WELLS FARGO BANK, NATIONAL ASSOCIATION, as a
Lender and as an LC Bank

By: /s/ Mylissa Bringgold
Name: Mylissa Bringgold
Title: Vice President

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BANK OF AMERICA, N.A., as a Lender and as an LC
Bank

By: /s/ John M. Eyerman

Name: John M. Eyerman

Title: Director

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BANK OF MONTREAL, as a Lender and as an LC Bank

By: /s/ Michael Cummings

Name: Michael Cummings

Title: Managing Director

BMO CAPITAL MARKETS CORP, as Passive JLA

By: /s/ Thomas Hou

Name: Thomas Hou

Title: Managing Director

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MIZUHO BANK, LTD., as a Lender and as an LC Bank

By: /s/ Edward Sacks

Name: Edward Sacks

Title: Managing Director

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CoBank, ACB, as a Lender

By: /s/ David B. Willis

Name: David B. Willis

Title: Managing Director

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Seventh Amended and Restated Revolving Credit Agreement

BNP PARIBAS, as a Lender

By: /s/ Victor Padilla

Name: Victor Padilla

Title: Director

By: /s/ Miko McGuire

Name: Miko McGuire

Title: Vice President

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GOLDMAN SACHS BANK USA, as a Lender

By: /s/ Andrew B. Vernon

Name: Andrew Vernon

Title: Authorized Signatory

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THE HUNTINGTON NATIONAL BANK, as a Lender

By: /s/ Nolan Woodbury

Name: Nolan Woodbury

Title: Associate Director

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KEYBANK NATIONAL ASSOCIATION, as a Lender

By: /s/ Peter Moshier

Name: Peter Moshier

Title: Vice President

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MORGAN STANLEY BANK, N.A., as a Lender

By: /s/ Michael King

Name: Michael King

Title: Authorized Signatory

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THE NORTHERN TRUST COMPANY, as a Lender

By: /s/ Jack Stibich

Name: Jack Stibich

Title: Second Vice President

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PNC BANK, NATIONAL ASSOCIATION, as a Lender

By: /s/ Ingrid J. Pavilanis

Name: Ingrid J. Pavilanis

Title: Vice President

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Seventh Amended and Restated Revolving Credit Agreement

THE BANK OF NOVA SCOTIA, as a Lender

By: /s/ David Dewar

Name: David Dewar

Title: Director

Signature Page to
Seventh Amended and Restated Revolving Credit Agreement

U.S. BANK NATIONAL ASSOCIATION, as a Lender

By: /s/ Troy Aipperspach

Name: Troy Aipperspach

Title: Vice President

Signature Page to
Seventh Amended and Restated Revolving Credit Agreement

PRICING GRID

The “Applicable Rate” for any day with respect to any Term SOFR Loan, ABR Loan, Facility Fee or LC Risk Participation Fee, as the case may be, is the percentage set forth below in the applicable row under the column corresponding to the Status that exists on such day:

<u>Status</u>	<u>Level I</u>	<u>Level II</u>	<u>Level III</u>	<u>Level IV</u>	<u>Level V</u>
Term SOFR Revolving Loans (basis points)	90	100	107.5	127.5	147.5
ABR Loans (basis points)	0	0	7.5	27.5	47.5
Facility Fee (basis points)	10	12.5	17.5	22.5	27.5
LC Risk Participation Fee (basis points)	90	100	107.5	127.5	147.5

For purposes of this Pricing Grid, the following terms have the following meanings (as modified by the provisos below):

“**Level I Status**” exists at any date if, at such date, the Index Debt is rated either A or higher by S&P or A2 or higher by Moody’s.

“**Level II Status**” exists at any date if, at such date, the Index Debt is rated either A- by S&P or A3 by Moody’s.

“**Level III Status**” exists at any date if, at such date, the Index Debt is rated either BBB+ by S&P or Baa1 by Moody’s.

“**Level IV Status**” exists at any date if, at such date, the Index Debt is rated either BBB by S&P or Baa2 by Moody’s.

“**Level V Status**” exists at any date if, at such date, the Index Debt is rated either BBB- by S&P or lower or Baa3 by Moody’s or lower, or, no other Status exists.

“**Status**” refers to the determination of which of Level I Status, Level II Status, Level III Status, Level IV Status or Level V Status exists at any date.

The credit ratings to be utilized for purposes of this Pricing Grid are those assigned to the Index Debt, and any rating assigned to any other debt security of the Borrower shall be disregarded. The rating in effect at any date is that in effect at the close of business on such date.

Provided, that the applicable Status shall change as and when the applicable Index Debt ratings change.

Provided further, that if the Index Debt is split-rated, the applicable Status shall be determined on the basis of the higher of the two ratings then applicable; *provided further; that*, if the Index Debt is split-rated by two or more levels, the applicable Status shall instead be determined on the basis of the rating that is one level below the higher of the two ratings then applicable.

Provided further, that if both Moody's and S&P, or their successors as applicable, shall have ceased to issue or maintain such ratings, then the applicable Status shall be Level V.

Annex A-2

EXHIBIT A

ASSIGNMENT AND ASSUMPTION

This Assignment and Assumption (the “Assignment and Assumption”) is dated as of the Effective Date set forth below and is entered into by and between *[Insert name of Assignor]* (the “Assignor”) and *[Insert name of Assignee]* (the “Assignee”). Capitalized terms used but not defined herein shall have the meanings given to them in the Seventh Amended and Restated Revolving Credit Agreement identified below (as amended, the “Credit Agreement”), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below (i) all of the Assignor’s rights and obligations in its capacity as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of the Assignor under the respective facilities identified below (including any letters of credit and guarantees included in such facilities) and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned pursuant to clauses (i) and (ii) above being referred to herein collectively as the “Assigned Interest”). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by the Assignor.

1. Assignor: _____
2. Assignee: _____
[and is an Affiliate/Approved Fund of [identify Lender]¹]
3. Borrower(s): NiSource Inc., a Delaware corporation
4. Administrative Agent: Barclays Bank PLC, as the administrative agent under the Credit Agreement

¹ Select as applicable.

5. Credit Agreement: The Seventh Amended and Restated Revolving Credit Agreement dated as of December 11, 2025 among NiSource Inc., a Delaware corporation, as borrower, the Lenders parties thereto, Barclays Bank PLC, as Administrative Agent, and the other agents parties thereto

6. Assigned Interest:

Aggregate Amount of Commitment/Loans for all Lenders	Amount of Commitment/ Loans Assigned	Percentage Assigned of Commitment/Loans ²
\$	\$	%
\$	\$	%
\$	\$	%

Effective Date: _____, 20__ [TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR

[NAME OF ASSIGNOR]

By: _____
Title:

ASSIGNEE

[NAME OF ASSIGNEE]

By: _____
Title:

² Set forth, so at least 9 decimals, as a percentage of the Commitment/Loans of all Lenders thereunder.

Consented to and Accepted:

BARCLAYS BANK PLC, as Administrative Agent and LC
Bank

By: _____
Title:

Consented to:

[_____] as LC Bank

By: _____
Title:

[NISOURCE INC., as Borrower]³

By: _____
Title:

³ To be added only if the consent of the Borrower is required by the terms of the Credit Agreement.

STANDARD TERMS AND CONDITIONS FOR
ASSIGNMENT AND ASSUMPTION

1. Representations and Warranties.

1.1 Assignor. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Credit Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Documents or any collateral thereunder, (iii) the financial condition of the Borrower, any of its Subsidiaries or Affiliates or any other Person obligated in respect of any Credit Document or (iv) the performance or observance by the Borrower, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Credit Document.

1.2. Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it satisfies the requirements, if any, specified in the Credit Agreement that are required to be satisfied by it in order to acquire the Assigned Interest and become a Lender, (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it has received a copy of the Credit Agreement, together with copies of the most recent financial statements delivered pursuant to Section 5.01(h) thereof, as applicable, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on the Administrative Agent or any other Lender, (v) if it is a Foreign Lender, attached to the Assignment and Assumption is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by the Assignee; and (vi) it does not bear a relationship to the Borrower described in Section 108(e)(4) of the Code; and (b) agrees that (i) it will, independently and without reliance on the Administrative Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Credit Documents are required to be performed by it as a Lender.

2. Payments. From and after the Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignor for amounts which have accrued to but excluding the Effective Date and to the Assignee for amounts which have accrued from and after the Effective Date.

3. General Provisions. This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. THIS ASSIGNMENT AND ASSUMPTION SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

EXHIBIT B

FORM OF OPINION OF MCGUIREWOODS LLP

[See Attached.]

EXHIBIT C

FORM OF REVOLVING LOAN BORROWING REQUEST
REVOLVING LOAN BORROWING REQUEST

Date: _____, ____

To: Barclays Bank PLC,
as Administrative Agent
Loan Operations
400 Jefferson Park
Whippany, New Jersey 07981
Attn: Mandy Delarosa – Agency Services
Email: 12145455230@tls.ldsprod.com and
mandy.delarosa@barclays.com

Ladies and Gentlemen:

Reference is made to that certain Seventh Amended and Restated Revolving Credit Agreement dated as of December 11, 2025 (as may be amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time in accordance with its terms, the “Agreement”; the terms defined therein being used herein as therein defined), between NiSource Inc., a Delaware corporation (the “Borrower”), the Lenders party thereto, Barclays Bank PLC, as the Administrative Agent, and the other parties thereto.

The Borrower hereby requests a Revolving Borrowing, as follows:

1. In the aggregate amount of \$_____.
2. On _____, 20__ (a Business Day).
3. Comprised of [an ABR] [a Term SOFR] Borrowing.
- [4. With an Interest Period of ____ months.]⁴
- [4][5]. The Borrower’s account to which funds are to be disbursed is:
Account Number: _____
Location: _____

This Borrowing Request and the Revolving Borrowing requested herein comply with the Agreement, including Sections 2.01(a), 2.02, and 3.02 of the Agreement.

[Signature Page Follows.]

⁴ Insert if a Term SOFR Borrowing.

NISOURCE INC.

By: _____

Name:

Title:

EXHIBIT D

[Reserved]

EXHIBIT E

FORM OF LC CREDIT EXTENSION REQUEST

LC CREDIT EXTENSION REQUEST

Date: _____, ____

To: [_____] ,
as LC Bank
[_____]

cc: Barclays Bank PLC,
as Administrative Agent
745 Seventh Avenue, 8th Floor
New York, New York 10019
Attn: Letters of Credit / Nnamdi Otudoh
Telephone: (212) 526-8527
Email: xrabdmcsupport@barclays.com
Email: Nnamdi.otudoh@barclays.com

Ladies and Gentlemen:

Reference is made to that certain Seventh Amended and Restated Revolving Credit Agreement dated as of December 11, 2025 (as may be amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time in accordance with its terms, the “Agreement”; the terms defined therein being used herein as therein defined), between NiSource Inc., a Delaware corporation (the “Borrower”), the Lenders party thereto, Barclays Bank PLC, as the Administrative Agent, and the other parties thereto.

The Borrower hereby requests a Letter of Credit extension by the LC Bank listed above, as follows:

1. [An issuance of a new Letter of Credit in the amount of \$[_____]] [an amendment to existing Letter of Credit No. [_____]]
issued by such LC Bank].

2. On _____, 20__ (a Business Day).

This request for Letter of Credit extension complies with the Agreement, including Sections 2.04, and 3.02 of the Agreement.

[Signature Page Follows.]

NISOURCE INC.

By: _____

Name:

Title:

EXHIBIT F

FORM OF REVOLVING NOTE

REVOLVING NOTE

FOR VALUE RECEIVED, the undersigned (the “Borrower”), hereby promises to pay to _____ or registered assigns (the “Lender”), in accordance with the provisions of the Agreement (as hereinafter defined), the aggregate unpaid principal amount of each Revolving Loan from time to time made by the Lender to the Borrower under that certain Seventh Amended and Restated Revolving Credit Agreement dated as of December 11, 2025 (as may be amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time in accordance with its terms, the “Agreement”; the terms defined therein being used herein as therein defined), between the Borrower, the Lenders party thereto, Barclays Bank PLC, as the Administrative Agent, and the other parties thereto. The Borrower promises to pay interest on the aggregate unpaid principal amount of each Revolving Loan from time to time made by the Lender to the Borrower under the Agreement from the date of such Loan until such principal amount is paid in full, at such interest rates and at such times as provided in the Agreement. All payments of principal and interest shall be made to the Administrative Agent for the account of the Lender in Dollars in immediately available funds at the Administrative Agent’s office pursuant to the terms of the Agreement. If any amount is not paid in full when due hereunder, such unpaid amount shall bear interest, to be paid upon demand, from the due date thereof until the date of actual payment (and before as well as after judgment) computed at the per annum rate set forth in the Agreement.

This Revolving Note is one of the promissory notes referred to in Section 2.10(e) of the Agreement, is one of the Credit Documents, is entitled to the benefits thereof and may be prepaid in whole or in part subject to the terms and conditions provided therein. Upon the occurrence and continuation of one or more of the Events of Default specified in the Agreement, all amounts then remaining unpaid on this Revolving Note shall become, or may be declared to be, immediately due and payable all as provided in the Agreement. Revolving Loans made by the Lender shall be evidenced by one or more loan accounts or records maintained by the Lender in the ordinary course of business. The Lender may also attach schedules to this Revolving Note and endorse thereon the date, amount and maturity of its Revolving Loans and payments with respect thereto.

The Borrower, for itself, its successors and assigns, hereby waives diligence, presentment, protest and demand and notice of protest, demand, dishonor and non-payment of this Revolving Note.

THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

[Signature Page Follows.]

NISOURCE INC.

By: _____

Name:

Title:

LOANS AND PAYMENTS WITH RESPECT THERETO

[illegible]

EXHIBIT G

FORM OF INTEREST ELECTION REQUEST

INTEREST ELECTION REQUEST

Date: _____, ____

To: Barclays Bank PLC,
as Administrative Agent
Loan Operations
400 Jefferson Park
Whippany, New Jersey 07981
Attn: Mandy Delarosa – Agency Services
Email: 12145455230@tls.ldsprod.com and
mandy.delarosa@barclays.com

Ladies and Gentlemen:

Reference is made to that certain Seventh Amended and Restated Revolving Credit Agreement, dated as of December 11, 2025 (as may be amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time in accordance with its terms, the “Agreement”; the terms defined therein being used herein as therein defined), between NiSource Inc., a Delaware corporation (the “Borrower”), the Lenders party thereto, Barclays Bank PLC, as the Administrative Agent, and the other parties thereto.

This Interest Election Request is delivered to you pursuant to Section 2.06 of the Agreement and relates to the following:

1. ☐ A conversion of a Borrowing ☐ A continuation of a Borrowing (select one).
2. In the aggregate principal amount of \$_____.
3. which Borrowing is being maintained as a ☐ ABR Revolving Borrowing ☐ Term SOFR Revolving Borrowing with an Interest Period ending on _____, 20__].
4. (select relevant election)
☐ If such Borrowing is a Term SOFR Revolving Borrowing, such Borrowing shall be continued as a Term SOFR Revolving Borrowing having an Interest Period of months.
☐ If such Borrowing is a Term SOFR Revolving Borrowing, such Borrowing shall be converted to an ABR Revolving Borrowing.

☐ If such Borrowing is an ABR Revolving Borrowing, such Borrowing shall be converted to a Term SOFR Revolving Borrowing having an Interest Period of months.

5. Such election to be effective on _____, 20__ (a Business Day).

This Interest Election Request and the election made herein comply with the Agreement, including Section 2.06 of the Agreement.

[Signature Page Follows.]

NISOURCE INC.

By: _____

Name:

Title:

EXHIBIT H

FORM OF PREPAYMENT NOTICE

PREPAYMENT NOTICE

Date: _____, ____

To: Barclays Bank PLC,
as Administrative Agent
Loan Operations
400 Jefferson Park
Whippany, New Jersey 07981
Attn: Mandy Delarosa – Agency Services
Email: 12145455230@tls.ldsprod.com and
mandy.delarosa@barclays.com

Ladies and Gentlemen:

Reference is made to that certain Seventh Amended and Restated Revolving Credit Agreement, dated as of December 11, 2025 (as may be amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time in accordance with its terms, the “Agreement”; the terms defined therein being used herein as therein defined), between NiSource Inc., a Delaware corporation (the “Borrower”), the Lenders party thereto, Barclays Bank PLC, as the Administrative Agent, and the other parties thereto.

This Prepayment Notice is delivered to you pursuant to Section 2.11 of the Agreement. The Borrower hereby gives notice of a prepayment of Loans as follows:

1. (select Type(s) of Loans)

☐ ABR Revolving Loans in the aggregate principal amount of \$_____.
☐ Term SOFR Revolving Loans with an Interest Period ending _____, 20__ in the aggregate principal amount of \$_____.

2. On _____, 20__ (a Business Day).

This Prepayment Notice and prepayment contemplated hereby comply with the Agreement, including Section 2.11 of the Agreement.

[Signature Page Follows.]

NISOURCE INC.

By: _____

Name:

Title:

EXHIBIT I-1

FORM OF

U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Lenders That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Seventh Amended and Restated Revolving Credit Agreement dated as of December 11, 2025 (as amended, restated, supplemented or otherwise modified from time to time, the “Credit Agreement”), between NiSource Inc., a Delaware corporation (the “Borrower”), the Lenders party thereto and Barclays Bank PLC, as the Administrative Agent (the “Administrative Agent”).

Pursuant to the provisions of Section 2.17 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the Loan(s) (as well as any Note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (iv) it is not a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Administrative Agent and the Borrower with a certificate of its non-U.S. Person status on IRS Form W-8BEN or IRS Form W-8BEN-E. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrower and the Administrative Agent, and (2) the undersigned shall have at all times furnished the Borrower and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF LENDER]

By: _____

Name:

Title:

Date: _____, 20[]

EXHIBIT I-2

FORM OF

U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Participants That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Seventh Amended and Restated Revolving Credit Agreement dated as of December 11, 2025 (as amended, restated, supplemented or otherwise modified from time to time, the “Credit Agreement”), between NiSource Inc., a Delaware corporation (the “Borrower”), the Lenders party thereto and Barclays Bank PLC, as the Administrative Agent (the “Administrative Agent”).

Pursuant to the provisions of Section 2.17 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the participation in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (iv) it is not a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with a certificate of its non-U.S. Person status on IRS Form W-8BEN or IRS Form W-8BEN-E. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender in writing, and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF PARTICIPANT]

By: _____

Name:

Title:

Date: _____, 20[]

EXHIBIT I-3

FORM OF

U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Participants That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Seventh Amended and Restated Revolving Credit Agreement dated as of December 11, 2025 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), between NiSource Inc., a Delaware corporation (the "Borrower"), the Lenders party thereto and Barclays Bank PLC, as the Administrative Agent (the "Administrative Agent").

Pursuant to the provisions of Section 2.17 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the participation in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such participation, (iii) with respect such participation, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN or IRS Form W-8BEN-E or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN or IRS Form W-8BEN-E from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF PARTICIPANT]

By: _____

Name:

Title:

Date: _____, 20[]

EXHIBIT I-4

FORM OF

U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Lenders That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Seventh Amended and Restated Revolving Credit Agreement dated as of December 11, 2025 (as amended, restated, supplemented or otherwise modified from time to time, the “Credit Agreement”), between NiSource Inc., a Delaware corporation (the “Borrower”), the Lenders party thereto and Barclays Bank PLC, as the Administrative Agent (the “Administrative Agent”).

Pursuant to the provisions of Section 2.17 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the Loan(s) (as well as any Note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such Loan(s) (as well as any Note(s) evidencing such Loan(s)), (iii) with respect to the extension of credit pursuant to the Credit Agreement or any other Credit Document, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Administrative Agent and the Borrower with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN or IRS Form W-8BEN-E or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN or IRS Form W-8BEN-E from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrower and the Administrative Agent, and (2) the undersigned shall have at all times furnished the Borrower and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF LENDER]

By: _____

Name:

Title:

Date: _____, 20[]

EXHIBIT J

FORM OF INCREASING LENDER SUPPLEMENT

INCREASING LENDER SUPPLEMENT, dated _____, 20____ (this "Supplement"), by and among each of the signatories hereto, to the Seventh Amended and Restated Revolving Credit Agreement dated as of December 11, 2025 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), between NiSource Inc., a Delaware corporation (the "Borrower"), the Lenders party thereto and Barclays Bank PLC, as the Administrative Agent (the "Administrative Agent").

W I T N E S S E T H

WHEREAS, pursuant to Section 2.22 of the Credit Agreement, the Borrower has the right, subject to the terms and conditions thereof, to effectuate from time to time an increase in the Aggregate Commitments under the Credit Agreement by requesting one or more Lenders to increase the amount of its Commitment;

WHEREAS, the Borrower has given notice to the Administrative Agent of its intention to increase the Aggregate Commitments pursuant to such Section 2.22; and

WHEREAS, pursuant to Section 2.22 of the Credit Agreement, the undersigned Increasing Lender now desires to increase the amount of its Commitment under the Credit Agreement by executing and delivering to the Borrower and the Administrative Agent this Supplement;

NOW, THEREFORE, each of the parties hereto hereby agrees as follows:

1. The undersigned Increasing Lender agrees, subject to the terms and conditions of the Credit Agreement, that on the date of this Supplement it shall have its Commitment increased by \$[_____], thereby making the total amount of its Commitments equal to \$[_____].
2. The Borrower hereby represents and warrants that the conditions precedent set forth in Section 3.02(a) and (c) of the Credit Agreement are satisfied on and as of the date hereof.
3. Terms defined in the Credit Agreement shall have their defined meanings when used herein.
4. This Supplement shall be governed by, and construed in accordance with, the laws of the State of New York.
5. This Supplement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same document.

IN WITNESS WHEREOF, each of the undersigned has caused this Supplement to be executed and delivered by a duly authorized officer on the date first above written.

[INSERT NAME OF INCREASING LENDER]

By: _____
Name:
Title:

Accepted and agreed to as of the date first written above:

NISOURCE INC.

By: _____
Name:
Title:

Acknowledged as of the date first written above:

BARCLAYS BANK PLC
as Administrative Agent

By: _____
Name:
Title:

EXHIBIT K

FORM OF AUGMENTING LENDER SUPPLEMENT

AUGMENTING LENDER SUPPLEMENT, dated _____, 20____ (this "Supplement"), by and among each of the signatories hereto, to the Seventh Amended and Restated Revolving Credit Agreement dated as of December 11, 2025 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), between NiSource Inc., a Delaware corporation (the "Borrower"), the Lenders party thereto and Barclays Bank PLC, as the Administrative Agent (the "Administrative Agent").

W I T N E S S E T H

WHEREAS, the Credit Agreement provides in Section 2.22 thereof that any bank, financial institution or other entity may extend Commitments under the Credit Agreement subject to the approval of the Borrower and the Administrative Agent, by executing and delivering to the Borrower and the Administrative Agent a supplement to the Credit Agreement in substantially the form of this Supplement; and

WHEREAS, the undersigned Augmenting Lender was not an original party to the Credit Agreement but now desires to become a party thereto;

NOW, THEREFORE, each of the parties hereto hereby agrees as follows:

1. The undersigned Augmenting Lender agrees to be bound by the provisions of the Credit Agreement and agrees that it shall, on the date of this Supplement, become a Lender for all purposes of the Credit Agreement to the same extent as if originally a party thereto, with a Commitment with respect to Revolving Loans of \$[_____].

2. The undersigned Augmenting Lender (a) represents and warrants that it is legally authorized to enter into this Supplement; (b) confirms that it has received a copy of the Credit Agreement, together with copies of the most recent financial statements delivered pursuant to Section 5.01 thereof, as applicable, and has reviewed such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Supplement; (c) agrees that it will, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Agreement or any other instrument or document furnished pursuant hereto or thereto; (d) appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers and discretion under the Credit Agreement or any other instrument or document furnished pursuant hereto or thereto as are delegated to the Administrative Agent by the terms thereof, together with such powers as are incidental thereto; and (e) agrees that it will be bound by the provisions of the Credit Agreement and will perform in accordance with its terms all the obligations which by the terms of the Credit Agreement are required to be performed by it as a Lender.

3. The undersigned's address for notices for the purposes of the Credit Agreement is as follows:

[_____]

4. The Borrower hereby represents and warrants that the conditions precedent set forth in Section 3.02(a) and (e) of the Credit Agreement are satisfied on and as of the date hereof.

5. Terms defined in the Credit Agreement shall have their defined meanings when used herein.

6. This Supplement shall be governed by, and construed in accordance with, the laws of the State of New York.

7. This Supplement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same document.

[remainder of this page intentionally left blank]

IN WITNESS WHEREOF, each of the undersigned has caused this Supplement to be executed and delivered by a duly authorized officer on the date first above written.

[INSERT NAME OF AUGMENTING LENDER]

By: _____
Name:
Title:

Accepted and agreed to as of the date first written above:

NISOURCE INC.

By: _____
Name:
Title:

Acknowledged as of the date first written above:

BARCLAYS BANK PLC
as Administrative Agent

By: _____
Name:
Title:

Schedule 2.01*(Seventh Amended and Restated Revolving Credit Agreement)*

Names, Addresses, Allocation of Aggregate Commitment, and Applicable Percentages of Banks

<u>Bank Name</u>	<u>Lending Office</u>	<u>Commitment</u>	<u>Applicable Percentage</u>
Barclays Bank PLC	Barclays Bank PLC 745 Seventh Avenue New York, NY 10019	\$175,000,000	7.00%
JPMorgan Chase Bank, N.A.	On file with the Administrative Agent	\$175,000,000	7.00%
MUFG Bank, Ltd.	On file with the Administrative Agent	\$175,000,000	7.00%
Wells Fargo Bank, National Association	On file with the Administrative Agent	\$175,000,000	7.00%
Bank of America, N.A.	On file with the Administrative Agent	\$175,000,000	7.00%
Bank of Montreal	On file with the Administrative Agent	\$175,000,000	7.00%
Mizuho Bank, Ltd.	On file with the Administrative Agent	\$175,000,000	7.00%
CoBank, ACB	On file with the Administrative Agent	\$127,500,000	5.10%
BNP Paribas	On file with the Administrative Agent	\$127,500,000	5.10%
Goldman Sachs Bank USA	On file with the Administrative Agent	\$127,500,000	5.10%
The Huntington National Bank	On file with the Administrative Agent	\$127,500,000	5.10%
KeyBank National Association	On file with the Administrative Agent	\$127,500,000	5.10%

<u>Bank Name</u>	<u>Lending Office</u>	<u>Commitment</u>	<u>Applicable Percentage</u>
Morgan Stanley Bank, N.A.	On file with the Administrative Agent	\$ 127,500,000	5.10%
The Northern Trust Company	On file with the Administrative Agent	\$ 127,500,000	5.10%
PNC Bank, National Association	On file with the Administrative Agent	\$ 127,500,000	5.10%
The Bank of Nova Scotia	On file with the Administrative Agent	\$ 127,500,000	5.10%
U.S. Bank National Association	On file with the Administrative Agent	\$ 127,500,000	5.10%
TOTAL		<u>\$2,500,000,000</u>	<u>100%</u>

SCHEDULE 2.04**EXISTING LETTERS OF CREDIT**

LETTER OF CREDIT NO.	ISSUER	APPLICANT	BENEFICIARY	OUTSTANDING BALANCE
SB-02677	Barclays	NiSource Inc.	Midcontinent Independent System Operator, Inc.	\$ 12,000,000.00
SB-02680	Barclays	NiSource Inc.	Midcontinent Independent System Operator, Inc.	\$ 13,000,000.00

SCHEDULE 6.01(e)

EXISTING AGREEMENTS

Receivables Purchase Agreements and Receivables Sales Agreements of (a) Columbia Gas of Ohio Receivables Corporation, (b) Columbia Gas of Pennsylvania Receivables Corporation, (c) NIPSCO Accounts Receivables Corporation, and (d) any renewal, modification, extension or replacement of the above, in each case, to provide for receivables financings upon terms and conditions not materially more restrictive on Borrower and its Subsidiaries, taken as a whole, than the terms and conditions of such facility being renewed, modified, extended or replaced.

Third Amended and Restated Limited Liability Company Agreement of NIPSCO Holdings II LLC, dated as of October 28, 2025, by and among NIPSCO Holdings II LLC, NIPSCO Holdings I LLC, BIP Blue Buyer L.L.C., BIP Blue Buyer VCOC L.L.C. and solely for purposes of Article VI thereof, NiSource Inc.

Amended and Restated Limited Liability Company Agreement of Generation Holdings II LLC, dated as of October 28, 2025, by and among Generation Holdings II LLC, Generation Holdings I LLC, BIP Orion Holdco L.P., BIP Orion Holdco II, L.P. and solely for purposes of Article VI thereof, NiSource Inc.

TAB 64.5

807 KAR 5:001 Section 16(7)(p)

2025 10-K

Columbia Gas of Kentucky, Inc.
CASE NO. 2026-00099
Forecasted Test Period Filing Requirements
807 KAR 5:001 Section 16(7)(p)

Description of Filing Requirement:

A copy of the utility's annual report on Form 10-K as filed with the Securities and Exchange Commission for the most recent two (2) years, and any Form 8-K issued during the past two (2) years, and any Form 10-Q issued during the past six (6) quarters;

Response:

Please see attached for NiSource Inc.'s application for Form 10-Q's and Form 8-K's. Form 10-K is part of the Annual Report to Stockholders and is included with Filing Requirement 16(7)(l) located at Tab 60.

Responsible Witness:

Elizabeth N. Davis

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-K**

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**
For the fiscal year ended December 31, 2025

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from _____ to _____
Commission file number 001-16189

NiSource Inc.
(Exact name of registrant as specified in its charter)

DE
(State or other jurisdiction of
incorporation or organization)

801 East 86th Avenue
Merrillville, IN
(Address of principal executive offices)

35-2108964
(I.R.S. Employer
Identification No.)

46410
(Zip Code)

(614) 460-6000
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	NI	NYSE

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definition of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12-b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated Filer ☐ Emerging Growth Company ☐ Non-accelerated Filer ☐ Smaller Reporting Company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrants included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240. 10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of the registrant's common stock, par value \$0.01 per share (the "Common Stock") held by non-affiliates was approximately \$18,966,136,571 based upon the June 30, 2025, closing price of \$40.34 on the New York Stock Exchange.

There were 478,533,171 shares of Common Stock outstanding as of February 4, 2026.

Documents Incorporated by Reference

Part III of this report incorporates by reference specific portions of the Registrant's Notice of Annual Meeting and Proxy Statement relating to the Annual Meeting of Stockholders to be held on May 11, 2026.

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DEFINED TERMS

The following is a list of frequently used abbreviations or acronyms that are found in this report:

NiSource Subsidiaries and Affiliates (not exhaustive)

Columbia of Kentucky	Columbia Gas of Kentucky, Inc.
Columbia of Maryland	Columbia Gas of Maryland, Inc.
Columbia of Ohio	Columbia Gas of Ohio, Inc.
Columbia of Pennsylvania	Columbia Gas of Pennsylvania, Inc.
Columbia of Virginia	Columbia Gas of Virginia, Inc.
GenCo	NIPSCO Generation LLC
Generation Holdings I	Generation Holdings I LLC
Generation Holdings II	Generation Holdings II LLC
NIPSCO	Northern Indiana Public Service Company LLC
NIPSCO Holdings I	NIPSCO Holdings I LLC
NIPSCO Holdings II	NIPSCO Holdings II LLC
NiSource ("we," "us" or "our")	NiSource Inc.
Rosewater	Rosewater Wind Generation LLC and its wholly owned subsidiary, Rosewater Wind Farm LLC
Indiana Crossroads Solar	Indiana Crossroads Solar Generation LLC and its wholly owned subsidiary, Meadow Lake Solar Park LLC
Indiana Crossroads Wind	Indiana Crossroads Wind Generation LLC and its wholly owned subsidiary, Indiana Crossroads Wind Farm LLC
Dunn's Bridge I	Dunn's Bridge I Solar Generation LLC and its wholly owned subsidiary, Dunns Bridge Solar Center, LLC
Gibson	Gibson Solar LLC
Fairbanks	Fairbanks Solar Energy Center LLC

Abbreviations and Other

AFUDC	Allowance for funds used during construction
ADS	Amazon Data Services, Inc.
ADS Contract	NIPSCO agreement to provide electricity to ADS' data centers
Amended LLC Agreement	Third Amended and Restated Limited Liability Company Agreement of NIPSCO Holdings II
AOCI	Accumulated Other Comprehensive Income (Loss)
ASC	Accounting Standards Codification
ASU	Accounting Standards Update
ATM	At-the-market
BIP	BIP Blue Buyer L.L.C
BIP Blue Buyer VCOC L.L.C	BIP Blue Buyer VCOC L.L.C., a Delaware limited liability company and also an affiliate of Blackstone
BIP Orion Holdco L.P.	BIP Orion Holdco L.P., a Delaware limited liability company and also an affiliate of Blackstone
BIP Orion Holdco II L.P.	BIP Orion Holdco II L.P., a Delaware limited liability company and also an affiliate of Blackstone
Blackstone	Blackstone Infrastructure Partners L.P.
Blackstone Investor	BIP Orion Holdco L.P. and BIP Orion Holdco II L.P. affiliates of Blackstone (GenCo Minority Interest Transaction) and Blackstone Infrastructure Partners, affiliates of Blackstone (NIPSCO Minority Interest Transaction)
BTA	Build-transfer agreement
Cavalry	Cavalry Solar Generation Center

	<u>DEFINED TERMS</u>
CCGT	Combined Cycle Gas Turbine
CCRs	Coal Combustion Residuals
CEO	Chief Executive Officer
CEP	Ohio Capital Expenditure Program
CERCLA	Comprehensive Environmental Response Compensation and Liability Act (also known as Superfund)
CFO	Chief Financial Officer
CISA	Certified Information Systems Auditor
CISO	Chief Information Security Officer
CISSP	Certified Information Systems Security Professional
CODM	Chief Operating Decision Maker
Columbia Operations	Reportable segment comprised of the results of NiSource Gas Distribution company, including all of its Columbia Gas distribution companies and related subsidiaries
Contract Assets	Generation assets and related transmission infrastructure to be developed in connection with the ADS Contract
Corporate Units	Series A Corporate Units
CPCN	Certificate of Public Convenience and Necessity
CRISC	Certified in Risk and Information Systems Control
C&HC Committee	Compensation and Human Capital Committee
DSIC	Distribution System Improvement Charge
DSM	Demand Side Management
Dunn's Bridge II	Dunn's Bridge II Solar Generation
EPA	United States Environmental Protection Agency
EPC	Engineering, procurement, and construction
EPC Contracts	Engineering, procurement, and construction contracts
EPS	Earnings per share
Equity Units	Series A Equity Units
ERP	Enterprise Resource Planning
FAC	Fuel adjustment clause
FASB	Financial Accounting Standards Board
FERC	Federal Energy Regulatory Commission
FMCA	Federally Mandated Cost Adjustment
GAAP	Generally Accepted Accounting Principles
GCA	Gas cost adjustment
GCT	Generation Cost Tracker
GenCo Minority Interest Transaction	A transaction between NiSource, Generation Holdings II (sole owner of GenCo) and Blackstone Investor pursuant to a purchase and sale agreement entered into in October 2025, that offered equity interests in Generation Holdings II in exchange for capital contributions by the parties.
Generation Holdings II LLC Agreement	Amended and Restated Limited Liability Company Agreement of Generation Holdings II
Generation Assets	Power generations facilities and battery storage to be developed in connection with the ADS Contract
GHG	Greenhouse gases
GWh	Gigawatt hours
HLBV	Hypothetical Liquidation at Book Value
IRA	Inflation Reduction Act

<u>DEFINED TERMS</u>	
IRP	Infrastructure Replacement Program
IRS	Internal Revenue Service
IURC	Indiana Utility Regulatory Commission
JV	Joint Venture
LDCs	Local distribution companies
LIFO	Last-in, first-out
LIHEAP	Low Income Heating Energy Assistance Programs
Massachusetts Business	All of the assets sold to, and liabilities assumed by, Eversource Energy pursuant to the applicable asset purchase agreement
MGP	Manufactured Gas Plant
MISO	Midcontinent Independent System Operator
MMDth	Million dekatherms
MW	Megawatts
MWh	Megawatt hours
NERC CIP	North American Electric Reliability Corporation Critical Infrastructure Protection
NIPSCO Electric	The electric generation and transmission activities of the NIPSCO Operations reportable segment
NIPSCO Gas	The gas distribution activities of the NIPSCO Operations reportable segment
NIPSCO Holdings II LLC Agreement	Amended and Restated Limited Liability Company Agreement of NIPSCO Holdings II
NIPSCO Minority Interest Transaction	A transaction between NiSource, NIPSCO Holdings II (sole owner of NIPSCO) and an affiliate of Blackstone pursuant to a purchase and sale agreement entered into on June 17, 2023, that offered equity interests in NIPSCO Holdings II in exchange for capital contributions by the parties.
NIPSCO Operations	Reportable segment comprised of the results of NIPSCO Holdings I, NIPSCO Holdings II, and NIPSCO and all related subsidiaries
NYMEX	The New York Mercantile Exchange
OPEB	Other Postemployment Benefits
PCB	Polychlorinated biphenyls
PHMSA	Pipeline and Hazardous Materials Safety Administration
PPA	Power Purchase Agreement
PUCO	Public Utilities Commission of Ohio
ROE	Return on Equity
RNG	Renewable Natural Gas
ROU	Right of Use
SAVE	Steps to Advance Virginia's Energy Plan
Scope 1 GHG Emissions	Direct emissions from sources owned or controlled by us (e.g., emissions from our combustion of fuel, vehicles, and process emissions and fugitive emissions)
Scope 2 GHG Emissions	Indirect emissions from sources owned or controlled by us
SEC	Securities and Exchange Commission
SMRP	Safety Modification and Replacement Program
SMS	Safety Management System
STRIDE	Strategic Infrastructure Development and Enhancement
TCJA	An Act to provide for reconciliation pursuant to titles II and V of the concurrent resolution on the budget for fiscal year 2018 (commonly known as the Tax Cuts and Jobs Act of 2017)

DEFINED TERMS

TDSIC	Transmission, Distribution and Storage System Improvement Charge
TSA	Transportation Security Administration
Templeton	Templeton Wind Energy Center
VIE	Variable Interest Entity
WAM	Work and Asset Management enterprise resourcing system

Note regarding forward-looking statements

This Annual Report on Form 10-K 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"). These forward-looking statements include, but are not limited to, statements concerning our plans, strategies, objectives, expected performance, planned 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 not statements of historical fact. Expressions of future goals and expectations and similar expressions reflecting something other than historical fact, including "may," "will," "should," "could," "would," "aims," "seeks," "expects," "plans," "anticipates," "intends," "believes," "estimates," "predicts," "potential," "targets," "forecast," and "continue," 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. Investors and prospective investors should understand that many factors impact whether any forward-looking statement contained herein will, or can be, realized. Any one of those factors could cause actual results to differ materially from those projected.

Factors that could cause actual results to differ materially from those projected in any forward-looking statement discussed in this Annual Report on Form 10-K include, among other things:

- our ability to execute our business plan or growth strategy, including utility infrastructure investments, or business opportunities;
- our ability to manage data center growth in our service territories;
- potential incidents and other operating risks associated with our business;
- our ability to work successfully with our JV partners;
- our ability to construct, develop and place into service the Contract Assets and any other generation or transmission assets we develop to support future data center contracts on time or at all and consistent with initial cost estimates, as well as the performance of such assets once constructed and placed into service;
- our ability to obtain the significant additional financing required to construct the Contract Assets and any other generation or transmission assets we develop to support future data center contracts on favorable terms, if at all;
- our ability to recover our investments and realize our expected return under the ADS Contract and any future data center contracts that we enter into;
- our ability to maintain our investment grade credit ratings as we finance and pursue our data center strategy, including our performance under the ADS Contract and any future data center contracts that we enter into;
- ADS' performance under the ADS Contract and the performance of our customers under any future data center contracts;
- any decision by ADS to terminate or reduce the committed capacity under the ADS Contract or any decision by any customer under any future data center contract to terminate or reduce the committed capacity under the contract;
- potential changes in the MISO accreditation treatment of capacity resources;
- our ability to adapt to, and manage costs related to, advances in technology, including alternative energy sources and changes in related laws and regulations;
- our increased dependency on 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 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 demand;
- our ability to attract, retain or re-skill a qualified, workforce and maintain good labor relations;
- our ability to manage new initiatives and organizational changes;

- the performance and quality of third-party suppliers and service providers;
- our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals, including our Net Zero Goal (as defined below), including any future associated impact from business opportunities such as data center development as those opportunities evolve;
- regulation and the impact of regulatory rate reviews;
- our ability to obtain expected financial or regulatory outcomes;
- potential cybersecurity attacks or security breaches;
- increased requirements and costs related to cybersecurity;
- any damage to our reputation;
- the impacts of natural disasters, potential terrorist attacks or other catastrophic events;
- the physical impacts of climate change and the transition to a lower carbon future;
- our debt obligations;
- any changes to our credit ratings or the credit ratings of certain of our subsidiaries;
- adverse economic and capital market conditions, including increases in inflation or interest rates, recession, or changes in investor sentiment;
- the actions of activist stockholders;
- economic conditions in certain industries;
- the ability 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;
- the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation;
- compliance with changes in, or new interpretations of applicable laws, regulations and tariffs;
- the cost of compliance with environmental laws and regulations and the costs of associated liabilities;
- changes in tax laws or the interpretation thereof; and
- other matters set forth in Part I, Item 1, "Business," Part I, Item 1A, "Risk Factors" and Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations," of this report, some 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 statement to reflect changed assumptions, the occurrence of anticipated or unanticipated events or changes to expected results over time or otherwise, except as required by law.

NiSOURCE INC.

PART I

ITEM 1. BUSINESS

Business

NiSource Inc. is an energy holding company under the Public Utility Holding Company Act of 2005 whose primary subsidiaries are fully regulated natural gas and electric utility companies, serving approximately 3.8 million customers in six states. NiSource is the successor to an Indiana corporation organized in 1987 under the name of NIPSCO Industries, Inc., which changed its name to NiSource Inc. on April 14, 1999.

NiSource's principal subsidiaries include NiSource Gas Distribution Group, Inc. (a holding company that owns Columbia of Kentucky, Columbia of Maryland, Columbia of Ohio, Columbia of Pennsylvania, and Columbia of Virginia), and NIPSCO Holdings I (a holding company that owns a controlling interest in NIPSCO, a gas and electric utility). NiSource derives substantially all of its revenues and earnings from the operating results of these rate-regulated businesses. In addition, NiSource will develop the generation resources it plans to use in serving data center customers through its subsidiary Generation Holdings I (a holding company that holds a controlling interest in GenCo).

Business Strategy

Our business strategy focuses on providing safe and reliable service through our core, rate-regulated, asset-based utilities, with the goal of adding value to all of our stakeholders. Our utilities continue to advance our core safety, infrastructure and environmental investment programs, supported by complementary regulatory and customer initiatives across the six states in which we operate. In 2025, we entered into the ADS Contract, a customized agreement under which NIPSCO will provide electric service to ADS by procuring power from GenCo, which will develop related generation assets, and we expect our data center operations to continue to grow.

Our goal is to develop strategies that (i) support long-term infrastructure investment and safety programs to better serve our customers, (ii) align our tariff structures with our cost structure, and (iii) drive value and enable growth in an evolving energy ecosystem. These strategies focus on improving safety and reliability, enhancing customer experience, pursuing regulatory and legislative initiatives to increase accessibility for customers currently not on our gas and electric service, ensuring customer affordability and reducing emissions while generating sustainable returns.

We remain committed to the advancement of our SMS for the safety of our customers, communities and employees. Our SMS is the established operating model within NiSource. NiSource continues to maintain its certification to the American Petroleum Institute Recommended Practice 1173, which serves as the guiding practice for our SMS. In 2025, NiSource successfully maintained its ISO 55001 Asset Management certifications through LRQA, a global leader in engineering and technology services. These certifications reaffirm our unwavering commitment to safety for our employees and partners, customers, and systems and highlight our continued dedication to operational excellence and the integrity of our SMS.

NiSource has two reportable segments: Columbia Operations and NIPSCO Operations. The remainder of our operations, which are not significant enough on a stand-alone basis to warrant treatment as an operating segment, consist of our centralized corporate activities and are primarily comprised of interest expense on holding company debt and unallocated corporate costs and activities, as well as new business development costs associated with GenCo. The following is a summary of the business for each reporting segment. Refer to Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Note 21, "Business Segment Information," in the Notes to Consolidated Financial Statements for additional information related to each segment.

Columbia Operations

Columbia Operations provides natural gas to approximately 2.4 million residential, commercial and industrial customers in Ohio, Pennsylvania, Virginia, Kentucky, and Maryland. We operate approximately 37,300 miles of distribution main pipeline plus the associated individual customer service lines and 310 miles of transmission main pipeline located in our service areas described above. Throughout our service areas we also have gate stations and other operations support facilities. See below for information on our owned storage facilities. There were no significant disruptions to our system or facilities during 2025.

NISOURCE INC.
ITEM 1. BUSINESS

Facility Name	Location	Type	Storage Capacity (MCF)
Eagle Cove Propane	Petersburg, VA	Propane Gas	863
South Wales Propane	Jeffersonton, VA	Propane Gas	863
Portsmouth Propane-Air	Portsmouth, VA	Propane-Air Gas	17,300
Total Capacity			19,026

Competition. Due to open access and the deregulation of natural gas supplies, our LDC customers can purchase gas directly from producers and marketers in an open, competitive market. Certain of our subsidiaries are involved in programs that provide our residential and commercial customers the opportunity to purchase their natural gas requirements from third parties and use our subsidiaries for transportation services. As of December 31, 2025, 34.9% of our residential customers and 41.1% of our commercial customers participated in such programs.

We compete with (i) investor-owned, municipal, and cooperative electric utilities throughout our service areas, (ii) other regulated and unregulated natural gas intra and interstate pipelines and (iii) other alternate fuels, such as propane and fuel oil. We continue to be a well-positioned competitor in the energy markets in which we operate due to customer preference for natural gas.

Additionally, we are subject to seasonal fluctuations in sales. Revenues from our gas distribution operations are more significant during the heating season, which is from October through May. Please refer to Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations - Results and Discussion of Operations - Columbia Operations," for additional information.

NIPSCO Operations

NIPSCO Operations includes the results of NIPSCO Holdings I and its majority-owned subsidiaries, including NIPSCO, which has fully regulated gas and electric operations in northern Indiana.

NIPSCO Gas

NIPSCO Gas distributes natural gas to approximately 0.9 million customers in northern Indiana. We operate approximately 18,100 miles of distribution main pipeline plus the associated individual customer service lines and 720 miles of transmission main pipeline located in our northern Indiana service areas. Throughout northern Indiana, we also have gate stations and other operations support facilities. See below for information on our owned storage facilities. There were no significant disruptions to our system or facilities during 2025.

Facility Name	Location	Type	Storage Capacity (MCF)
Royal Center Underground Storage	Royal Center, IN	Natural Gas	7,240,000
Rolling Prairie LNG	Rolling Prairie, IN	Liquified Natural Gas	4,000,000
Total Capacities			11,240,000

Competition. Similar to the Columbia Operations segment, NIPSCO Gas operates in an open and competitive market which allows retail customers to purchase gas directly from producers and marketers. As of December 31, 2025, 6.8% of our residential customers and 18.5% of our commercial customers participated in such programs.

We compete with (i) investor-owned, municipal, and cooperative electric utilities throughout our northern Indiana service area, (ii) other regulated and unregulated natural gas intra and interstate pipelines and (iii) other alternate fuels, such as propane and fuel oil. We continue to be a well-positioned competitor in the northern Indiana market due to customer preference for natural gas.

Additionally, we are subject to seasonal fluctuations in sales. Revenues from our gas distribution operations are more significant during the heating season, which is from October through May. Please refer to Part II, Item 7, "Management's

NiSOURCE INC.
ITEM 1. BUSINESS

Discussion and Analysis of Financial Condition and Results of Operations - Results and Discussion of Operations - NIPSCO Operations," for additional information.

NIPSCO Electric

We generate, transmit and distribute electricity to approximately 0.5 million customers in 20 counties in the northern part of Indiana. We also engage in wholesale electric and transmission transactions, and enter into customized agreements to provide electric service to data center customers. Our transmission system, has voltages from 69,000 to 765,000 volts, and consists of approximately 3,000 circuit miles. We are interconnected with eight neighboring electric utilities. We operate 65 transmission and 240 distribution substations, and own approximately 312,500 poles. We own and operate generation assets as well as source power through PPAs. We currently have eight renewable generation facilities in service, three of which were placed into service in 2025. As of December 31, 2025, we also have multiple PPAs that provide approximately 1,200 MW of capacity, with contracts expiring between 2038 and 2045. We also operate two hydroelectric generation facilities, a CCGT, and two coal generation facilities.

In December 2025, before the planned retirement of the R.M. Schahfer coal facility, the U.S. Secretary of Energy issued an emergency order under section 202(c) of the Federal Power Act requiring R.M. Schahfer to continue operating for 90 days, through March 23, 2026. The order stated that continued operation of R.M. Schahfer was required to meet an energy emergency across MISO's North and Central regions and authorizes NIPSCO to obtain cost recovery pursuant to 16 U.S.C. § 824a(c). For additional information, see Part II, Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations - Results and Discussion of Operations - NIPSCO Operations," and Part I, Item 1A. "Risk Factors." The Michigan City coal facility is scheduled to be retired by the end of 2028.

We had forced outages during 2025, none of which had material impacts to our operations. See below for information on our owned generating facilities:

Facility Name	Location	Fuel Type	Generating Capacity (MW)⁽¹⁾
R.M. Schahfer	Wheatfield, IN	Steam - Coal	722
Michigan City	Michigan City, IN	Steam - Coal	455
Sugar Creek	West Terre Haute, IN	CCGT	665
R.M. Schahfer	Wheatfield, IN	Natural Gas	155
Oakdale	Carroll County, IN	Hydro	9
Norway	White County, IN	Hydro	7
Rosewater ⁽²⁾	White County, IN	Wind	102
Indiana Crossroads Wind ⁽²⁾	White County, IN	Wind	302
Dunns Bridge I ⁽²⁾	Jasper County, IN	Solar	265
Indiana Crossroads Solar ⁽²⁾	White County, IN	Solar	200
Cavalry Solar and Storage ⁽³⁾	White County, IN	Solar and Storage	200
Dunns Bridge II ⁽³⁾	Jasper County, IN	Solar and Storage	435
Fairbanks Solar	Sullivan County, IN	Solar	250
Gibson Solar	Gibson County, IN	Solar	200
Total MW Capacity			3,967

⁽¹⁾Represents current net generating capability of each fossil fuel and hydro generating facility. Nameplate capacity is listed for wind and solar generating facilities.

⁽²⁾NIPSCO is the managing partner of these JVs. Refer to Note 4, "Noncontrolling Interests," in the Notes to Consolidated Financial Statements for more information.

⁽³⁾Cavalry Solar and Storage has installed battery storage capacity of 45MW over a four-hour duration. Dunns Bridge II has installed battery storage capacity of 56MW over a four-hour duration.

NISOURCE INC.
ITEM 1. BUSINESS

NIPSCO's 2024 Integrated Resource Plan ("2024 Plan") was submitted to the IURC in December 2024. The 2024 Plan informs future generation investments required to ensure reliability for NIPSCO's customers and incorporated factors such as anticipated load growth from data centers and other economic development opportunities, new EPA emissions rules, and evolving MISO resource accreditation rules. The 2024 Plan maintains the retirement decisions and capacity additions identified in the 2018 and 2021 Integrated Resource Plans and calls for additional generation resources through 2029 to support capacity requirements, along with new gas-fired resources and other capacity resources to support new data center load. In this regard, we executed the ADS Contract in September 2025. As we continue to evaluate additional agreements with data center customers, future integrated resource plans will take this into consideration. Refer to Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" for further discussion of these plans.

NIPSCO participates in the MISO transmission service and wholesale energy market. MISO is a nonprofit organization created in compliance with FERC regulations to improve the flow of electricity in the regional marketplace and to enhance electric reliability. Additionally, MISO is responsible for managing energy markets, transmission constraints and the day-ahead, real-time, Financial Transmission Rights and ancillary markets. NIPSCO has transferred functional control of its electric transmission assets to MISO, and transmission service for NIPSCO occurs under the MISO Open Access Transmission Tariff. NIPSCO generating units are dispatched by MISO which takes into account economics, reliability of the MISO system and unit availability. During the year ended December 31, 2025, NIPSCO generating units, inclusive of its owned renewable generation facilities, were dispatched to meet 55.4% of its overall system load, and the remainder of the overall system load was procured through PPAs and the MISO market.

Competition. Our NIPSCO Electric utility generally has exclusive service areas under Indiana regulations and retail electric customers in Indiana do not have the ability to choose their electric supplier. NIPSCO faces non-utility competition from other energy sources, such as self-generation by large industrial customers and other distributed energy sources. With respect to data center customers, we face competition from utilities and other energy sources across the United States and abroad. Data center customers consider numerous factors in selecting sites for their operations, including, but not limited to, local weather conditions and patterns, cost of land, local political environment, anticipated ease of zoning and permitting, applicable taxes, and the ability of utilities or power providers to deliver electricity quickly and at scale.

Our NIPSCO Operations are subject to seasonal fluctuations in sales. Revenues from electric operations are more significant during the cooling season, which is primarily from June through September. Please refer to Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations - Results and Discussion of Operations - NIPSCO Operations," for additional information.

Regulatory

The regulatory landscape, at both the state and federal levels, continues to evolve, impacting the operations and financial results of our operating companies. Management continually seeks new ways to be more competitive and efficient in this environment, while keeping service and affordability for customers at the forefront. We believe we are, in all material respects, in compliance with applicable laws and regulations at both the state and federal level and do not expect future compliance requirements to have a material impact on our capital expenditures, earnings, or competitive position. While we continue to monitor existing and pending laws and regulations, the impact of regulatory changes cannot be predicted with certainty.

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Rate Case Actions. The following table describes current rate case actions as applicable in each of our jurisdictions. See "Cost Recovery and Trackers" below for further detail on trackers.

(in millions)

Company	Approved ROE	Requested Incremental Revenue	Approved Incremental Revenue	Filing Date	Rates Effective
Approved Rates Cases					
Columbia of Pennsylvania	10.00 %	\$ 110.4	\$ 55.6	March 20, 2025	January 2026
Columbia of Maryland	9.80 %	\$ 10.7	\$ 7.8	September 24, 2024	April 2025
Columbia of Kentucky	9.75 %	\$ 23.8	\$ 14.3	May 16, 2024	January 2025
Columbia of Virginia ⁽¹⁾	9.75 %	\$ 37.2	\$ 28.2	April 29, 2024	October 2024
Columbia of Ohio	9.60 %	\$ 221.4	\$ 68.3	June 30, 2021	March 2023
NIPSCO - Gas ⁽²⁾	9.75 %	\$ 161.9	\$ 120.9	October 25, 2023	August 2024
NIPSCO - Electric ⁽³⁾	9.75 %	\$ 368.7	\$ 257.0	September 12, 2024	July 2025

⁽¹⁾The approved rate case resulted in a black box settlement, representing a settlement to a specific revenue increase but not a specified ROE. The settlement provides use of a 9.75% ROE for future SAVE filings.

⁽²⁾New rates were implemented in 2 steps, with implementation of Step 1 rates effective in August 2024 and Step 2 rates effective in February 2025.

⁽³⁾New rates were implemented in multiple steps, with implementation of Step 1 rates in July 2025 and Step 2 rates effective by March 2026.

FERC. Our service company and operating companies are subject to varying degrees of regulation by the FERC. NiSource Corporate Services files a FERC Form 60 annual report with its financial information as a FERC jurisdictional centralized service company. NiSource also files an annual FERC Form 61 which contains a narrative description of the service company's functions during the prior calendar year.

As natural gas LDCs, Columbia of Maryland, Columbia of Ohio, Columbia of Pennsylvania, Columbia of Virginia, Columbia of Kentucky and NIPSCO Gas have limited jurisdictional certificates to transport gas in their respective service territories and into interstate commerce.

As an electric company, NIPSCO Electric has Market Based Rate authority and is a Transmission Owner subject to FERC jurisdiction. NIPSCO files the following reports annually:

- FERC Form 1, which is a comprehensive financial and operating report,
- FERC Form 566, which is a list of its 20 largest purchases of electricity over the past three years,
- FERC Form 715, which is its Annual Transmission Planning and Evaluation Report and the base case power flow data from the Eastern Interconnection Reliability Assessment Group Multiregional Modeling Working Group, which is used by NIPSCO for transmission planning and,
- FERC Form 730, which is NIPSCO's Report of Transmission Investment Activity.

As a Transmission Owner subject to the MISO Transmission Owners Agreement and Tariff, NIPSCO has various FERC jurisdictional obligations such as maintaining its Attachment O formula rates and corresponding protocols. NIPSCO also has FERC approvals to make affiliate transactions between itself and various JVs. NIPSCO's officers, on the electric side, are also subject to FERC's interlocking directorate rules and reporting requirements.

Regulatory Framework. The gas distribution activities of our Columbia and NIPSCO Operations have pursued non-traditional revenue sources within the evolving natural gas marketplace. These efforts include (i) gas supply cost incentive mechanisms for service to their core markets, and (ii) the sale of on-system services in the companies' service territories. The on-system services are offered by us to customers and include products such as the transportation and balancing of gas on the gas distribution operations utility's system. The incentive mechanisms give the gas distribution operations utilities an opportunity to share in the savings created from such situations as gas purchases made below an agreed upon benchmark price and the remarketing of unused pipeline capacity to reduce overall pipeline costs.

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We recognize that energy efficiency reduces emissions, conserves natural resources and saves our customers money. Our gas distribution companies offer programs such as energy efficiency upgrades, home checkups and weatherization services. The increased efficiency of natural gas appliances and improvements in home building codes and standards contribute to a long-term trend of declining average use per customer. While we are looking to expand offerings so the energy efficiency programs can benefit as many customers as possible, our gas distribution operations utilities have pursued changes in rate design to more effectively match recoveries with costs incurred. Columbia of Ohio has adopted a straight fixed variable rate design for residential and small commercial customers that closely links the recovery of fixed costs with fixed charges. Columbia of Maryland and Columbia of Virginia have regulatory approval for weather and revenue normalization adjustments for certain customer classes, which adjust monthly revenues that exceed or fall short of approved levels. Columbia of Pennsylvania continues to operate its pilot residential weather normalization adjustment and also has a fixed customer charge. This weather normalization adjustment only adjusts revenues when actual weather compared to normal varies by more than 5%. Columbia of Kentucky incorporates a weather normalization adjustment for certain customer classes and also has a fixed customer charge. NIPSCO Gas has also received approval and implemented a weather normalization adjustment for certain of its customer classes. NIPSCO Gas and Electric include a fixed customer charge for residential and small commercial and industrial customer classes.

While increased efficiency of electric appliances and improvements in home building codes and standards have similarly impacted the average use per electric customer in recent years, NIPSCO expects future growth in per customer usage as a result of increasing electric applications, such as electric vehicles. These ongoing changes in use of electricity will likely lead to development of innovative rate designs, and NIPSCO will continue efforts to design rates that increase the certainty of recovery of fixed costs.

Cost Recovery and Trackers. Comparability of our operating results is impacted by regulatory trackers that allow for the recovery in rates of certain costs. Certain approved regulatory tracker mechanisms allow for abbreviated regulatory proceedings in order for the operating companies to quickly implement revised rates and recover associated costs.

A portion of the NIPSCO Operations' and Columbia Operations' gas distribution revenue is related to the recovery of gas costs through GCA's, the review of which occurs through standard regulatory proceedings. All states in our operating area require periodic review of actual gas procurement activity to determine prudence and confirm the recovery of prudently incurred energy commodity costs supplied to customers.

A portion of the NIPSCO Operations' revenue is related to the recovery of fuel costs to generate power and the fuel costs related to purchased power. These costs are recovered through a FAC, which is updated quarterly to reflect actual costs incurred to supply electricity to customers.

Political Action

The NiSource Political Action Committee ("NiPAC") provides our employees a voice in the political process. NiPAC is a voluntary, employee driven, and employee funded political action committee and makes bipartisan political contributions to local, state and federal candidates, where permitted and in accordance with established guidelines. Consistent with our commitments and our approach to engagement, the NiPAC leadership committee members evaluate candidates for support on issues important to our business.

Environmental and Safety Matters

PHMSA Legislation and Regulations

To fulfill our vision of being a trusted energy provider, we follow safety practices required by regulations as we implement our SMS. Our SMS serves as the framework to identify and reduce risks and ensure consistent safety processes, procedures and operations across the organization.

As directed by law in the Protecting Our Infrastructure of Pipelines and Enhancing Safety Act of 2020, PHMSA has proposed and revised various pipeline safety regulations focused on public safety, environmental hazard mitigation, leak detection, methane emissions reduction, and enhanced safeguards for low-pressure distribution systems. Proposed revisions included requirements to detect and repair more leaks, increase survey frequency, and incorporate additional protections to prevent over-pressurization. A final leak detection and repair rule was withdrawn from publication in the Federal Register in January 2025 and the Safety of Gas Distribution Pipelines rulemaking did not progress in 2025.

We continue to evaluate and monitor PHMSA-related legislation and regulations but cannot predict the impact of changing pipeline safety laws and regulations on our business at this time.

Environmental and Climate Change Issues

In March 2025, the EPA announced it will undertake 31 deregulatory actions to advance the administration's policy priorities as directed by various executive orders. These actions will address multiple existing water, waste, air and climate regulations including, but not limited to, GHG and CCR rules. In July 2025, the EPA proposed rescinding the 2009 Endangerment Finding, the scientific and legal foundation for federal GHG regulations under the Clean Air Act. Additionally, in November 2025, the EPA proposed a rule to extend the compliance deadline for owners and operators to complete closure of their unlined CCR surface impoundments larger than 40 acres from October 2028 to October 2031. On February 6, 2026, the EPA issued a final rule extending compliance deadlines for several provisions of the Legacy CCR Rule. NiSource will continue to monitor these matters and assess the impacts to our business as regulations are proposed and finalized, or as otherwise required by law.

Physical Climate Risks. Increased frequency of severe and extreme weather events associated with climate change could materially impact our facilities, energy sales, and results of operations. We are unable to predict these events. However, we perform assessments of physical risk, including physical climate risk, to our business. More extreme and volatile temperatures, increased storm intensity and flooding, and more volatile precipitation leading to changes in lake and river levels are among the weather events that are most likely to impact our business. Efforts to mitigate these physical risks continue to be implemented.

Transition Climate Risks and Opportunities. We actively engage with and monitor the impact that proposed legislative and regulatory programs related to GHG emissions, at both the federal and state levels, would have on our business. Refer to Item 1A. Risk Factors, "Operational Risks," of this Annual Report on Form 10-K for further detail.

In June 2025, the EPA proposed to repeal GHG emissions standards for fossil fuel-fired power plants that were finalized by the previous federal administration in May 2024. The proposed repeal would eliminate key requirements from the 2024 Carbon Pollution Standards, including capacity factor thresholds and carbon capture and storage (CCS) mandates. If finalized, this action would remove regulatory constraints that could significantly impact NIPSCO's planned gas generation, allowing customers to avoid approximately \$675 million in additional costs as contemplated through the 2024 NIPSCO IRP.

We also continue to monitor evolving state policies related to GHG emissions from our gas distribution companies. The Climate Solutions Now Act of 2022 ("Act") requires Maryland to reduce GHG emissions by 60% by 2031 (from 2006 levels), and it requires the state to reach net zero emissions by 2045. The Maryland Department of the Environment ("MDE") adopted a plan to achieve its 2031 goal and is required to adopt a plan for its 2045 net zero goal by 2030. The Act also enacts a state policy to move to broader electrification of both existing buildings and new construction. In December 2024, the MDE issued final Building Energy Performance Standards, which require net zero direct GHG emissions from large buildings by 2040 with interim targets, or payments of an alternative compliance fee. Under an executive order, Maryland is also developing a Clean Heat Standard and a Zero-Emission Heating Equipment Standard, among other programs, that are intended to transition gas furnaces to electric heat pumps. In December 2025, the Maryland Public Service Commission ("MD PSC") issued proposed regulations with the stated purpose of eliminating "subsidies" for the extension of gas mains and service lines to new residential and commercial customers. According to the MD PSC, these regulations, if finalized, would require persons who request new service to pay the full cost of extending service in order to minimize the risk of future stranded costs for all ratepayers. These proposed regulations were issued in accordance with a June 2025 MD PSC order directing its Staff to prepare such proposed regulations by December 2025. In August 2025, the MD PSC instituted formal proceedings to investigate issues pertaining to long-term natural gas company planning practices. One purpose of these proceedings is to ensure that planning is consistent with Maryland's climate goals. Columbia of Maryland cannot predict the final impact of these policies and proceedings on our business at this time.

Net Zero Goal. In November 2022, we announced a goal of net zero GHG emissions by 2040 covering both Scope 1 and Scope 2 GHG emissions ("Net Zero Goal"). Our Net Zero Goal builds on GHG emission reductions achieved to-date. We plan to achieve our Net Zero Goal primarily through the continuation and enhancement of existing programs, such as retiring and replacing coal-fired electric generation with low- or zero-emission electric generation, ongoing pipe replacement and modernization programs, and deployment of advanced leak-detection technologies. In addition, we plan to advance other low- or zero-emission energy resources and technologies, which may include hydrogen, renewable natural gas, long-duration storage, and/or deployment of carbon capture and utilization technologies, if and when these become technologically and economically feasible. Carbon offsets and renewable energy credits may also be used to support achievement of our Net Zero Goal. As of the end of 2024, we had reduced Scope 1 GHG emissions by approximately 72% from 2005 levels.

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Our GHG emissions projections, including achieving a Net Zero Goal, are subject to various assumptions that involve risks and uncertainties, and did not include any assumptions related to data center development and associated load growth. We remain committed to our Net Zero Goal; however, certain of our interim goals may evolve as we assess and respond to business opportunities such as data centers. Achievement of our Net Zero Goal by 2040 will require supportive regulatory and legislative policies, favorable stakeholder environments and advancement of technologies that are not currently economically or technologically feasible to deploy at scale, as well as execution of our business plan. Otherwise, our actual results or ability to achieve our Net Zero Goal, including by 2040, may differ materially.

As discussed in Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations - "Results and Discussion of Operations - NIPSCO Operations," NIPSCO continues to execute its electric generation transition consistent with the preferred pathways identified in its 2018, 2021 and 2024 Integrated Resource Plans. Additionally, as discussed in Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations - "Executive Summary - Energy Transition" and "Liquidity and Capital Resources - Regulatory Capital Programs," our natural gas distribution companies are lowering methane emissions by replacing aging infrastructure, which also increases safety and reliability for customers and communities.

Human Capital

Human Capital Management Governance and Organizational Practices. The Compensation and Human Capital Committee ("C&HC Committee") of our Board of Directors (the "Board") is primarily responsible for assisting the Board in overseeing our human capital management practices. The C&HC Committee reviews our human capital management function and programs. The review of related procedures, programs, policies and practices allows the committee to make recommendations to management with respect to equal employment opportunity, employee engagement, organizational health, and talent management.

Human Capital Goals and Objectives. We have aligned our human capital goals to achieve overall company strategic and operational objectives by driving an enhanced talent strategy, elevating support for front-line leaders, fostering a culture of rigor and accountability, and strengthening our human resource function. We aspire to be an employer of choice, in part, through embedding inclusion throughout the enterprise and creating an enviable employee experience.

Workforce Composition. As of December 31, 2025, we had 7,668 full-time and 70 part-time active employees (i.e., not interns, not on leave or disability). Of our total workforce, 32% were subject to collective bargaining agreements with various labor unions. These collective bargaining agreements were renegotiated in 2021 and 2023 and expire between March 2026 and June 2027.

We seek to foster an enviable work environment where all employees are energized. In efforts to become an employer of choice, we have developed sourcing strategies to attract and retain the most qualified talent. We are committed to providing equal employment opportunities in each of our companies to all employees and applicants without regard to race, color, religion, national origin or ancestry, veteran status, disability, gender, age, marital status, sexual orientation, gender identity, genetic information, or any protected group status as defined by law. The input provided by our increasingly diverse and inclusive workforce will continue to strengthen our corporate culture as well as drive constructive changes within our company to improve our operational strategies, enhance the quality of the services we provide, and increase revenue. We also offer employee resource groups (ERGs), which are offered to all employees and provide individuals with a shared interest the opportunity to connect.

Talent Attraction. To recruit and hire individuals with a variety of skills, talents, backgrounds and experiences, we value and cultivate relationships with community and outreach partners. We also target job fairs, while also partnering with local colleges and universities to identify and recruit qualified applicants.

Talent Development and Retention. We offer leadership development programs to enhance the behaviors and skills of our existing and future leaders. In 2025, we had participation from employees of all levels. We also offer extensive technical and non-technical employee development training programs.

We strive to provide promotion and advancement opportunities for employees. We also develop and implement targeted development action plans to increase succession candidate readiness for leadership roles. Additionally, we monitor the risk and potential impact of talent loss and take action to increase retention of top talent.

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Succession Planning. We perform succession planning annually for officer level positions to ensure that we develop and sustain a strong bench of talent capable of performing at the highest levels. Talent is identified, and potential paths of development are discussed, to ensure that employees have an opportunity to build their skills to be well-prepared for future roles. We maintain formal succession plans for our CEO and key officers. The succession plan for our CEO is reviewed by the Nominating and Governance Committee and the succession plans for key officers (other than the CEO) and critical roles are reviewed by the C&HC Committee annually or more frequently as needed.

Employee and Workplace Health and Safety. We have several programs to support employees and their families' well-being. These programs include competitive medical, dental, vision, life and long-term disability programs, including employee health savings account company contributions, family building benefits, telemedicine services, Employee Assistance Program, Integrated Health Management navigation services, and paid time off including wellness, sick/disability, parental leave, and "illness in family" days.

We also have a robust program to support employees, contractors and public safety, which is led by our Chief Safety Officer and is under the oversight of the Safety, Operations, Regulatory and Policy Committee of our Board.

Culture and Engagement. Our culture is another important aspect of our ability to advance our strategic and operational objectives. In addition to the recruiting, development and retention programs described above, we also invest in internal communications programs, including in-person and virtual learning and networking opportunities, as well as regular town hall communications to employees. We measure and monitor organizational health and employee engagement through various channels including employee lifecycle, pulse, and census surveys.

To instill and reinforce our values and culture, we require our employees to participate in regular training on ethics and compliance topics each year, including raising concerns, treating others with respect, preventing discrimination in the workplace, anti-bribery and corruption, data protection, unconscious biases, harassment, conflicts of interest, and how to use the anonymous ethics and compliance hotline. All employees receive training on our Code of Business Conduct annually or more frequently if there is a material change in content. Because of this training and other programs, we have learned from our most recent employee survey that our employees know what ethical violations look like and how to report them. Our Code of Business Conduct is designed to ensure that our employees adhere to legal and regulatory requirements, mitigate risks, and promote ethical behavior. Our ethics program is led by leadership tone at the top, policies and procedures, regular training and communication, monitoring and auditing, and a system for reporting and addressing violations. Our business ethics program, including the employee training program, is reviewed annually by our executive leadership team and the Audit Committee of our Board of Directors.

Our C&HC Committee reviews reports from our Chief Human Resources Officer on employee engagement and corporate culture. Our Board reviews results and action plans related to our enterprise-wide comprehensive employee engagement survey. Our executive leadership team, including our CEO, communicates directly and regularly with all employees on timely ethics topics through electronic messages, coffee chats, and all-employee town hall meetings. These communications emphasize the importance of our values and culture in the workplace.

Available Information

We are required to file annual, quarterly and current reports, proxy statements and other information with the SEC. The SEC maintains an internet website at www.sec.gov that contains reports, proxy and information statements, and other information regarding issuers from which investors can electronically access our SEC filings.

We make a number of reports and other information available free of charge on our website, www.nisource.com, including our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and all amendments to those reports as soon as reasonably practicable after such material is electronically filed with or furnished to the SEC pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934. The information on our website is not, and shall not be deemed to be, a part of this Annual Report on Form 10-K or incorporated into any other filings we make with the SEC.

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INFORMATION ABOUT OUR EXECUTIVE OFFICERS

The following is a list of our Executive Officers, including their names, ages, offices held and other recent business experience.

<u>Name</u>	<u>Age</u>	<u>Office(s) Held in Past 5 Years</u>
Lloyd M. Yates	65	President and Chief Executive Officer of NiSource since February 2022 and Director since March 2020
Shawn Anderson	44	Executive Vice President and Chief Financial Officer of NiSource since March 2023
		Senior Vice President, Strategy and Chief Risk Officer from May 2022 to March 2023
		Senior Vice President and Chief Strategy and Risk Officer from June 2020 to May 2022
Melody Birmingham	54	Executive Vice President and Group President, Utilities of NiSource since March 2025
		Executive Vice President and President, NiSource Utilities of NiSource from March 2023 to February 2025
		Executive Vice President and Chief Innovation Officer of NiSource from July 2022 to March 2023
		Senior Vice President and Chief Administrator Officer of Duke Energy Corporation from May 2021 to June 2022
		Senior Vice President, Supply Chain and Chief Procurement Officer of Duke Energy Indiana from 2018 to April 2021
William Jefferson, Jr.	64	Executive Vice President, Chief Operating and Safety Officer of NiSource since May 2024
		Executive Vice President, Operations and Chief Safety Officer of NiSource from July 2022 to May 2024
		Station Director at STPNOC, Wadsworth, Texas, from 2020 to May 2022 and Vice President in 2022
Michael S. Luhrs	53	Executive Vice President, Technology, Customer and Chief Commercial Officer of NiSource since March 2025
		Executive Vice President, Strategy and Risk and Chief Commercial Officer of NiSource from March 2023 to February 2025
		Senior Vice President at Alliant Energy from 2022 to March 2023
		Vice President at Duke Energy Corporation from 2013 to 2022
Kimberly S. Cuccia	42	Executive Vice President, General Counsel and Corporate Secretary of NiSource since March 2025
		Senior Vice President, General Counsel and Corporate Secretary of NiSource from April 2022 to February 2025
		Vice President, Interim General Counsel and Corporate Secretary of NiSource from December 2021 to April 2022
		Vice President and Deputy General Counsel, Regulatory, of NiSource Corporate Services Company, from January 2021 to December 2021
Melanie B. Berman	55	Executive Vice President, Administration and Chief Human Resources Officer of NiSource since March 2025
		Chief Human Resources Officer and Senior Vice President, Administration of NiSource from May 2024 to March 2025
		Senior Vice President and Chief Human Resources Officer of NiSource from June 2021 to May 2024
		Executive Vice President and Chief Human Resources Officer of The Michaels Companies, Inc. from 2020 to 2021
Gunnar J. Gode	52	Senior Vice President, Chief Accounting & Tax Officer of NiSource since August 2025
		Vice President, Chief Accounting Officer and Controller of NiSource from July 2020 to July 2025

NiSOURCE INC.
ITEM 1A. RISK FACTORS

Our operations and financial results are subject to various risks and uncertainties, including those described below, that could adversely affect our business, financial condition, results of operations, cash flows, and the market price of our common stock. Additional risks and uncertainties not presently known to us or that we currently believe are immaterial may also harm our business, financial condition, results of operations, cash flows, and the market price of our common stock.

Risk Factors Summary

The following is a summary of material risks that could adversely affect our business, financial condition, results of operations, cash flows, and the market price of our common stock.

OPERATIONAL RISKS

- We may not be able to execute our business plan or growth strategy, including utility infrastructure investments, or business opportunities.
- Our distribution, transmission and generation activities involve a variety of inherent hazards and operating risks, including potential public safety risks.
- We currently conduct and may conduct in the future certain operations through a JV arrangement involving third-party investors that may result in operational impasses or litigation, including business delays as a result of such arrangements.
- Failure to adapt to advances in technology, including alternative energy sources, and changes in laws or regulations to support such advances in technology or alternative energy sources, and our inability to manage such related costs could make us less competitive.
- Increased dependency on technology may hinder our business operations and adversely affect our financial condition and results of operation if such technology fails.
- Aging infrastructure may lead to disruptions in operations and increased capital expenditures and maintenance costs.
- We may be unable to obtain insurance on acceptable terms or at all, and the insurance coverage we do obtain may not provide protection against all significant losses.
- Aspects of the implementation of our electric generation strategy, including the timing of the retirement of our coal generation units or the addition of new generation resources, may be delayed and may not achieve intended results.
- Our capital projects and programs subject us to construction and supply risks, and are subject to governmental oversight and approvals.
- Fluctuations in weather, gas and electricity commodity costs, and economic conditions may impact customer demand.
- Fluctuations in the price of energy commodities or their related transportation costs, or an inability to obtain an adequate, reliable and cost-effective fuel supply may impact our ability to meet customer demand.
- Failure to attract, retain or re-skill an appropriately qualified workforce, and maintain good labor relations, could adversely impact safety, service reliability, and customer satisfaction.
- Failure to effectively manage new initiatives and organizational changes.
- Actions of activist stockholders could negatively affect our business and stock price and cause us to incur significant expenses.
- We outsource certain business functions to third-party suppliers and service providers, and may be impacted by substandard performance or quality by third parties.
- The impacts of a cyber-attack or security breach on any of our or certain third-party technology systems, including operational disruptions and the loss or misuse of confidential and proprietary information and related liability.
- Failure to comply with cybersecurity laws and regulations and the resulting impact on our reputation and business.
- The impacts of natural disasters, acts of terrorism, acts of war, civil unrest, accidents, public health emergencies or other catastrophic events including operational disruptions.
- We are exposed to significant reputational risks, which make us vulnerable to a loss of cost recovery, increased litigation and negative public perception.
- The physical impacts of climate change and the transition to a lower carbon future are impacting our business and could materially adversely affect our results of operations.
- We are subject to operational and financial risks and liabilities associated with the implementation and efforts to achieve our carbon emission reduction goal.

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FINANCIAL, ECONOMIC AND MARKET RISKS

- We have substantial indebtedness which could adversely affect our financial condition.
- A drop in our credit ratings could adversely impact our cash flows, results of operation, financial condition and liquidity.
- Adverse economic and market conditions, including increases in inflation or interest rates, recession or changes in investor sentiment could materially and adversely affect our business, results of operations, cash flows, financial condition and liquidity.
- Most of our revenues are subject to regulation and are exposed to the impact of regulatory rate reviews and proceedings.
- The actions of regulators and legislators could result in outcomes that may adversely affect our earnings and liquidity.
- Our business operations are subject to economic conditions in certain industries.
- We are exposed to payment risk with respect to customers and risk that suppliers or counterparties will not perform their contractual obligations.
- We are a holding company and are dependent on cash generated by our subsidiaries to meet our debt obligations and pay dividends on our stock.
- Capital market performance and other factors may decrease the value of benefit plan assets, which then could require significant additional funding and impact earnings.
- Any future impairments of goodwill resulting in a significant charge to earnings in a future period and negatively impacting our compliance with certain contractual covenants.

LITIGATION, REGULATORY AND LEGISLATIVE RISKS

- The outcome of legal and regulatory proceedings, investigations, inquiries, claims and litigation related to our business operations may have a material adverse effect on our results of operations, financial position or liquidity.
- A failure to comply with changes in, or new or different interpretations of, the various federal, state and local laws, regulations, tariffs and policies applicable on our business.
- Our businesses are regulated under numerous environmental laws and regulations. The cost of compliance with these laws and regulations, and changes to or additions to, or reinterpretations of the laws and regulations, could be significant, and the cost of compliance may not be recoverable. Liability from the failure to comply with existing or changed laws and regulations could have a material adverse effect on our business, results of operations, cash flows and financial condition.
- Changes in tax laws or the interpretation thereof and challenges to tax positions could adversely affect our financial results.

DATA CENTER OPERATIONS AND STRATEGY RISKS

- Data center growth in our service territories, including a focus on northern Indiana, while providing growth opportunities that enhance our business strategy, provide significant financial, operational, and regulatory risks that must be effectively managed.
- Our construction of the Contract Assets and any generation or transmission assets we develop to support future data center contracts involves significant risks. Construction delays, cost overruns or performance issues with the Contract Assets could reduce our returns under the ADS Contract or other future data center contracts and could require us to obtain additional financing.
- The terms and availability of the significant additional financing required to construct the Contract Assets and any generation or transmission assets we develop to support future data center contracts.
- Pursuit of our partnership with ADS creates significant opportunity costs and reduces our strategic and financial flexibility in the near term.
- The return structure and risk profile of ADS Contract and any future data center contract will differ from those of NIPSCO's traditionally regulated utility operations.
- Our partnership with ADS exposes us to significant customer concentration risk.

OPERATIONAL RISKS

We may not be able to execute our business plan or growth strategy, including utility infrastructure investments, or business opportunities.

Operational, financial or regulatory conditions may result in our inability to execute our business plan or growth strategy, including investments related to natural gas and electric distribution and transmission infrastructure investments and our electric generation projects.

Our enterprise-wide transformation roadmap initiatives identify and enable long-term sustainable capability enhancements, cost optimization improvements, technology investments and work process optimization. These initiatives have increased the volume and pace of change within our organization and may not be effective or achieve planned results. These initiatives may also divert the attention of management from other aspects of our business. Utility infrastructure investments may not materialize, may cease to be achievable or economically viable and may not be successfully completed. Natural gas may cease to be viewed as an economically and environmentally attractive fuel. Certain environmental activist groups, investors and governmental entities continue to oppose natural gas delivery and infrastructure investments because of perceived environmental impacts associated with the natural gas supply chain and end use. Energy conservation, energy efficiency, distributed generation, energy storage, policies favoring electric heat over gas heat and other factors may reduce demand for natural gas and electricity. In addition, we consider acquisitions or dispositions of assets or businesses, JVs, and mergers from time to time as we execute on our business plan and growth strategy. Any of these circumstances could adversely affect our business, results of operations and growth prospects. Even if our business plan, growth strategy, and/or business opportunities are executed, there is still risk of, among other things, human error in maintenance, installation or operations, shortages or delays in obtaining equipment, including as a result of transportation delays and availability, labor availability and performance below expected levels (in addition to the other risks discussed in this section). We may experience supply chain challenges, including labor availability issues, impacting our ability to obtain materials for our gas and electric projects, as well as our ability to ensure timely completion.

Additionally, operational, financial or regulatory conditions or other factors may result in our inability to effectively develop and implement our strategy with respect to the complex business opportunities associated with growing interest in data centers from existing and potential customers. See “Data Center Operations and Strategy Risks” for a discussion of certain such risks.

Our distribution, transmission and generation activities involve a variety of inherent hazards and operating risks, including potential public safety risks.

Our gas distribution and transmission activities and our electric generation, transmission and distribution activities involve a variety of inherent hazards and operating risks, including, but not limited to, gas leaks and over-pressurization, downed power lines, stray electrical voltage, excavation or vehicular damage to our infrastructure, outages, environmental contamination, mechanical problems, damage from weather events, and other incidents, which could cause substantial financial losses. These hazards and risks have resulted and may result in serious injury or loss of life to employees and/or the general public, significant damage to property, environmental pollution, impairment of our operations, adverse regulatory rulings and reputational harm, which in turn could lead to substantial business and financial losses. The location of pipeline facilities, including regulator stations, liquefied natural gas and underground storage, or generation, transmission, substation and distribution facilities near populated areas, including residential areas, commercial business centers and industrial sites, could increase the level of damages resulting from such incidents. Hazardous incidents have subjected and may subject us to both civil and criminal litigation or administrative or other legal proceedings from time to time, which could result in substantial monetary judgments, fines, or penalties against us, be resolved on unfavorable terms, and require us to incur significant operational expenses. The occurrence of incidents has in certain instances adversely affected and could in the future adversely affect our reputation, cash flows, financial position and/or results of operations. We maintain insurance against some, but not all, of these risks and losses.

We currently conduct and may conduct in the future certain operations through a JV arrangement involving third- party investors that may result in operational impasses or litigation, including business delays as a result of such arrangements.

We have and may enter into JV arrangements involving third-party investors, including the NIPSCO Minority Interest Transaction and the GenCo Minority Interest Transaction. As part of a JV arrangement, third-party investors may hold certain protective rights that may impact our ability to make certain decisions, restricting our operational and corporate flexibility. The NIPSCO Holdings II LLC Agreement and Generation Holdings II LLC Agreement contain certain such provisions. Any such third-party investors may have interests and objectives which may differ from ours, we may be unable to cause these third

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parties to take action that we believe would be in the JV's best interest, and, accordingly, disputes may arise that may result in operational impasses or litigation, including business delays.

Failure to adapt to advances in technology, including alternative energy sources, and changes in laws or regulations to support such advances in technology or alternative energy sources, and our inability to manage such related costs could make us less competitive.

A key element of our electric business model includes generating power at central station power plants and transmitting that power to customers to achieve economies of scale and produce power at a competitive cost. We continue to transition our generation portfolio in order to implement new and diverse technologies including renewable energy, distributed generation, and energy storage. Advances in technology and potential competition supported by changes in laws or regulations could reduce the cost of electric generation and provide retail alternatives causing power sales to decline and the value of our generating, transmission and distribution facilities to decline, including our ability to recover our prior investments in such facilities.

Our natural gas business model depends on widespread utilization of natural gas for space heating as a core driver of revenues. Alternative energy sources, new technologies or alternatives to natural gas space heating, including cold climate heat pumps and/or efficiency of other products, and potential competition supported by changes in laws or regulations, including potential natural gas bans or restrictions, such as the Department of Energy's furnace rule banning non-condensing gas furnaces, could reduce demand and increase customer attrition, which could impact our ability to recover on our investments in our gas distribution assets.

Our future success will depend, in part, on our ability to anticipate and successfully adapt to technological changes, to offer services that meet customer demand and expectations and evolving industry standards, including environmental impacts associated with our products and services, and to recover all, or a significant portion of, remaining investments in retired assets. A failure by us to effectively adapt to changes in technology, successfully implement such changes, and manage the related costs could harm the ability of our products and services to remain competitive in the marketplace and could have a material adverse impact on our business, results of operations and financial condition. Furthermore, if these changes do not provide the anticipated benefits or meet customer demand and expectations, such failure could materially adversely affect our business model as well as impact our results of operations and financial condition.

Increased dependency on technology may hinder our business operations and adversely affect our financial condition and results of operation if such technology fails.

We use a variety of technological tools and systems including both Company-owned information technology and technological services provided by outside parties. These tools and systems support critical functions including scheduling and dispatching of service technicians, automated meter reading systems, customer care and billing, operational plant logistics, management reporting and external financial reporting. The failure of these or other similarly important technologies, or our inability to have these technologies supported, updated, expanded, recovered (including timely recovered), or integrated into other technologies, could hinder our business operations and adversely impact our financial condition and results of operations. Although we have, when possible, developed alternative sources of technology and built redundancy and security into our computer operations, there can be no assurance that these efforts will protect against all potential issues related to the loss or failure of any such technologies.

Aging infrastructure may lead to disruptions in operations and increased capital expenditures and maintenance costs.

We face risks associated with aging electric and gas infrastructure. These risks can be driven by threats such as, but not limited to, electrical faults, mechanical failure, internal corrosion, external corrosion, ground movement and stress corrosion and/or cracking. The age of these assets may result in a need for replacement, a higher level of maintenance costs or unscheduled outages, despite efforts by us to properly maintain or upgrade these assets through inspection, scheduled maintenance and capital investment. In addition, the nature of the information available on aging infrastructure assets, which in some cases is incomplete, may make the operation of the infrastructure, inspections, maintenance, upgrading and replacement of the assets particularly challenging. Missing or incorrect infrastructure data may lead to (i) difficulty properly locating facilities, which can result in excavator damage and operational or emergency response issues, (ii) configuration and control risks associated with the modification of system operating pressures in connection with turning off or turning on service to customers, which can result in unintended outages or operating pressures and (iii) other potential risks related to missing or incorrect infrastructure data. Also, additional maintenance and inspections are required in some instances to improve infrastructure information and records and address emerging regulatory or risk management requirements, resulting in increased costs.

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Supply chain issues related to shortages of materials, labor and transportation logistics may lead to delays in the maintenance and replacement of aging or damaged infrastructure, which could increase the probability and/or impact of a public safety incident. We lack diversity in suppliers of some gas materials. While we have implemented contractual protections with suppliers and stockpile certain materials in inventory, these efforts may not be effective in ensuring that we can obtain adequate emergency supply on a timely basis in each state, that no compromises are being made on quality and that we have alternate suppliers available. The failure to operate our assets as desired could result in interruption of service, major component failure at generating facilities and electric substations, gas leaks and other incidents, and an inability to meet firm service and compliance obligations, which could adversely impact revenues, and could also result in increased capital expenditures and maintenance costs, which, if not fully recovered from customers, could negatively impact our financial results.

We may be unable to obtain insurance on acceptable terms or at all, and the insurance coverage we do obtain may not provide protection against all significant losses.

Our ability to obtain insurance, as well as the cost and coverage of such insurance, is impacted by various events and developments affecting our industry and the financial condition and underwriting considerations of insurers. For example, some insurers have discontinued underwriting certain carbon-intensive energy-related businesses such as those in the coal industry or excluded coverage for specific perils such as wildfires, environmental exposures or punitive damage risks. Certain perils, such as cyber liability, are now being excluded from some master policies for property and casualty insurance, requiring, where we have the ability, procurement of additional policies to maintain consistent coverage at an additional cost. Specific natural catastrophe events, such as hail and tornado, may not be covered with the same limits as other perils in certain property policies, as full coverage for these events is unavailable in the marketplace. Insurance coverage may not continue to be available at limits, rates or terms acceptable to us, and we may elect not to carry coverage at the same levels as have been historically procured. In addition, our insurance is not sufficient or effective under all circumstances and against all hazards or liabilities to which we are subject. Certain types of damages, expenses or claimed costs, such as fines and penalties, have been and in the future may be excluded under the policies. In addition, insurers providing insurance to us may raise defenses to coverage under the terms and conditions of the respective insurance policies that could result in a denial of coverage or limit the amount of insurance proceeds available to us. Any losses for which we are not fully insured or that are not covered by insurance at all could materially adversely affect our results of operations, cash flows and financial position.

Aspects of the implementation of our electric generation strategy, including the timing of the retirement of our coal generation units or the addition of new generation resources, may be delayed and may not achieve intended results.

We intend to retire the remaining two coal units at R.M. Schahfer Generating Station, two natural gas-fired peaking units at R.M. Schahfer Generating Station, and the coal unit at Michigan City Generating Station. Absent a directive to remain open, we intend to retire the two natural-gas fired peaking units at R.M. Schahfer Generating Station by the end of 2027 and the coal unit at Michigan City Generating Station by the end of 2028. Although we had previously intended to retire them by the end of 2025, the two coal units at R.M. Schahfer Generating Station are currently subject to a federal directive to remain open. These units are being replaced with a diverse, flexible, and scalable mix of incremental resources, including short-term contracted capacity resources, expanded demand side management programs, wind, solar, battery energy storage, and new natural gas peaking resources. Project delays or potential changes with MISO's capacity accreditation of these replacement resources, may also drive us to evaluate additional alternatives to meet our capacity requirements. Macro supply chain issues and U.S. federal policy actions, such as additional federal directives preventing the retirement of these or other assets and the duration of such directives, could create uncertainty around the timing and availability of key input materials necessary to develop and place our electric generation projects in service.

We expect renewable generation, battery energy storage and natural gas generation to be the primary ways in which we will meet our electric generation capacity and reliability obligations to the MISO market and reliably serve our customers when we retire our coal generation capacity. Any delays in the completion of such projects could create significant risks for us to reliably meet our capacity and energy obligations to MISO and to provide reliable and affordable energy to our customers. Delays to the completion dates of our projects could also include delays in the financial return of certain investments and impact the overall timing of our electric generation transition. An inability to secure and deliver on electric generation projects has negatively impacted, and could in the future negatively impact, our generation transition timeline and could negatively impact our achievement of decarbonization goals and reputation.

Our electric generation strategy may require additional investment to meet our MISO obligations and may require significant future capital expenditures, operating costs and charges to earnings that may negatively impact our financial position, financial results and cash flows. In recent years, MISO has implemented new capacity accreditation rules and continues to put forth new plans and proposals relating to its accreditation requirements. Recent MISO accreditation changes have affected generation

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resources, with solar, wind, and battery storage being more significantly impacted than natural gas. It is possible that, under future MISO rules, the capacity accreditation for the capacity resources we construct (potentially including the significant capacity resources we plan to construct to serve ADS and any additional data center customers) will be eliminated or reduced, in which case we would need to replace or supplement the accredited generation capacity we plan to build. We expect that we would need to obtain significant additional debt and equity financing to fund these investments, which may not be available on favorable terms or at all. Although under the terms of the ADS Contract the costs of additional investment in generation resources in response to loss of MISO accreditation would be shared by us and ADS, such investment would be funded initially by us, and our recovery from ADS would occur over an extended period of time. In addition, there can be no guarantee that future data center contracts will contain adequate protections in this regard, or that any such contractual protections would be effective. If we are required to construct additional generation as a result of MISO accreditation changes (and obtain related financing), this could negatively impact our return under the ADS Contract or other data center contracts or otherwise adversely affect our future results and financial condition.

Our capital projects and programs subject us to construction and supply risks, and are subject to regulatory oversight, including requirements for permits, approvals and certificates from various governmental agencies.

Our business requires substantial capital expenditures for investments in, among other things, capital improvements to our electric generating facilities, electric and natural gas transmission and distribution infrastructure, natural gas storage and other projects, including projects for environmental compliance. In particular, in addition to the capital projects we plan to undertake to support our base business, in connection with the ADS Contract, we expect to construct, through GenCo, 400 MW of new battery storage and a new power generation facility consisting of two 1,300 MW CCGTs, which are expected to reach commercial operation between 2028 and 2032, as well as related transmission and distribution assets. In addition, in order to perform under any further data center contracts, we expect that we will need to develop additional generation and transmission assets, which may be significant. As we undertake these projects, we may be unable to complete them on schedule or at the anticipated costs.

Our ability to construct the currently contemplated generation and transmission assets, and any future generation, transmission or distribution assets in a timely manner and within budget is contingent upon many variables and subject to substantial risks. These variables include, but are not limited to, the ability of key suppliers, general contractors and subcontractors to timely satisfy their obligations under existing or future contracts and in compliance with the terms of such contracts, including the EPC Contracts and equipment supply contracts we have already entered into; the impact of new tariffs, if any, inflation and other trade or economic factors that may impact the cost of supplies and services; any other changes in the availability or costs of materials, equipment or commodities; changes in law or regulation, including environmental compliance requirements; the availability of and ability of our contractors to hire and retain qualified labor and the cost of such labor; delays caused by construction incidents or injuries, work stoppages, poor initial cost estimates and unforeseen engineering issues; the impact of public health emergencies or natural disasters or other severe weather events; capital market conditions, including the availability of credit and our ability to obtain financing on acceptable terms; charges allocated to us by MISO with respect to these assets; the impact of public involvement, intervention or litigation; and our ability to obtain any necessary land rights, easements and/or zoning approvals in a timely manner, or at all.

We are monitoring risks related to increasing delivery lead times for certain construction and other materials, increasing risk associated with the unavailability of materials due to global shortages in raw materials and issues with transportation logistics, and risk of decreased construction labor productivity in the event of disruptions in the availability of materials critical to our gas and electric operations. Our efforts to enhance our resiliency to supply chain shortages may not be effective. We continue to see increasing prices and limited availability associated with certain materials, equipment and products, which may impact our ability to complete major capital projects at the cost and timing that was planned and approved. To the extent that delays occur, costs increase, costs become unrecoverable or recovery is delayed, or we otherwise become unable to effectively manage our costs and timely complete our capital projects, if at all, our business operations, results of operations, cash flows, and financial condition may be adversely affected. In addition, to the extent that delays occur on projects that target system integrity, the risk of an operational incident could increase.

Our existing and planned capital projects require numerous permits, approvals and certificates from federal, state, and local governmental agencies, including obtaining necessary rights-of-way, easements and transmissions connections, as well as complying with various environmental statutes, rules and regulations, among other items. If there is a delay in obtaining any required regulatory approvals or if we fail to obtain or maintain any required approvals or to comply with any applicable laws or regulations, including as a result of public opposition to our existing or planned capital projects or due to new or increased federal, state or local requirements, we may not be able to construct or operate our facilities, we may be forced to incur

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additional costs, we may be forced to alter our capital project plans resulting in increased costs and/or delays or we may be unable to recover any or all amounts invested in a project. We also may not receive the anticipated increases in revenue and cash flows resulting from such projects and programs until after their completion.

In addition, we are subject to the risk that we may construct or purchase certain projects to capture anticipated future growth (including in connection with potential data center customers), which may not materialize, and may cause the construction to occur over an extended period of time, in which case we may be unable to recover any or all amounts invested in such a project, or receive the anticipated increases in revenue and cash flows resulting from such projects until much later than expected, if at all.

A significant portion of the gas and electricity we sell is used by residential and commercial customers for heating and air conditioning. Accordingly, fluctuations in weather, gas and electricity commodity costs, and economic conditions impact customer demand.

Energy sales are sensitive to variations in weather. Forecasts of energy sales are based on “normal” weather, which represents a long-term historical average. Significant variations from normal weather resulting from climate change or other factors could have, and have had, a material impact on energy sales. Additionally, residential usage, and to some degree commercial usage, is sensitive to fluctuations in commodity costs for gas and electricity (which volatility is described in more detail in the below risk factor), whereby usage declines with increased costs which could affect our financial results. Rising gas costs could heighten regulator and stakeholder sensitivity relative to the impact of base rate increases on customer affordability. Lastly, residential and commercial customers’ usage is sensitive to economic conditions and factors such as recession, inflation, unemployment, demand and consumer confidence. Therefore, prevailing economic conditions affecting our customers may in turn affect demand and our financial results.

Fluctuations in the price of energy commodities or their related transportation costs, or an inability to obtain an adequate, reliable and cost-effective fuel supply may impact our ability to meet customer demand.

Our current electric generating depends on coal and natural gas for fuel, and our gas distribution operations purchase and resell a portion of the natural gas we deliver to our customers. These energy commodities are subject to price fluctuations and fluctuations in associated transportation costs. We use physical hedging through the use of storage assets and use financial products in certain jurisdictions in order to offset fluctuations in commodity supply prices. We rely on regulatory recovery mechanisms in the various jurisdictions we operate in order to fully recover the commodity costs incurred in selling energy to our customers. While we have historically been successful in the recovery of costs related to such commodity prices, there can be no assurance that such costs will be fully recovered through rates in a timely manner.

In addition, we depend on electric transmission lines, natural gas pipelines, and other transportation and storage facilities owned and operated by third parties to deliver the electricity and natural gas we sell to wholesale markets, supply natural gas to our gas storage and electric generation facilities, and provide retail energy services to our customers. If transportation is disrupted, if capacity is inadequate or if supply is interrupted, we may be unable to sell and deliver our gas and electric services to some or all of our customers. As a result, we may be required to procure additional or alternative electricity and/or natural gas supplies at then-current market rates, which, if recovery of related costs is disallowed, could have a material adverse effect on our businesses, financial condition, cash flows, results of operations and/or prospects.

Failure to attract, retain or re-skill an appropriately qualified workforce, and maintain good labor relations, could adversely impact safety, service reliability, and customer satisfaction.

We face increased competition for talent which may result in longer hire times or increased cost due to the competitive nature of certain positions.

We operate in an industry that requires many of our employees and contractors to possess unique technical skill sets. An aging workforce without appropriate replacements, the mismatch of current skill sets to future needs, the unavailability of talent for internal positions and the unavailability of contract resources may lead to operating challenges or increased costs. These operating challenges include lack of resources, loss of knowledge and a lengthy time period associated with skill development. For example, certain skills, such as those related to construction, maintenance and repair of transmission and distribution systems, are in high demand and have a limited supply. Current and prospective employees may determine that they do not wish to work for us due to market, economic, employment or other conditions, including those related to organizational changes as described in the risk factor below.

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Further, as part of our strategic plan, which includes enhanced technology, transmission and distribution investments, and a reduction in reliance on coal-fired generation, we will need to attract and retain personnel that are qualified to implement such a strategy and may need to retrain or re-skill certain employees to support our long-term objectives. Additionally, successful implementation of our strategic plan is dependent on our ability to recruit and retain key executive officers to oversee our progress.

A significant portion of our workforce is subject to collective bargaining agreements. Our collective bargaining agreements are generally negotiated on an operating company basis with some companies having multiple bargaining agreements, which may span different geographies. Any failure to reach an agreement on new labor contracts or to renegotiate these labor contracts might result in labor disruptions, strikes or significant negotiated wage or benefit increases. Although we maintain workforce continuity plans, our workforce continuity plans may not be effective in avoiding work stoppages that may result from labor negotiations or mass resignations. Labor disruptions, strikes or significant negotiated wage and benefit increases, whether due to union activities, employee turnover or otherwise, could have a material adverse effect on our businesses, results of operations and/or cash flows.

Failure to attract, retain, or re-skill qualified employees, including the ability to transfer significant internal historical knowledge and expertise to new employees, could result in a loss of momentum, loss of high-level employees to our peers and could materially adversely affect our business, results of operations, cash flow and financial condition. If we are unable to successfully attract and retain an appropriately qualified workforce and maintain satisfactory labor relations, safety, service reliability, and customer satisfaction, our results of operations could be adversely affected.

If we cannot effectively manage new initiatives and organizational changes, we will be unable to address the opportunities and challenges presented by our strategy and the business and regulatory environment.

In order to execute on our sustainable growth strategy and enhance our culture of ongoing continuous improvement, we must effectively manage the complexity and frequency of new initiatives and organizational changes. The organizational changes from our transformation initiatives put pressure on employees due to the volume and pace of change and, in some cases, the loss of personnel. Front-line workers are being impacted by the variety of process and technology changes that are currently in progress.

If we are unable to make decisions quickly, assess our opportunities and risks, and successfully implement new governance, managerial and organizational processes as needed to execute our strategy in this increasingly dynamic and competitive business and regulatory environment, our financial condition, results of operations and relationships with our business partners, regulators, customers, employees and stockholders may be negatively impacted.

Actions of activist stockholders could negatively affect our business and stock price and cause us to incur significant expenses.

We may be subject to actions or proposals from activist stockholders or others that may not be aligned with our long-term strategy or the interests of our other stockholders. Our response to suggested actions, proposals, director nominations and contests for the election of directors by activist stockholders could disrupt our business and operations, divert the attention of our board of directors, management and employees, and be costly and time-consuming. Potential actions by activist stockholders or others may interfere with our ability to execute our strategic plans; create perceived uncertainties as to the future direction of our business or strategy; cause uncertainty with our regulators; make it more difficult to attract and retain qualified personnel; and adversely affect our relationships with our existing and potential business partners. Any of the foregoing could adversely affect our business, financial condition and results of operations. Also, we may be required to incur significant fees and other expenses related to responding to stockholder activism, including for third-party advisors. Moreover, our stock price could be subject to significant fluctuation or otherwise be adversely affected by the events, risks and uncertainties of any stockholder activism.

We outsource certain business functions to third-party suppliers and service providers, and may be impacted by substandard performance or quality by third parties.

Utilities rely on extensive networks of business partners and suppliers to support critical enterprise capabilities across their organizations. Like other companies in the utilities industry, we outsource certain services to third parties in areas including construction services, information technology, materials, fleet, environmental, operational services, corporate and other areas. We have seen, and may see in the future, slowing deliveries from suppliers and in some cases materials and labor shortages. In addition to delays and unavailability, at times, outsourcing of services to third parties could expose us to inferior service quality or substandard deliverables, which may result in non-compliance (including with applicable legal requirements and industry

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standards), interruption of service, accidents, or reputational harm, which could negatively impact our business, financial condition and results of operations. The nature of indirect supply chain, including a potential lack of control or certain visibility into sourcing by vendors, may also impact our ability to serve customers in a safe, reliable and cost-effective manner. These risks include the risk of operational failure, reputation damage, disruption due to new supply chain disruptions, exposure to significant commercial losses and fines and poorly positioned and distressed suppliers. If delayed deliveries and shortages or any other difficulties in the operations of these third-party suppliers and service providers, including their systems, were to occur, they could adversely affect our results of operations, or adversely affect our ability to work with regulators, unions, customers, or employees.

A cyber-attack or security breach on any of our or certain third-party technology systems, including but not limited to information systems, infrastructure, software and hardware, upon which we rely may adversely affect our ability to operate, could lead to a loss or misuse of confidential and proprietary information, or potential liability.

We are reliant on technology to run our business, which is dependent upon technology systems to process critical information necessary to conduct various elements of our business, including the generation, transmission and distribution of electricity; operation of our gas pipeline facilities; and the recording and reporting of commercial and financial transactions to regulators, investors and other stakeholders. In addition to general information and cybersecurity risks that all large corporations face (e.g., ransomware, malware, unauthorized access attempts, phishing attacks, malicious intent by insiders, third-party software vulnerabilities and inadvertent disclosure of sensitive information), the utility industry faces evolving and increasingly complex cybersecurity risks associated with protecting electric grid and natural gas infrastructure as well as sensitive and confidential customer and employee information. Deployment or adoption of new or emerging business technologies, including artificial intelligence, Internet of Things (IoT) devices, and cloud-based platforms, increased reliance on third-party vendors, cloud service providers and software supply chains, along with maintaining legacy technology, heightens our exposure to risks outside of our control and represents a large-scale opportunity for attacks on our information systems and confidential customer and employee information, as well as on the integrity of the electric grid and the natural gas infrastructure. Increasing large-scale corporate cyber-attacks in conjunction with more sophisticated threats continue to challenge utility companies. Additionally, international conflicts, as well as increased surveillance activity from global threat actors, has increased the likelihood of a cyber-attack or security breach on critical infrastructure systems.

Additionally, our information systems could experience sophisticated, cyber-attacks or security breaches by a variety of sources, including foreign sources, with the apparent aim to breach our cyber-defenses. While we have implemented and maintain a cybersecurity program designed to protect our information technology, operational technology, and data systems from such cyber-attacks or security breaches, our cybersecurity program does not prevent all breaches, cyber-attack or security breach incidents. We have experienced an increase in the number of attempts by external parties to access our networks or our company data without authorization. We have experienced, and expect to continue to experience, cybersecurity intrusions and attacks or security breaches to our information systems. To our knowledge, none of these intrusions or attacks have resulted in a material cybersecurity intrusion or data breach. The risk of a disruption or breach of our operational technology, or the compromise of the data processed in connection with our operations, through cybersecurity breach or ransomware attack has increased as attempted cyber-attacks or security breaches have advanced in sophistication and number around the world. Technological complexities combined with advanced cyber-attack or security breach techniques, lack of cybersecurity hygiene and human error can result in a cybersecurity incident, such as a ransomware attack. Supplier non-compliance with cybersecurity controls can also result in a cybersecurity incident. We are aware of vendor cybersecurity incidents that have impacted our business, although no such events have had a material impact. Cyber-attacks or security breaches can occur at any point in the supply chain or with any suppliers, and future supplier non-compliance with cybersecurity controls could result in material cybersecurity incidents. In addition, we use unmanned aircraft systems (UAS) or drones in our business operations. UASs are also being used for malicious activities and the cybersecurity risk in connection with operating UASs is increasing.

In addition, we collect and retain personally identifiable information of our customers and employees. Customers and employees expect that we will adequately protect their personal information.

A cybersecurity breach of our information systems or operational technology, or a cybersecurity breach of the information systems of our customers, suppliers or others with whom we do business, could, among other things, (i) adversely impact our ability to safely and reliably deliver electricity and natural gas to our customers through our generation, transmission and distribution systems and potentially negatively impact our compliance with certain mandatory reliability and gas flow standards, (ii) subject us to reputational and other harm or liabilities associated with theft or inappropriate release of certain types of information such as system operating information or information, personal or otherwise, relating to our customers or employees, (iii) impact our ability to manage our businesses, and/or (iv) subject us to legal and regulatory proceedings and

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claims from third parties, in addition to remediation costs, any of which, in turn, could have a material adverse effect on our businesses, cash flows, financial condition and/or results of operations. Although we do maintain cybersecurity insurance, it is possible that such insurance will not adequately cover any losses or liabilities we may incur as a result of a cybersecurity incident.

Compliance with and changes in cybersecurity requirements have a cost and operational impact on our business, and failure to comply with such laws and regulations could adversely impact our reputation, results of operations, financial condition and/or cash flows.

The legal and regulatory environment surrounding cybersecurity and privacy is increasingly demanding. As cyber-attacks or security breaches are becoming more sophisticated, critical infrastructure assets, including pipelines and electric infrastructure, may be specifically targeted. In November 2024, the TSA issued a Notice of Proposed Rulemaking (NPRM) that would mandate cyber risk management and reporting requirements for the pipeline industry. Such directives or additional legal requirements may require expenditure of significant additional resources to respond to cyber-attacks or security breaches, to continue to modify or enhance protective measures, or to assess, investigate and remediate any critical infrastructure security vulnerabilities. Increased costs and the operational impacts of compliance and changes in cybersecurity requirements, including any failure to comply with government regulations or any failure in our cybersecurity protective measures may result in enforcement actions, all of which may have a material adverse effect on our business, results of operations and financial condition. In addition, there is no certainty that costs incurred related to securing against threats will be recovered through rates.

The impacts of natural disasters, acts of terrorism, acts of war, civil unrest, accidents, public health emergencies or other catastrophic events may disrupt operations and reduce the ability to service customers.

A disruption or failure of natural gas distribution systems, or within electric generation, transmission or distribution systems, in the event of a hurricane, tornado, wildfire, flood, or other major weather event, or terrorist attack, acts of war, international military invasions, including the political and economic disruption and uncertainty related to such terrorist attack, acts of war, or international military invasions, civil unrest, accident, public health emergency (e.g. pandemic), or other catastrophic event could cause delays in completing sales, providing services, or performing other critical functions. We have experienced disruptions in the past from tornadoes, hurricanes and remnants of hurricanes and other events of this nature. Also, companies in our industry face a heightened risk of exposure to and have experienced acts of terrorism and vandalism. Our electric and gas physical infrastructure may be targets of physical security threats or terrorist activities that could disrupt our operations. We have increased security given the current environment and may be required by regulators or by the future threat environment to make investments in security that we cannot currently predict. In addition, supply chain constraints could impact our ability to timely restore services. The occurrence of such events could materially adversely affect our business, financial position and results of operations. In accordance with customary industry practice, we maintain insurance against some, but not all, of these risks and losses. As a result, the amount and scope of insurance coverage maintained against losses resulting from any such event may not be sufficient to cover such losses or otherwise adequately compensate for any business disruptions that could result.

We are exposed to significant reputational risks, which make us vulnerable to a loss of cost recovery, increased litigation and negative public perception.

As a utility company, we are subject to adverse publicity focused on the actual or perceived reliability or affordability of our services, the speed with which we are able to respond effectively to electric outages, natural gas leaks or events and related accidents and similar interruptions caused by storm damage, physical or cybersecurity incidents, or other unanticipated events, as well as our own or third parties' actions or failure to act. We are subject to prevailing labor markets and potential high attrition, which may impact the speed of our customer service response. We are also facing supply chain challenges, the impacts of which may adversely impact our reputation in several areas as described elsewhere in these risk factors. We are also subject to adverse publicity related to actual or perceived environmental practices or impacts, including our ability to meet the challenges posed by climate change and achieve our carbon emission reduction goals, as well as negative opinions regarding the appropriateness of such goals. If customers, legislators or regulators have or develop a negative opinion of us, this could result in less favorable legislative and regulatory outcomes or increased regulatory oversight, increased litigation and negative public perception. The foregoing may have adverse effects on our business, results of operations, cash flow and financial condition.

The physical impacts of climate change and the transition to a lower carbon future are impacting our business and could materially adversely affect our results of operations.

Climate change is exacerbating risks to our physical infrastructure by increasing the frequency of extreme weather, including temperature stresses to our electric and gas systems and equipment and storms and floods that damage infrastructure. In addition, climate change is likely to cause lake and river level changes that affect the manner in which services are currently

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provided and droughts or other limits on water used to supply services, and other extreme weather conditions. We have adapted and will continue to evolve our infrastructure and operations to meet current and future needs of our stakeholders. With higher frequency of these and other possible extreme weather events it may become more costly for us to safely and reliably deliver certain products and services to our customers. As our generation profile increases geographically, it is potentially more vulnerable to certain weather hazards, thereby increasing the frequency of weather impacts to overall electric reliability. Furthermore, in certain locations, our generation assets are geographically concentrated. Therefore, a localized weather or hazard impacting such a location could have a disproportionate cost and adverse effect on our ability to deliver certain products and services. Some of these costs may not be recovered. To the extent that we are unable to recover those costs, or if higher rates arising from recovery of such costs result in reduced demand for services, our future financial results may be adversely impacted. Further, as the intensity and frequency of significant weather events increases, insurers may reprice or remove themselves from insuring risks for which the company has historically maintained insurance, resulting in increased cost or risk to us.

Our strategy may be impacted by policy and legal, technology, market and reputational risks and opportunities that are associated with the transition to a lower-carbon economy, as disclosed in other risk factors in this section. As a result of increased awareness regarding climate change, coupled with economic considerations, availability of alternative energy sources, including private solar, microturbines, fuel cells, energy-efficient buildings and energy storage devices, and regulations restricting, or imposing fees on, emissions, some consumers and companies may use less energy, meet their own energy needs through alternative energy sources or avoid expansions of their facilities, including natural gas facilities, which may result in less demand for our services. As these technologies become a more cost-competitive option, whether through cost effectiveness or government incentives and subsidies, certain customers may choose to meet their own energy needs and subsequently decrease usage of our systems and services, which may result in, among other things, our facilities becoming less competitive and economical. Further, evolving investor sentiment related to the use of fossil fuels and initiatives to restrict continued production of fossil fuels could result in a significant impact on our electric generation and natural gas businesses in the future.

We are unable to forecast the future of commodity markets. Some of our generation is dependent on natural gas and coal, and we pass through the costs for these energy sources to our customers. In addition, in our gas distribution business, we procure natural gas on behalf of certain customers, and we pass through the actual cost of the gas consumed. Diminished investor interest in funding fossil fuel development could reduce the amount of exploration and production of natural gas or coal, or investment in gas transmission pipelines. Reduced production and transportation of natural gas could, in the long-term, lead to supply shortages leading to baseload generation outages. Given that we pass through commodity costs to customers, this could also create the potential for regulatory questions resulting from increased customer costs, reduced fossil fuel investment, due to evolving investor sentiment, could lead to higher commodity prices and shortages impacting our generation and our reputation with regulators. Conversely, demand for our services may increase as a result of customer changes in response to climate change. For example, as the utilization of electric vehicles increases, demand for electricity may increase, resulting in increased usage of our systems and services.

Any negative views with respect to our environmental practices or our ability to meet the challenges posed by climate change from regulators, customers, investors or legislators could not only harm our reputation, but could adversely affect the perceived value of our products and services. Changes in policy to combat climate change, and technology advancement, each of which can also accelerate the implications of a transition to a lower carbon economy, may materially adversely impact our business, financial position, results of operations, and cash flows. For example, Maryland is considering policies related to the planning, practices, and future operations of natural gas suppliers in its state which could impact our business in the future.

We are subject to operational and financial risks and liabilities associated with the implementation and efforts to achieve our carbon emission reduction goal.

In November 2022, we announced our goal of reaching net zero Scope 1 and 2 greenhouse gas emissions by 2040 (the “Net Zero Goal”). Achieving the Net Zero Goal will require supportive regulatory and legislative policies, favorable stakeholder environments and advancement of technologies that are not currently economically or technologically feasible to deploy at scale, of which, the impacts and costs are not currently fully understood. NIPSCO’s electric generation transition, which is outlined in the 2024 Plan, is a key element of the Net Zero Goal. Our analysis and plan for execution requires us to make a number of assumptions. These underlying assumptions involve risks and uncertainties and are not guarantees. Should one or more of our underlying assumptions prove incorrect, our actual results and ability to achieve our emissions goal could differ materially from our expectations. Certain of the assumptions that could impact our ability to meet our emissions goal include, but are not limited to: the accuracy of current emission measurements; the ability to complete and implement generation alternatives to NIPSCO’s coal generation and retire NIPSCO’s coal facilities; the ability to implement our modernization plans

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for our natural gas pipelines and facilities, including construction of new pipelines and facilities; customer demand and capacity needs remaining in line with current expectations, including impacts from energy efficiency and technological innovation and adoption of alternative energy sources; the ability to effectively manage emissions associated with electric generation to serve growth and data center development; the ability to manage costs and supply chain risks associated with construction of electric and natural gas assets; technological innovation and costs of energy generation technologies such as wind, solar, nuclear thermal and energy storage, and of carbon abatement technologies such as carbon capture solutions; stakeholder support for these technologies; regulatory approval and the terms of such approvals; impacts of potential future environmental regulations or legislation, including potential GHG pricing regimes such as a carbon tax or methane fee; the price, availability and regulation of carbon offsets; and the price of natural gas and alternative fuels such as hydrogen. Any negative opinions with respect to these goals or our environmental practices, including our ability to meet the challenges posed by climate change and our ability to achieve our carbon emission reduction goals, or a scaling back of these goals, formed by regulators, customers, investors or legislators could harm our reputation and have an adverse effect on our financial condition.

FINANCIAL, ECONOMIC AND MARKET RISKS

We have substantial indebtedness which could adversely affect our financial condition.

Our business is capital intensive and we rely significantly on long-term debt to fund a portion of our capital expenditures and repay outstanding debt, and on short-term borrowings to fund a portion of day-to-day business operations. We had total consolidated indebtedness of \$16,213.5 million outstanding as of December 31, 2025. Our substantial indebtedness could have important consequences. For example, it could:

- limit our ability to borrow additional funds or increase the cost of borrowing additional funds;
- reduce the availability of cash flow from operations to fund working capital, capital expenditures and other general corporate purposes;
- limit our flexibility in planning for, or reacting to, changes in the business and the industries in which we operate;
- lead parties with whom we do business to require additional credit support, such as letters of credit, in order for us to transact such business;
- place us at a competitive disadvantage compared to competitors that are less leveraged;
- increase vulnerability to general adverse economic and industry conditions; and
- limit our ability to execute on our growth strategy, which is dependent upon access to capital to fund our substantial infrastructure investment program.

Some of our debt obligations contain financial covenants related to debt-to-capital ratios and cross-default provisions. Our failure to comply with any of these covenants could result in an event of default, which, if not cured or waived, could result in the acceleration of outstanding debt obligations. Additionally, non-compliance with debt covenants could adversely affect our ability to obtain future borrowings. Any and all of the above could materially adversely affect our business, financial condition, results of operations, and liquidity.

In addition, we expect to incur significant additional indebtedness in order to construct the generation and transmission assets needed to serve ADS and any future data center customers. See “Data Center Operations and Strategy Risks—We will be required to obtain significant additional financing in order to construct the Contract Assets and any generation or transmission assets we develop to support future data center contracts. Such financing may not be available on favorable terms, if at all.” and “—Pursuit of our partnership with ADS creates significant opportunity costs and reduces our strategic and financial flexibility in the near term.” for a discussion of certain risks relating to this anticipated additional indebtedness.

A drop in our credit ratings could adversely impact our cash flows, results of operation, financial condition and liquidity.

The availability and cost of credit for our businesses may be greatly affected by credit ratings. The credit rating agencies periodically review our ratings, taking into account factors such as our actual or perceived business risk (including increasing data center operations as compared to traditional utility operations), capital structure, earnings profile, liabilities, business strategy, and overall shifts in the economy or business environment. We are committed to maintaining investment grade credit ratings; however, there is no assurance we will be able to do so in the future. Our credit ratings could be lowered or withdrawn entirely by a rating agency if, in its judgment, the circumstances warrant. Any negative rating action could adversely affect our ability to access capital at rates and on terms that are attractive. A negative rating action could also adversely impact our business relationships with suppliers and operating partners, who may be less willing to extend credit or offer us similarly favorable terms as secured in the past under such circumstances.

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Certain of our subsidiaries have agreements that contain “ratings triggers” that require increased collateral in the form of cash, a letter of credit or other forms of security for new and existing transactions if our credit ratings (including the standalone credit ratings of certain of our subsidiaries) drop below investment grade. These agreements are primarily for insurance purposes and for the physical purchase or sale of gas or power. As of December 31, 2025, the collateral requirement that would be required in the event of a downgrade below the ratings trigger levels would amount to approximately \$150.2 million. In addition to agreements with ratings triggers, there are other agreements that contain “adequate assurance” or “material adverse change” provisions that could necessitate additional credit support such as letters of credit and cash collateral to transact business.

If our or certain of our subsidiaries’ credit ratings were downgraded, especially below investment grade, financing costs and the principal amount of our indebtedness would likely increase due to the additional risk of our debt and because certain counterparties may require additional credit support as described above. Such increase may be material and could adversely affect our cash flows, results of operations and financial condition. Losing investment grade credit ratings may also result in more restrictive covenants and reduced flexibility on repayment terms in debt issuances, lower our share price and result in greater stockholder dilution from common equity issuances, in addition to reputational damage within the investment community.

Adverse economic and market conditions, including increases in inflation or interest rates, recession or changes in investor sentiment could materially and adversely affect our business, results of operations, cash flows, financial condition and liquidity.

Deteriorating, sluggish or volatile economic conditions in our operating jurisdictions could adversely impact our ability to maintain or grow our customer base and collect revenues from customers, which could reduce our revenue or growth rate and increase operating costs. A continued economic downturn or recession, or slowing or stalled recovery from such economic downturn or recession, may have a material adverse effect on our business, financial condition, or results of operations.

We rely on access to the capital markets to finance our liquidity and long-term capital requirements, including expenditures for our utility infrastructure and to comply with future regulatory requirements, to the extent not satisfied by the cash flow generated by our operations. We have historically relied on the issuance of long-term debt and equity securities to fund a portion of our capital expenditures and repay outstanding debt, and on short-term borrowings to fund a portion of day-to-day business operations. There may be external factors such as inflation, monetary policy or other market conditions which could impact our cost of borrowing and could make it more difficult to obtain financing for our operations or investments on favorable terms. Successful implementation of our long-term business strategies, including capital investment, is dependent upon our ability to access the capital and credit markets, including the banking and commercial paper markets, on competitive terms and rates. An economic downturn or uncertainty, market turmoil, changes in interest rates, changes in tax policy, challenges faced by financial institutions, changes in our credit ratings, or a change in investor sentiment toward us or the utilities industry generally could adversely affect our ability to raise additional capital or refinance debt. For example, because NIPSCO’s current generating facilities partially rely on coal for its operations, certain financial institutions may choose not to participate in our financing arrangements. In addition, investors may choose to sell or choose not to purchase our stock due to environmental, social and governance or sustainability concerns. Reduced access to capital markets, increased borrowing costs, and/or lower equity valuation levels could reduce future earnings per share and cash flows. In addition, any rise in interest rates may lead to higher borrowing costs, which may adversely impact reported earnings, cost of capital and capital holdings.

We may face limits on our ability, or inability, to access credit and capital markets or may experience significant increases in the cost of capital, which could limit our ability to implement or increase the costs of implementing, our business plan, which, in turn, could materially and adversely affect our results of operations, cash flows, financial condition and liquidity.

Most of our revenues are subject to regulation and are exposed to the impact of regulatory rate reviews and proceedings.

Most of our revenues are subject to regulation at either the federal or state level. As such, the revenues generated by us are subject to regulatory review by the applicable federal or state authority. These rate reviews determine the rates charged to customers and directly impact our revenues. Our financial results are dependent on frequent regulatory proceedings in order to ensure timely recovery of costs and investments. As described in more detail in the risk factor below, the outcomes of these proceedings are uncertain, potentially lengthy and could be influenced by many factors, some of which may be outside of our control, including the cost of providing service, the regulators’ view as to the necessity of our expenditures, regulatory interpretations, customer intervention, economic conditions, the political environment and customer affordability. Further, the rate orders are subject to appeal, which creates additional uncertainty as to the rates that will ultimately be allowed to be charged for services.

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The actions of regulators and legislators could result in outcomes that may adversely affect our earnings and liquidity.

The rates that our electric and natural gas companies charge their customers are determined by their state regulatory commissions and by the FERC. These state regulatory commissions also regulate the companies' accounting, operations, the issuance of certain securities and certain other matters. The FERC also regulates the transmission of electric energy, the sale of electric energy at wholesale, accounting, issuance of certain securities and certain other matters, including reliability standards through the North American Electric Reliability Corporation (NERC). Further, NIPSCO's and GenCo's operations under the ADS Contract will be, and under future data center contracts are expected to be, regulated by the IURC in a different way from the regulatory mechanisms applicable to NIPSCO's historical operations. See "Data Center Operations and Strategy Risks" for a discussion of certain such risks.

Under state and federal law, our electric and natural gas companies are entitled to charge rates that are sufficient to allow them an opportunity to recover their prudently incurred operating and capital costs and a reasonable rate of return on invested capital, to attract needed capital and maintain their financial integrity, while also protecting relevant public interests. Our electric and natural gas companies are required to engage in regulatory approval proceedings as a part of the process of establishing the terms and rates for their respective services. Each of these companies prepares and submits periodic rate filings with their respective regulatory commissions for review and approval, which allows for various entities to challenge our current or future rates, structures or mechanisms and could alter or limit the rates we are allowed to charge our customers. These proceedings typically involve multiple parties, including governmental bodies and officials, consumer advocacy groups, and various consumers of energy, who have differing interests. Any change in rates, including changes in allowed rate of return, are subject to regulatory approval proceedings that can be contentious, lengthy, and subject to appeal. This may lead to uncertainty as to the ultimate result of those proceedings. Established rates are also subject to subsequent prudence reviews by regulators, whereby various portions of rates could be adjusted, subject to refund or disallowed, including cost recovery mechanisms. The ultimate outcome and timing of regulatory rate proceedings could have a significant effect on our ability to recover costs or earn an adequate return. Adverse decisions in our proceedings or changes to the related regulatory rules or processes could adversely affect our financial position, results of operations and cash flows.

There can be no assurance that regulators will approve the recovery of all operating and capital costs incurred by our electric and natural gas companies, including, but not limited to, costs for construction, operation and maintenance, and compliance with current and future changes in environmental, federal pipeline safety, critical infrastructure and cybersecurity laws and regulations. Further, we face regulatory challenges when our electric and gas companies seek regulatory recovery of increases to materials and other costs as a result of inflationary pressures, including accounting for inflationary pricing in plans and assumptions and ensuring there is a regulatory recovery model. There is debate among regulators and other stakeholders over how to transition to a decarbonized economy and prudence arguments relative to investing in natural gas assets when the depreciable life of the assets may be shortened due to electrification. The inability to recover a significant amount of operating or capital costs could have an adverse effect on our financial position, results of operations and cash flows.

Changes to rates may occur at times different from when costs are incurred. Additionally, catastrophic events at other utilities could result in our regulators and legislators imposing additional requirements that may lead to additional costs or operational requirements for our companies.

In addition to the risk of disallowance of incurred costs, regulators may also impose downward adjustments in a company's allowed ROE, as well as assess penalties and fines. Regulators may reduce ROE to mitigate potential customer bill increases due to items unrelated to capital investments. These actions would have an adverse effect on our financial position, results of operations and cash flows.

For a discussion of the regulation of our operations related to serving data center customers and relationships with data center customers that are served by generation assets constructed by GenCo and related risks, see "Data Center Operations and Strategy Risks—The return structure and risk profile of ADS Contract and related development of the Contract Assets differ from those of NIPSCO's traditionally regulated utility operations. Any future data center contracts we enter into are expected to have a comparable structure and risk profile."

Our electric business is subject to mandatory reliability and critical infrastructure protection standards established by NERC and enforced by the FERC. The critical infrastructure protection standards focus on controlling access to critical physical and cybersecurity assets. Compliance with the mandatory reliability standards could subject our electric utilities to higher operating costs. In addition, compliance with PHMSA regulations, including the expected final ruling around leak detection and repair

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requirements could subject our gas utilities to higher operating costs and divert business resources from other activities in order to remain compliant. If our businesses are found to be in noncompliance, we could be subject to sanctions, including substantial monetary penalties, or damage to our reputation.

Changes in tax laws, as well as the potential tax effects of business decisions, could negatively impact our business, results of operations (including our expected project returns from our planned renewable energy projects), financial condition and cash flows.

Our business operations are subject to economic conditions in certain industries.

Business operations throughout our service territories have been and may continue to be adversely affected by economic events at the national and local level where our businesses operate. In particular, sales to large industrial customers, such as those in the steel, oil refining, industrial gas and related industries, are impacted by economic downturns and recession; geographic or technological shifts in production or production methods; and other changes in consumer demand, including due to a preference for environmentally friendly products and practices. The U.S. manufacturing industry continues to adjust to changing market conditions including international competition, inflation and increasing costs, government and societal pressure to decarbonization, and fluctuating demand for its products.

We are exposed to risk that customers will not remit payment for delivered energy or services, and that suppliers or counterparties will not perform under various financial or operating agreements.

Our extension of credit is governed by a Corporate Credit Risk Management Policy, involves judgment by our employees and is based on an evaluation of customer, supplier, or counterparty's financial condition, credit history and other factors. We monitor our credit risk exposure by obtaining credit reports and updated financial information for customers and suppliers, and by evaluating the financial status of our banking partners and other counterparties by reference to market-based metrics such as credit default swap pricing levels and to traditional credit ratings provided by the major credit rating agencies. Adverse economic conditions impacting these credit risk exposures could result in an increase in defaults by customers, suppliers and counterparties. We are also exposed to the risk that due to adverse economic conditions one or more suppliers or counterparties may fail or delay the performance of their contractual obligations, such risks could negatively impact our business, financial condition and cash flow.

We are a holding company and are dependent on cash generated by our subsidiaries to meet our debt obligations and pay dividends on our stock.

We are a holding company and conduct our operations primarily through our subsidiaries, which are separate and distinct legal entities. Substantially all of our consolidated assets are held by our subsidiaries. Accordingly, our ability to meet our debt obligations or pay dividends on our common stock and preferred stock, if any, is largely dependent upon cash generated by these subsidiaries. In the event a major subsidiary is not able to pay dividends or transfer cash flows to us, our ability to service our debt obligations or pay dividends could be negatively affected.

Capital market performance and other factors may decrease the value of benefit plan assets, which then could require significant additional funding and impact earnings.

The performance of the capital markets affects the value of the assets that are held in trust to satisfy future obligations under defined benefit pension and other postretirement benefit plans. We have significant obligations in these areas and hold significant assets in these trusts. These assets are subject to market fluctuations and may yield uncertain returns, which could fall below our projected rates of return. A decline in the market value of assets may increase the funding requirements of the obligations under the defined benefit pension plans. Additionally, changes in interest rates affect the liabilities under these benefit plans; as interest rates decrease, the liabilities increase, which could potentially increase funding requirements. Further, the funding requirements of the obligations related to these benefit plans may increase due to changes in governmental regulations and participant demographics, including increased numbers of retirements or longer life expectancy assumptions, as well as voluntary early retirements. In addition, lower asset returns result in increased expenses. Ultimately, significant funding requirements and increased pension or other postretirement benefit plan expenses could negatively impact our results of operations and financial position.

We have significant goodwill. Any future impairments of goodwill could result in a significant charge to earnings in a future period and negatively impact our compliance with certain covenants under financing agreements.

In accordance with GAAP, we test goodwill for impairment at least annually and review our definite-lived intangible assets for impairment when events or changes in circumstances indicate its fair value might be below its carrying value. Goodwill is also tested for impairment when factors, examples of which include reduced cash flow estimates, a sustained decline in stock price

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or market capitalization below book value, indicate that the carrying value may not be recoverable and results in a significant charge to earnings. We cannot predict the timing, magnitude, or duration of such changes. In general, an impairment of goodwill would not be recoverable, in which case we may record a non-cash impairment charge, which could materially impact our results of operations and financial position.

A significant impairment charge in the future could impact the capitalization ratio covenant under certain financing agreements. We are subject to a financial covenant under our revolving credit facility, which requires us to maintain a debt to capitalization ratio that does not exceed 70%. As of December 31, 2025, the ratio was 51.0%.

LITIGATION, REGULATORY AND LEGISLATIVE RISKS

The outcome of legal and regulatory proceedings, investigations, inquiries, claims and litigation related to our business operations may have a material adverse effect on our results of operations, financial position or liquidity.

We are, or may be, involved in legal and regulatory proceedings, investigations, inquiries, claims and litigation in connection with our business operations, the most significant of which are summarized in, Note 19, "Other Commitments and Contingencies," in the Notes to Consolidated Financial Statements. While we maintain insurance, it may not cover all costs or expenses incurred relating to litigation. Due to the inherent uncertainty of the outcomes of such matters, there can be no assurance that the resolution of any particular claim or proceeding would not have a material adverse effect on our results of operations, financial position or liquidity.

Our businesses are subject to various federal, state and local laws, regulations, tariffs and policies and a failure to comply with changes in, or new or different interpretations of, such laws, regulations, tariffs and policies could have an adverse impact on our business.

Our businesses are subject to various federal, state and local laws, regulations, tariffs and policies, including, but not limited to, those relating to natural gas pipeline safety, employee safety, the environment and our energy infrastructure. In particular, we are subject to significant federal, state and local regulations applicable to utility companies, including regulations by the various utility commissions in the states where we serve customers. These regulations significantly influence our operating environment, may affect our ability to recover costs from utility customers, and cause us to incur substantial compliance and other costs. Existing laws, regulations, tariffs and policies may be revised or become subject to new interpretations, and new laws, regulations, tariffs and policies may be adopted or become applicable to us and our operations. In some cases, compliance with new or different laws, regulations, tariffs and policies increases our costs or risks of liability. Supply chain constraints, both direct and indirect, including but not limited to material or labor shortages, may challenge our ability to remain in compliance with these laws, regulations, tariffs and policies and operate our business in a compliant manner. If we fail to comply with laws, regulations and tariffs applicable to us or with any changes in or new interpretations of such laws, regulations, tariffs or policies, our financial condition, results of operations, regulatory outcomes and cash flows may be materially adversely affected.

Our businesses are regulated under numerous environmental laws and regulations. The cost of compliance with these laws and regulations, and changes to or additions to, or reinterpretations of the laws and regulations, could be significant, and the cost of compliance may not be recoverable. Liability from the failure to comply with existing or changed laws and regulations could have a material adverse effect on our business, results of operations, cash flows and financial condition.

Our businesses are subject to extensive federal, state and local environmental laws and rules that regulate, among other things, air emissions, water usage and discharges, leak detection and repair, GHG and waste products such as CCR. Compliance with these legal obligations require us to make significant expenditures for installation of pollution control equipment, remediation, environmental monitoring, emissions fees, and permits at many of our facilities. Furthermore, if we fail to comply with environmental laws and regulations or are found to have caused damage to the environment or persons, that failure or harm may result in the assessment of civil or criminal penalties and damages against us, injunctions to remedy the failure or harm, and the inability to operate facilities as designed and intended. Further, failing to comply with such laws and regulations or a determination that we have caused damage to the environment or persons, could result in reputational damage.

Existing environmental laws and regulations may be revised and new laws and regulations may be adopted or become applicable to us, with an increasing focus on the impact of coal and natural gas facilities that may result in significant additional expense and operating restrictions on our facilities, which may not be fully recoverable from customers and could materially affect the continued economic viability of our facilities.

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An area of significant uncertainty and risk are potential changes to the laws concerning emission of GHG. While we have set a Net Zero Goal and continue to execute our plan to reduce our GHG emissions by the increased sourcing of renewable energy, priority pipeline replacement, leak detection and repair, and other methods, GHG emissions are anticipated to be associated with energy delivery for many years. Future GHG legislation and/or regulation related to the generation of electricity or the extraction, production, distribution, transmission, storage and end use of natural gas could materially impact our gas supply, financial position, financial results and cash flows.

Another area of significant uncertainty and risk are the regulations concerning CCR. The EPA has issued regulations and may promulgate additional regulations concerning the management, storage, use and disposal of CCRs. NIPSCO is also incurring or will incur costs associated with closing, corrective action, and ongoing monitoring of certain CCR impoundments. Further, a release of CCR to the environment could result in remediation costs, penalties, claims, litigation, increased compliance costs, and reputational damage.

We have a pending application with the EPA to continue operation of a CCR impoundment that is tied to operation of R.M. Schahfer Generating Station Units 17 and 18, which are operating under a 202(c) order. The EPA has proposed a rule that would extend the deadline to close this CCR impoundment from 2028 to 2031. In the event that approval of this application is not obtained, or the rule is not finalized and implemented, future operations could be impacted, as well as NIPSCO's ability to comply with certain EPA requirements.

The actual future expenditures to achieve environmental compliance depends on many factors, including the nature and extent of impact, the method of remediation or improvement, the cost of raw materials, contractor costs, and requirements established by environmental authorities. Changes or increases in costs and the ability to recover under regulatory mechanisms could affect our financial position, financial results and cash flows.

Changes in tax laws or the interpretation thereof and challenges to tax positions could adversely affect our financial results.

We are subject to taxation by the various taxing authorities at the federal, state and local levels where we do business. Legislation or regulation which could affect our tax burden could be enacted or interpreted by any of these governmental authorities. The IRA imposed a 15 percent minimum tax rate on book earnings for corporations with higher than \$1 billion of annual income, along with a 1 percent excise tax on corporate stock repurchases while providing tax incentives to promote various clean energy initiatives. Our NIPSCO subsidiary's renewable portfolio is eligible for tax credits associated with the investment in renewable generation assets and production of power from those assets. Statutory changes, a challenge by a taxing authority, changes in taxing authorities' administrative interpretations, decisions, policies and positions, our ability to utilize tax benefits such as carryforwards or tax credits, or a deviation from other tax-related assumptions may cause actual financial results to deviate from previous estimates.

DATA CENTER OPERATIONS AND STRATEGY RISKS

Data center growth in our service territories, including a focus on northern Indiana, while providing growth opportunities that enhance our business strategy, provide significant financial, operational, and regulatory risks that must be effectively managed.

As we continue to evaluate new business opportunities presented by the data center development in our territories, including a focus on northern Indiana, we face a variety of challenges including accurately predicting future power needs of data centers due to rapidly changing technology and market dynamics, managing the potential power demand, generation sources, and transmission capabilities to meet potential load growth from any data center customer, financing the capital investment needed to build and maintain the necessary infrastructure to support data center development, obtaining permitting and siting approval for necessary infrastructure (which may encounter significant local opposition), managing the possible environmental impact of the potential increased power demand while remaining focused on our Net Zero Goal, and evaluating and complying with evolving regulations related to data center development. In addition, our ADS Contract requires us to invest significant capital to develop generation sources and transmission capabilities before we receive the full return on the capital invested, and it is likely that any future data center contracts we enter into similarly will require significant investment before receiving returns. In addition, we face challenges in predicting the demand of potential data center customers in our service territories. It is possible that we may overestimate such demand, causing us to invest in generation and transmission assets in excess of those needed to serve data center customers. If we are not able to utilize such assets to serve other customers, this could negatively affect our

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reputation, cash flows, financial position and/or results of operations. We also may underestimate the potential demand of data center customers, in which case we may not be able to develop necessary generation and transmission assets within a timeframe that is acceptable to potential customers, resulting in the loss of potentially profitable opportunities. We must effectively manage these financial, operational and regulatory risks.

Our construction of the Contract Assets and any generation or transmission assets we develop to support future data center contracts involves significant risks. Construction delays, cost overruns or performance issues with the Contract Assets could reduce our returns under the ADS Contract or other future data center contracts and could require us to obtain additional financing.

In connection with the ADS Contract and any future data center contracts, we expect to construct significant generation and transmission assets. Our ability to construct such assets in a timely manner and within budget is contingent upon many variables and subject to substantial risks. See “Operational Risks— Our capital projects and programs subject us to construction and supply risks, and are subject to regulatory oversight, including requirements for permits, approvals and certificates from various governmental agencies” for additional information. Our return under the ADS Contract will be, and our return under future data center contracts is expected to be, affected by our ability to construct, develop and place into service these assets on time or at all and consistent with initial cost estimates, as well as the performance of these assets once constructed and placed into service.

Under the ADS Contract, if the Contract Assets are delivered into service late or do not achieve certain other performance-related milestones, ADS is entitled to liquidated damages, which would be offset against NIPSCO’s billings to ADS and reduce the rate of return earned under the ADS Contract. In addition, our actual costs to construct the Contract Assets may exceed the budget contemplated by the ADS Contract, which could result from delays in construction or from other factors. Any such cost overruns will need to be funded initially by us, either through our cash flows from operating activities or additional debt or equity financing. Although our EPC contracts provide certain protections against cost overruns under those contracts, and any excess costs not recoverable through the EPC contracts are to be shared by us and ADS, any recoveries from our EPC contractors and/or ADS would occur over an extended period of time. The need for us to fund these expenses in the first instance may reduce our ability to use our operating cash flows for other purposes or may require us to obtain additional debt or equity financing, which may not be available on favorable terms or at all. These costs, if incurred, could negatively impact our return under the ADS Contract or adversely affect our future results and financial condition. In addition, we expect that construction delays, performance shortfalls or cost overruns in connection with construction of generation and transmission assets supporting any future data center contracts could similarly have a negative effect on our return under such contracts and our financial condition.

We will be required to obtain significant additional financing in order to construct the Contract Assets and any generation or transmission assets we develop to support future data center contracts. Such financing may not be available on favorable terms, if at all.

In order to finance the construction of the Contract Assets, as well as any generation and transmission assets we develop to support future data center contracts, we expect to incur significant additional long-term debt and issue additional equity in NiSource, in addition to the financing we otherwise would seek to support investments in our existing businesses and refinance existing indebtedness. The NIPSCO Holdings II LLC Agreement and Generation Holdings II LLC Agreement will allow for additional capital contributions from affiliates of Blackstone to NIPSCO Holdings II and Generation Holdings II in connection with such Blackstone affiliates’ minority interest investments in those entities. In addition, we may consider other funding sources, structures, or partnerships such as JVs or off-balance sheet arrangements such as BTAs, as market conditions and strategic considerations evolve, or as may be necessary to support maintenance of our investment grade credit ratings. The amount of additional long-term debt or NiSource equity needed to support construction of the Contract Assets and any generation and transmission assets to support future data center contracts could increase, potentially significantly, from our current expectations if we experience construction delays or cost overruns.

External factors such as inflation, monetary policy or other market conditions could impact our cost of borrowing and could make it more difficult to obtain the financing that is required to construct the Contract Assets and any generation and transmission assets we develop to support future data center contracts on favorable terms, or at all. The issuance of additional debt could negatively impact our credit ratings and overall cost of capital, which could in turn adversely affect our future results and liquidity. In addition, an economic downturn or uncertainty, market turmoil, changes in interest rates, changes in tax policy, challenges faced by financial institutions, or a change in investor sentiment toward us or the utilities industry or the cloud-computing, artificial intelligence and data center industry generally could adversely affect our ability to raise the necessary capital. Reduced access to capital markets, increased borrowing costs, and/or lower equity valuation levels could jeopardize our

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ability to complete construction of the Contract Assets or any generation and transmission assets we develop to support future data center contracts on-time and within budget, and could reduce future earnings per share and cash flows. In addition, any rise in interest rates may lead to higher borrowing costs, which may adversely impact reported earnings, cost of capital and capital holdings.

Pursuit of our partnership with ADS creates significant opportunity costs and reduces our strategic and financial flexibility in the near term.

We expect to incur significant indebtedness to fund our construction of the Contract Assets. Doing so will reduce our ability to incur further indebtedness to pursue other strategic opportunities, such as partnerships with other large data center customers or strategic mergers and acquisitions, while at the same time maintaining our investment grade credit ratings, which may require us to rely to a greater degree on equity financing in connection with future data center contracts and also may increase our reliance on equity financing for future investments in our existing traditionally regulated utility business, each of which could lead to substantial dilution of our existing shareholders. In addition, our credit rating agencies consider the percentage of our business comprised of traditionally regulated utility operations in their analysis of our credit quality.

In addition to these factors relating to our financing and credit ratings, our partnership with ADS is expected to employ a significant amount of our existing excess transmission infrastructure, which will limit our ability to use these assets for other opportunities, including additional data center opportunities. Furthermore, effectively overseeing the construction and financing of the Contract Assets will require significant time and attention of our management, which could detract from their oversight of our existing business and ability to pursue other strategic opportunities.

The return structure and risk profile of ADS Contract and any future data center contract will differ from those of NIPSCO's traditionally regulated utility operations.

NIPSCO's and GenCo's operations under the ADS Contract will be, and under future data center contracts are expected to be, regulated by the IURC in a different way from the regulatory mechanisms applicable to NIPSCO's historical operations, which affects the manner in which we recover our investment costs and earn a return on our investment. NIPSCO's electric utility rates historically have been determined and approved in regulatory proceedings with the IURC based on an analysis of NIPSCO's costs to provide utility service and a return on, and recovery of, NIPSCO's investment in the utility business. Through the IURC rate-making process, retail rates may be adjusted over time, and NIPSCO may request additional revenue, in order to cover ongoing costs and investment and earn an adequate return.

In contrast, the terms of the ADS Contract were, and the terms of any future contracts with other data center customers are expected to be, determined through commercial negotiations. In the case of the ADS Contract, these terms include the charges that we receive from ADS, which are designed to allow us to recover the costs that we incur to construct and operate the Contract Assets and earn a return, and provisions that may result in adjustments to those charges such as, among other factors, those relating to certain liquidated damages that we may owe ADS in the event of construction delays or capacity shortfalls and the parties' responsibility to share cost overruns, among other provisions. The terms of any future data center contracts we enter into may differ from the terms of the ADS Contract. For example, customer demand may not be served through designated assets and may contemplate that capacity will be procured via PPAs with third parties. However, the terms of any future data center contracts (including the charges we receive from customers and any potential adjustments to such charges) will inform our ability to recover our investments and earn a return. These terms of the ADS Contract do not, and the terms of any future data center contract are not expected to, guarantee a specific overall rate of return, and the overall return we earn under the ADS Contract or any future data center contracts may ultimately be lower than that of NIPSCO's traditional utility operations. The IURC will not determine the commercial terms of the ADS Contract and is not expected to determine the commercial terms of any future data center contracts; however, the IURC is expected to maintain oversight under the ADS Contract and any future data center contracts to ensure NIPSCO provides reliable service to ADS and any future data center customers at just and reasonable rates. In order to recover our investment costs and earn our return under the ADS Contract and any future data center contracts, our subsidiaries must efficiently perform their own obligations and must look to ADS or future customers (or, if applicable, any parent guarantor) to perform its obligations, rather than the IURC making use of its traditional rate-making process. In addition, under the ADS Contract, NIPSCO has direct contractual obligations to the ADS to, among other things, construct the Contract Assets and deliver committed electric capacity in fixed amounts by certain dates. We expect our subsidiaries to have comparable contractual obligations to customers in connection with any future data center contracts. If disputes arise with data center customers, including ADS, regarding provisions of a data center contract, including the ADS Contract, or payments to be made or actions to be taken thereunder, we may be significantly disadvantaged as a result of, among other factors, the significance of such contracts to us and the greater resources (financial and otherwise) available to the relevant customer. Any dispute or litigation with a data center customer, including ADS, could create significant demands on the attention of management and result in significant costs to us.

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In addition, the IURC, through its review and approval of the ADS Contract and any future data center contracts, and the related PPAs between NIPSCO and GenCo, will have ultimate authority over the implementation of these agreements. In this context, we will need to continuously assess the applicability of ASC Topic 980 over the life of the ADS Contract and other data center contracts. It is possible that significant construction overruns, capacity shortfalls or other events that could result in NIPSCO or GenCo owing liquidated damages under the ADS Contract or any future data center contract could either preclude ongoing application of ASC Topic 980 or result in an immediate disallowance and impairment of the Contract Assets, or, if applicable, and any generation and transmission assets we develop to support future data center contracts. In addition, early termination of the ADS Contract or any future data center contract, as applicable, could result in such impairment and discontinuation of application of ASC Topic 980 with respect to the assets being constructed to serve the applicable data center contract, unless such assets can be used to support new or existing customers. If we incur significant costs that we are not able to recover from ADS or future data center customers (for example, greater than expected purchases of market capacity or operations and maintenance costs significantly exceeding those contemplated by the ADS Contract or any future data center contract), this also could discontinue the application of ASC Topic 980 to the ADS Contract and the Contract Assets, or other applicable data center contract and related assets.

Our partnership with ADS exposes us to significant customer concentration risk.

ADS will be a significant customer of our electric utility operations. For example, the generating capacity of the Contract Assets, when fully delivered into service, is expected to be approximately equivalent to the generating capacity of all NIPSCO's existing generating assets. However, ADS has the right to terminate the ADS Contract for convenience following certain notice periods. If ADS terminates or defaults under the ADS Contract or elects not to renew the ADS Contract after the initial term, we may not be able to replace ADS' demand or otherwise fully utilize the assets constructed in connection with the ADS Contract. We also may not receive the same level of return with respect to any alternative use.

In addition, ADS has a one-time option (exercisable no later than March 31, 2029) to halve committed capacity under the ADS Contract to 1,200 MW commencing January 31, 2032. If ADS elects to reduce the committed capacity under the ADS Contract or to terminate the ADS Contract during its initial term, we will not receive the full earnings we expect to receive over the life of the ADS Contract. Although the ADS Contract provides for reimbursement for our investment in the Contract Assets and related expenses in the event of a reduction in the committed capacity or early termination, the amount of any reimbursement is capped under the ADS Contract, with the amount of the caps being based on cost estimates determined as of signing. Furthermore, our ability to collect any reimbursable amounts will depend upon the willingness and ability of ADS or its parent guarantor to satisfy their payment obligations under the ADS Contract and related guarantee. Accordingly, we may not be able to recover our full investment, which may adversely affect our future results and financial condition.

Any of the above outcomes could adversely affect our future results, financial conditions and results of operations. Termination of the ADS Contract during its initial term or exercise by ADS of its one-time option to reduce capacity also may cause us reputational harm, which could, among other things, negatively affect our ability to source and execute contracts with additional data center customers.

Although we anticipate expanding our base of data center customers, we expect the total number of data center customers we serve to remain relatively small by comparison to our current customer base. Any future data center contracts our subsidiaries enter into may contain termination and/or capacity reduction provisions and related reimbursement comparable to the ADS Contract, exposing us to risks comparable to those described above (the significance of which will be affected by the relative size of any such contract and the costs we incur to develop resources supporting such contract). The concentration of business with a small number of customers in an industry based on emerging technologies, including artificial intelligence and machine learning, presents several risks for us. Our data center customers' technologies and their related business applications have developed rapidly in recent years and continue to develop. We cannot predict the rate at which or the extent to which these emerging technologies will be broadly adopted and successful as business models. Additionally, these customers may experience business downturn, which may cause the loss of these customers or may weaken their financial condition. Similarly, customers may reduce their investment in these new technologies or abandon them entirely.

Many factors, including those outside our and our data center customers' control, could cause our data center customers to terminate their data center contracts or exercise any applicable options to reduce capacity. These factors also could contribute to an overall lessening of demand from data center customers. Such factors include, for example: (i) construction delays, cost overruns or capacity shortfalls that occur in connection with our construction of the generation and transmission assets we plan to construct to serve our data center customers, (ii) similar problems that our data center customers may encounter in

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connection with constructing their data centers, (iii) any decrease or lessening of current cloud-computing or artificial intelligence demand trends or a change in the current supportive legal and regulatory environment (in Northern Indiana or elsewhere) with respect to cloud-computing or artificial intelligence, as well as other factors such as environmental concerns (for example, relating to the sourcing of natural gas to power data centers or supplying water from local resources to cool data centers), which could negatively impact the demand for data centers, (iv) technological or other advances impacting the design and operation of data centers, which could reduce the amount of electricity needed to power data centers, potentially significantly, (v) competing energy technologies could become a preferred source of energy for powering data centers, (vi) any business downturns or weakening financial condition that our data center customers may experience and (vii) any decision by our data center customers to reduce their investment in these new technologies or abandon them entirely.

In addition, as a result of the ADS Contract, and any further agreements we may sign with data center companies, our stock price may experience increased volatility as a result of factors outside our control. For example, our stock price may be negatively affected as a result of any actual or perceived slowdown in the adoption of artificial intelligence technology, the regulation or proposed regulation of such technology, or actual or perceived changes in the strategic or financial position of our data center customers. The trading prices for shares of stock in a number of U.S. public companies operating or serving data centers have recently experienced significant volatility.

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ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

We have implemented and maintain a comprehensive cybersecurity program that includes a variety of security controls and measures designed to identify, assess, and manage material cybersecurity risks. The program is a part of our enterprise risk management strategy. The enterprise risk team and the Risk Management Committee review material risks to any NiSource operating company based on perspectives from external experts, peer surveys, and the potential impact to our enterprise assets and strategic objectives.

Risk events are classified based on both the timing of impact and NiSource's ability to preventatively mitigate the risk. For the cybersecurity risks that can be preventively mitigated, the enterprise risk team gathers quarterly updates on mitigation gap closure from risk owners. The Risk Management Committee reviews any mitigation gaps identified by risk owners and approves or rejects the pace of mitigation activities as a statement of risk tolerance and then directs that mitigation activities be included in budgets and the business plan as appropriate.

Our cybersecurity program includes the following key components:

Risk assessment. We regularly assess our cybersecurity risks to identify and prioritize the most significant threats. The risk assessment process considers a variety of factors, including those specific to the utility/energy industry, the types of data we collect and store, and the threats posed by known vulnerabilities. We engage third parties to perform independent assessments of our cybersecurity program, provide intelligence about the threat environment, and to provide operational assistance in managing the program. Annually, a third-party independent assessment is performed to evaluate our cybersecurity maturity against a framework of cybersecurity controls. We also perform bi-annual penetration testing and social engineering assessments performed by a third-party.

Third-party risk management. We perform cyber assessments periodically on all third-party vendors and service providers with whom we share data, rely on for critical business functions, or provide access to our network or systems. Our Supply Chain function works with the Legal and Cyber functions to periodically update cybersecurity contractual provisions in its vendor agreements, with deviations from such provisions requiring approval from the Legal and Cyber functions. Our Supplier Code of Business Conduct requires, among other things, that suppliers ensure safe and secure use of information assets, comply with applicable law relating to personal information, and adhering to standards relative to the use and protection of our information, including that of our employees, customers, vendors and other stakeholders. In addition, all vendors and contractors that have access and/or connectivity to our environment must complete cybersecurity training annually.

Security controls. We have implemented a variety of security controls to mitigate cybersecurity risks. These controls include technical controls, such as firewalls and intrusion detection systems, as well as administrative controls, such as employee training and security awareness programs. To ensure cybersecurity controls, our operational technology within the electric business adheres to the NERC CIP. Within the natural gas business, cybersecurity controls are managed and monitored based on the TSA Security Directives.

Incident response. We have a comprehensive incident response plan in place to respond to cybersecurity incidents. The plan includes steps for detection, analysis, containment, eradication, and recovery from incidents, as well as steps for notifying affected individuals and regulators.

The Audit Committee of our Board has responsibility for oversight of the cybersecurity program and risks from cybersecurity threats. The Audit Committee regularly reviews our cybersecurity posture. The CISO briefs the Audit Committee on cybersecurity risks and risk mitigation initiatives and actions. In addition, the Board remains informed of key and emerging cybersecurity risks and receives updates by the Audit Committee after each of its regularly scheduled meetings.

At the management level, the CISO leads the cybersecurity program and is responsible for assessing and managing cybersecurity risks. Our CISO has expertise and experience in cybersecurity derived from over 15 years of cyber related work experience and possesses several certifications including CISSP, CRISC, and CISA. The CISO is supported by the NiSource Enterprise Security team which performs the cybersecurity function and engages directly on the prevention, detection, mitigation, and remediation of cybersecurity incidents.

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As of the date of filing this Annual Report on Form 10-K, we are not aware of any material cybersecurity incidents during the past year. We monitor the increasing sophistication of cybersecurity threats and continue to allocate resources to enhance our cybersecurity program to protect its information systems and assets. No cybersecurity program is effective to identify and mitigate all threats and we cannot guarantee that we will be able to prevent all cybersecurity incidents. Such an incident could interrupt our normal operations and require us to incur significant costs to remediate any such incident and could have a material impact on our businesses, operations and financial condition. For more information regarding the risks associated with cybersecurity, refer to "Item 1A. Risk Factors" of this Annual Report on Form 10-K.

ITEM 2. PROPERTIES

Discussed below are the principal properties held by us and our subsidiaries as of December 31, 2025.

Columbia Operations

Refer to Item 1, "Business - Columbia Operations," of this report for further information on Columbia Operations properties.

NIPSCO Operations

Refer to Item 1, "Business - NIPSCO Operations," of this report for further information on NIPSCO Operations properties.

Corporate and Other Operations

We own the Southlake Complex, our 325,000 square foot headquarters building located in Merrillville, Indiana.

Character of Ownership

Our principal properties and our subsidiaries' principal properties are free from encumbrances, subject to minor exceptions, none of which are of such a nature as to impair substantially the usefulness of such properties. Many of our subsidiary offices in the various communities we serve are occupied under leases. All properties are subject to routine liens for taxes, assessments and undetermined charges (if any) incidental to construction. It is our practice to regularly pay such amounts, as and when due, unless contested in good faith. In general, the electric lines, gas pipelines and related facilities are located on land not owned by us or our subsidiaries, but are covered by necessary consents of various governmental authorities or by appropriate rights obtained from owners of private property. We do not, however, generally have specific easements from the owners of the property adjacent to public highways over, upon or under which our electric lines and gas distribution pipelines are located. At the time each of the principal properties was purchased, a title search was made. In general, no examination of titles as to rights-of-way for electric lines, gas pipelines or related facilities was made, other than examination, in certain cases, to verify the grantors' ownership and the lien status thereof.

ITEM 3. LEGAL PROCEEDINGS

For a description of our legal proceedings, see Note 19, "Other Commitments and Contingencies - C. Legal Proceedings," in the Notes to Consolidated Financial Statements.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II**ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES**

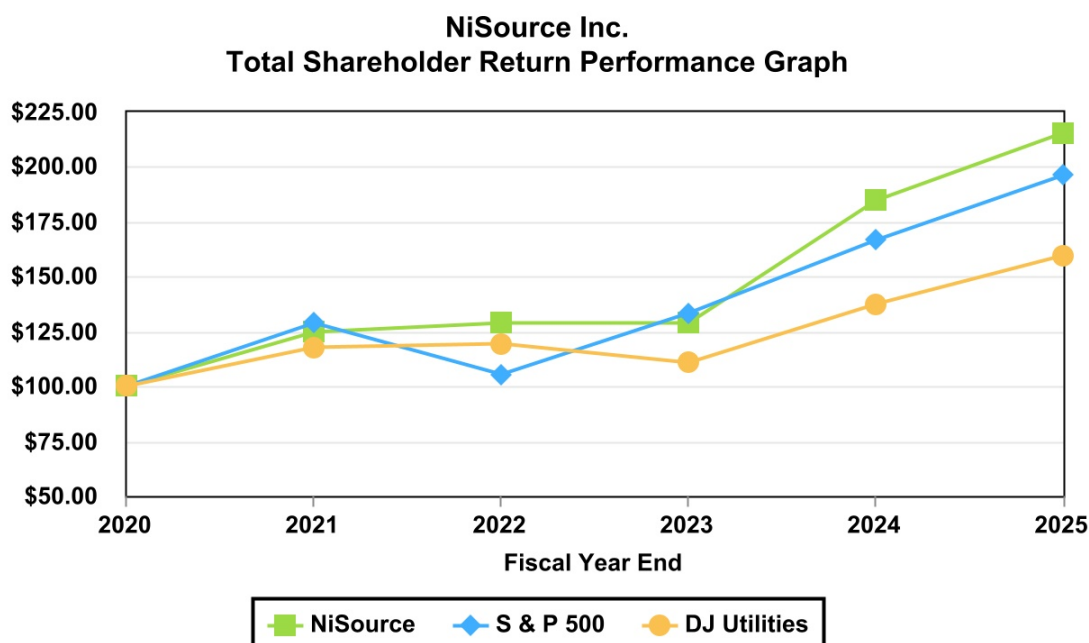
NiSource's common stock is listed and traded on the New York Stock Exchange under the symbol "NI."

Holders of shares of NiSource's common stock are entitled to receive dividends if and when declared by the Board out of funds legally available. There is no preferred stock outstanding as of December 31, 2025. The policy of the Board has been to declare cash dividends on a quarterly basis payable on or about the 20th day of February, May, August, and November. At its January 22, 2026 meeting, the Board declared a quarterly common dividend of \$0.300 per share, payable on February 20, 2026 to holders of record on February 3, 2026.

Although the Board currently intends to continue the payment of regular quarterly cash dividends on common shares, the timing and amount of future dividends will depend on the earnings of NiSource's subsidiaries, their financial condition, cash requirements, regulatory restrictions, any restrictions in financing agreements and other factors deemed relevant by the Board. There can be no assurance that NiSource will continue to pay such dividends or the amount of such dividends.

As of February 4, 2026 NiSource had 14,211 common stockholders of record and 478,533,171 shares outstanding.

The graph below compares the cumulative total shareholder return of NiSource's common stock for the period commencing December 31, 2020 and ending December 31, 2025 with the cumulative total return for the same period of the S&P 500 and the Dow Jones Utility indices.



The foregoing performance graph is being furnished as part of this Annual Report on Form 10-K solely in accordance with the requirement under Rule 14a-3(b)(9) to furnish stockholders with such information, and therefore, shall not be deemed to be filed or incorporated by reference into any filings by NiSource under the Securities Act or the Exchange Act.

The total shareholder return for NiSource common stock and the two indices is calculated from an assumed initial investment of \$100 and assumes dividend reinvestment.

Purchases of Equity Securities by Issuer and Affiliated Purchasers. For the three months ended December 31, 2025, no equity securities that are registered by NiSource Inc. pursuant to Section 12 of the Securities Exchange Act of 1934 were purchased by or on behalf of us or any of our affiliated purchasers.

ITEM 6. RESERVED

Not applicable.

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EXECUTIVE SUMMARY

This Management's Discussion and Analysis of Financial Condition and Results of Operations ("Management's Discussion") includes management's analysis of past financial results and certain potential factors that may affect future results, potential future risks and approaches that may be used to manage those risks. See "Note regarding forward-looking statements" and Item 1A, "Risk Factors" at the beginning of this report for a list of factors that may cause results to differ materially. Refer to the "Business" section under Part I, Item 1 of this Annual Report on Form 10-K and Note 21, "Business Segment Information," in the Notes to Consolidated Financial Statements for further discussion of our regulated utility business segments.

This Management's Discussion is designed to provide an understanding of our operations and financial performance and should be read in conjunction with our Consolidated Financial Statements and related Notes to Consolidated Financial Statements in this Annual Report on Form 10-K.

We are an energy holding company under the Public Utility Holding Company Act of 2005 whose primary subsidiaries are fully regulated natural gas and electric utility companies serving customers in six states. We generate substantially all of our operating income through these rate-regulated businesses, which are summarized for financial reporting purposes into two primary reportable segments: Columbia Operations and NIPSCO Operations.

Our vision is to be a premier, innovative and trusted energy partner. We exist to deliver safe, reliable energy that drives value to our customers. In order to achieve this goal, we seek to develop strategies that benefit all stakeholders as we (i) support long-term infrastructure investment and safety programs to better serve our customers, (ii) align our tariff structures and regulatory programs with our cost structure, and (iii) create value and enable growth in an evolving energy ecosystem. These strategies focus on improving safety and reliability, enhancing customer experience, pursuing regulatory and legislative initiatives to increase accessibility for customers currently not on our gas and electric service, ensuring customer value and reducing emissions while generating sustainable returns. The safety of our customers, communities and employees remains our focus. Serving as a guiding practice for our SMS, NiSource is certified in conformance to the American Petroleum Institute Recommended Practice 1173, which is the foundation to our journey towards operational excellence.

2025 Overview:

In 2025, we continued to make significant progress on the remaining portfolio of projects that will enable our electric generation transition, including placing two solar projects and one solar and battery project into service. We advanced our Data Center strategy significantly by creating our GenCo affiliate, whose goal is to build capacity to serve large load customers. We also executed the ADS Contract and related EPC contracts discussed below. During the year, we received orders for four rate cases: Columbia of Maryland, Columbia of Pennsylvania, Columbia of Virginia, and NIPSCO Electric. Between our Columbia and NIPSCO Operating Segments, we added 24,000 customers. We also invested \$1.6 billion in infrastructure modernization to enhance safe, reliable service, including replacement of 256 miles of distribution main and service lines, 45 miles of underground cable and 1,656 electric poles. We concluded the second and third phases of a WAM ERP program, covering all gas distribution operations across our operating territories and our generation assets, to optimize the scheduling, dispatch, and execution of our field operations.

ADS Contract and Data Center Strategy:

ADS Contract

In September 2025, NIPSCO entered into an agreement with ADS, a wholly-owned subsidiary of Amazon.com, Inc., under which NIPSCO will provide electricity to ADS' data centers. Under the ADS Contract, which is pending IURC approval, NIPSCO will provide electric service to ADS pursuant to a capacity commitment beginning in 2027 and increasing annually to

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ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

2,400 MW by the end of 2032 and will construct up to 3,000 MW of dispatchable generation to provide such electric service. The ADS Contract's initial term ends 15 years after the initial energization of ADS' initial data center. Starting January 2027, ADS will regularly pay NIPSCO a fixed capacity charge and certain pass-through charges. Amazon.com, Inc. a publicly traded, investment-grade parent company has guaranteed ADS' payment obligations. These charges are structured to provide us with a return of our invested capital over the fifteen-year initial term. In addition, the ADS Contract contains provisions for adjustment of the charges designed to provide us with an unlevered internal rate of return on our invested capital over the initial term within a defined range, which we expect over the life of the ADS contract to result in an overall realized return greater than that of NIPSCO's current electric operations, driven by execution and financing. Our realized return may be impacted by factors such as construction costs, operating performance, financing costs and other variables. NIPSCO will also propose to the IURC a mechanism to pass savings back to retail customers for use of the existing system which is expected to begin in 2027. Refer to Part I, Item 1A, "Risk Factors" for a discussion of certain of these factors and other risks relating to the ADS Contract.

In order to meet demand under the ADS Contract, NIPSCO has entered into a PPA with GenCo, which is pending IURC approval and contains terms and provisions substantially similar to the ADS Contract, such that economic benefits (except savings that are expected to be passed to retail customers as described above) and obligations of the ADS Contract as they relate to the Generation Assets (as defined below) are expected to be borne by GenCo and NiSource, as GenCo's ultimate parent company, rather than NIPSCO.

GenCo plans to construct 400 MW of new battery storage and a new power generation facility consisting of two 1,300 MW CCGTs, which are expected to reach commercial operation between 2028 and 2032 (such assets, collectively, the "Generation Assets"). NIPSCO currently has a proceeding before the IURC to approve the generation facilities required to be built for ADS. GenCo has entered into engineering, procurement and construction contracts (the "EPC Contracts"), and certain equipment supply contracts, including a contract to acquire turbines, with respect to the construction of the Generation Assets. The aggregate cost of the Generation Assets, together with the cost to develop related transmission infrastructure (collectively, the "Contract Assets"), is currently estimated to be approximately \$7 billion. The EPC Contracts provide certain protections against cost overruns, and any excess costs with respect to the EPC Contracts beyond those protections, or arising apart from the EPC Contracts are, unless otherwise agreed by the parties, shared by ADS and NIPSCO (for transmission) and GenCo (for generation). If the Contract Assets are delivered into service late or do not achieve certain performance-related milestones, ADS is entitled to liquidated damages, subject to a cap and offset against the regular charges paid by ADS.

Either party may terminate the ADS Contract upon certain defaults or failure to obtain necessary related approvals from the IURC and FERC. ADS may terminate the ADS Contract for convenience following certain notice periods and also has a one-time option (exercisable no later than March 31, 2029) to halve the committed capacity under the ADS Contract to 1,200 MW commencing January 31, 2032. If ADS terminates for convenience, exercises its reduction option or defaults, NIPSCO or its affiliates will be reimbursed for investment costs, subject to agreed caps based on cost estimates by year as of signing. NIPSCO's aggregate liability, including liquidated damages, is subject to a cap.

NIPSCO's and GenCo's operations under the ADS Contract will be regulated by the IURC in a different way from the regulatory mechanisms applicable to NIPSCO's historical operations. The terms of the ADS Contract were determined by commercial negotiation with ADS. These terms include the charges we receive from ADS and provisions that may result in adjustments to such charges, including those relating to certain liquidated damages that we may owe ADS in the event of construction delays or capacity shortfalls, the parties' responsibility to share cost overruns, certain changes in law and force majeure events. The IURC will not determine the commercial terms of the ADS Contract; however, the IURC will maintain oversight under the ADS Contract to ensure NIPSCO provides reliable service to ADS at just and reasonable rates. In order to recover our investment costs and earn our return under the ADS Contract, our subsidiaries must efficiently perform their own obligations and must look to ADS (or its parent guarantor) to perform its obligations, rather than the IURC making use of its traditional rate-making process. In addition, under the ADS Contract, NIPSCO has direct contractual obligations to ADS to, among other things, construct the Contract Assets and deliver committed electric capacity in fixed amounts by certain dates.

The terms of any future data center contracts we enter into may differ from the terms of the ADS Contract. For example, customer demand may not be served through designated assets and may contemplate that capacity will be procured via PPAs with third parties. However, the terms of any future data center contracts (including the charges we receive from customers and any potential adjustments to such charges) will inform our ability to recover our investments and earn a return. Similar to the ADS Contract, any additional data center contracts will be subject to IURC approval and oversight authority, but the IURC will not determine the commercial terms.

Data Center Strategy

We continue to experience strong demand from potential data center customers in our northern Indiana service territory and are engaged in negotiations with potential counterparties. Through certain of our subsidiaries, we have entered into certain

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ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

construction and equipment supply contracts in relation to additional generation and transmission assets that may be used to serve potential future data center customers. As we continue to evaluate our potential data center opportunities, we will continue to focus on the community, financial, operational and regulatory factors that must be managed effectively in order to succeed with our data center strategy. We believe data center development can enhance our local tax base, diversify the employment base across the state of Indiana, and provide greater value to existing customers and shareholders. We continually evaluate ways to effectively manage the potential power demand, generation sources, and transmission capabilities to meet potential further load growth from additional data center customers, while at the same time focusing on our environmental goals.

In order to perform under any further data center contracts, we expect that we would need to develop additional generation and transmission assets, which may be significant, and obtain additional financing in connection with such development. For these and other reasons, our ability to successfully execute our data center strategy is subject to a number of risks and uncertainties. Refer to Part I, Item 1A, "Risk Factors" for a discussion of certain risks relating to our data center strategy.

Energy Transition:

We continue to advance our energy transition strategy, primarily through the continuation and enhancement of existing programs, such as implementing our plan to retire and replace remaining coal-fired electric generation by 2028 with a balanced mix of low- or zero-emission electric generation, ongoing pipe replacement and modernization programs, and deployment of advanced leak detection and repair. We continue to make progress on our electric generation transition, initiated through our 2018 Integrated Resource Plan ("2018 Plan"), and we are continually adjusting to the dynamic energy landscape. As of December 31, 2025, we have placed in service owned renewable and storage projects with combined nameplate capacities of 1,950 MW and 101 MW respectively. Renewable PPA projects with a combined nameplate capacity of 1,200 MW have also been placed in service. For additional information, see Note 14, "Other Commitments and Contingencies - D. Other Matters". In December 2025, before the planned retirement of the R.M. Schahfer coal facility, the U.S. Secretary of Energy issued an emergency order under section 202(c) of the Federal Power Act requiring R.M. Schahfer to continue operating for 90 days, through March 2026. The order stated that continued operation of R.M. Schahfer was required to meet an energy emergency across MISO's North and Central regions and authorizes NIPSCO to obtain cost recovery pursuant to 16 U.S.C. § 824a(c). For additional information, see "Results and Discussion of Operations - NIPSCO Operations," in this Management's Discussion, and see Part I, Item 1A. "Risk Factors" in this Annual Report on Form 10-K.

NIPSCO's 2021 Plan calls for a new natural gas peaking facility to replace existing vintage gas peaking facilities at the R.M. Schahfer Generating Station to support system reliability and resiliency, and upgrades to the electric transmission system. Following approval by the IURC in October 2024, the construction of a new 400 MW natural gas peaking generation facility is underway, which is expected to support the planned retirement of the existing vintage gas peaking facilities by the end of 2028. The 2021 Plan affirm's Michigan City 2028 retirement and calls for new natural gas peaking facilities. Final retirement dates for these units will be subject to MISO approval.

NIPSCO's 2024 Integrated Resource Plan ("2024 Plan") was submitted to the IURC on December 9, 2024. The 2024 Plan maintains the retirement decisions and capacity additions identified in the 2018 and 2021 Integrated Resource Plans and calls for additional generation resources through 2029 to support capacity requirements. The 2024 Plan informs future generation investments required to ensure reliability for NIPSCO's customers and incorporates factors such as anticipated load growth from data centers and other economic development opportunities, EPA emissions rules, and evolving MISO resource accreditation rules. Given that the 90-day 202(c) order could continue to be issued every 90 days to keep Schahfer Units 17 & 18 open for the foreseeable future, and given that MISO's resource accreditations for renewables and storage remain uncertain, it may be necessary to evaluate changes to our previously communicated resource timelines and alternative resource decisions. We plan to move as efficiently as possible while maintaining the integrity of our commercial, planning, regulatory, procurement and operational execution processes.

We continue to enhance safety and reduce methane emissions on our gas systems through modernization programs and utilization of advanced leak detection and repair. In addition, we plan to advance other low- or zero-emission energy resources and technologies, such as hydrogen and renewable natural gas.

NiSOURCE INC.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

Transformation:

We are modernizing and unlocking efficiencies within our systems and processes on operational excellence, safety, operation and maintenance management. These efforts include investments in proven technologies backed with standardized processes that will change the way we plan, schedule, and execute work in the field and how we engage and provide service to our customers. We delivered the first major milestones of our transformation roadmap through the implementation of phases of our WAM ERP program, foundational AMI capabilities, and completion of certain cyber enhancements to continue to advance the cybersecurity program. Our WAM ERP program has been implemented across our electric and transmission operations, all gas distribution operations and our generation assets. This ERP system standardizes processes around the design and build of our assets as well as optimizes the scheduling, dispatch, and execution of our field operations. We continue to focus on our customer technology platforms. In addition to transforming technology to enhance our employee and customer experiences, we believe these programs will modernize systems and further reduce our enterprise risk related to end-of-life systems.

Economic Environment:

We continue to monitor risks related to order and delivery lead times for construction and other materials, potential unavailability of materials due to global shortages in raw materials, and decreased construction labor productivity in the event of disruptions in the availability of materials. We continue to experience elevated material and supply costs in certain product sourcing categories driven by increased demand and tariffs. To the extent that work plan delays occur or our costs increase, our business operations, results of operations, cash flows, and financial condition could be materially adversely affected. Refer to Part I, Item 1A. Risk Factors, "Financial, Economic and Market Risks" of this Annual Report on Form 10-K for further detail.

We are faced with increased competition for employee and contractor talent in the current labor market which has resulted in increased costs to attract and retain talent. We are ensuring that we use all internal human capital programs (development, leadership enablement programs, succession, performance management) to promote retention of our current employees along with having a competitive and attractive appeal for potential recruits. Our flexible work arrangements, where possible, support a broader talent footprint for sourcing talent needed and for remaining competitive.

We continue to evaluate our financing plan to manage interest expense and exposure to rates. For more information on interest rate risk, see "Market Risk Disclosures" and Part I, Item 1A. Risk Factors, "Financial, Economic and Market Risks" of this Annual Report on Form 10-K.

NIPSCO Minority Interest Transaction:

In December 2023, contemporaneously with the closing of the NIPSCO Minority Interest Transaction, Blackstone, NIPSCO Holdings I, NIPSCO Holdings II, and NiSource entered into an Amended and Restated Limited Liability Company Agreement of NIPSCO Holdings II. In January 2024, BIP transferred its equity interest to one of its affiliates and the members of NIPSCO Holdings II entered into a Second Amended and Restated Limited Liability Company Operating Agreement of NIPSCO Holdings II. In October 2025, the members of NIPSCO Holdings II entered into a Third Amended and Restated Limited Liability Company Agreement of NIPSCO Holdings II (the "Amended LLC Agreement"), which, among other changes, increased the amount and time period for additional mandatory capital contributions required to be contributed by the members affiliated with Blackstone by \$175 million and seven years, which obligation is backed by an Equity Commitment Letter from Blackstone or an affiliate thereof, and amended certain provisions to facilitate NIPSCO Holdings II and its subsidiaries' provision of electric service to data center customers (and related activities) and their related contracts and arrangements with Generation Holdings II and its subsidiaries. The members of NIPSCO Holdings II that are affiliates of Blackstone must vote their equity holdings under the Amended LLC Agreement as one investor. Refer to Note 4, "Noncontrolling Interests," in the Notes to the Consolidated Financial Statements for more information on this transaction.

GenCo Minority Equity Interest Transaction:

In October 2025, NiSource issued a 19.9% equity interest in NiSource's wholly-owned subsidiary Generation Holdings II to BIP Orion Holdco L.P. and BIP Orion Holdco II L.P., affiliates of Blackstone (collectively, "Blackstone Investor"), in exchange for \$35.2 million in cash contributions to Generation Holdings II through an Amended and Restated Limited Liability Company Agreement of Generation Holdings II (the Generation Holdings II "LLC Agreement"). Generation Holdings II is the sole owner of GenCo.

The Generation Holdings II LLC Agreement establishes, among other things, governance rights, exit rights, requirements for additional capital contributions, mechanics for distributions, and other arrangements for Generation Holdings II. Specifically,

NiSOURCE INC.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

under the terms of the Generation Holdings II LLC Agreement, Blackstone Investor will provide up to \$1.325 billion in additional capital contributions over a seven-year period, which obligation is backed by an Equity Commitment Letter from Blackstone or an affiliate thereof. Under the Generation Holdings II LLC Agreement, Blackstone Investor is entitled to appoint two directors to the board of directors of Generation Holdings II (the "Holdings II Board") so long as Blackstone Investor (together with any approved affiliate) holds at least a 17.5% Percentage Interest (as defined in the Generation Holdings II LLC Agreement). Blackstone Investor appointed two directors to the Holdings II Board, such that the Holdings II Board is comprised of seven directors, two appointed by Blackstone Investor and five appointed by NiSource. The Generation Holdings II LLC Agreement also contains certain investor protections, including, among other things, requiring Blackstone Investor approval for Generation Holdings II to take certain major actions outside of the normal course of business. In addition, the Generation Holdings II LLC Agreement contains certain terms surrounding transfer rights and other obligations applicable to both Blackstone Investor and NiSource. Under the Generation Holdings II LLC Agreement, Generation Holdings II has agreed that, so long as Blackstone Investor holds a 14.9% or greater percentage interest in Generation Holdings II, Generation Holdings II, NIPSCO Holdings II (as defined below) and/or their respective subsidiaries will be the exclusive vehicles for all power, storage and generation requirements for data center customers within NIPSCO's service territory. The Generation Holdings II LLC Agreement also establishes that NiSource will be attributed 80.1% of any profit or loss from Generation Holdings II, through its wholly owned subsidiary GenCo, with the Blackstone Investor being attributed the remaining 19.9% of any profit or loss.

NiSOURCE INC.
ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
Summary of Consolidated Financial Results

A summary of our consolidated financial results for the years ended December 31, 2025, 2024 and 2023, are presented below:

Year Ended December 31, (in millions, except per share amounts)	Favorable (Unfavorable)					
	2025	2024	2023	2025 vs. 2024	2024 vs. 2023	
Operating Revenues	\$ 6,642.2	\$ 5,455.1	\$ 5,505.4	\$ 1,187.1	\$ (50.3)	
Operating Expenses						
Cost of energy	1,584.4	1,132.2	1,533.3	(452.2)	401.1	
Other Operating Expenses	3,222.5	2,867.4	2,676.6	(355.1)	(190.8)	
Total Operating Expenses	4,806.9	3,999.6	4,209.9	(807.3)	210.3	
Operating Income	1,835.3	1,455.5	1,295.5	379.8	160.0	
Total Other Deductions, Net	(618.9)	(452.7)	(481.6)	(166.2)	28.9	
Income Taxes	203.8	158.1	139.5	(45.7)	(18.6)	
Net Income	1,012.6	844.7	674.4	167.9	170.3	
Net (loss) income attributable to noncontrolling interest	83.1	84.3	(39.9)	1.2	(124.2)	
Net Income attributable to NiSource	929.5	760.4	714.3	169.1	46.1	
Preferred dividends and redemption premium	—	(20.7)	(52.6)	20.7	31.9	
Net Income Available to Common Shareholders	929.5	739.7	661.7	189.8	78.0	
Basic Earnings Per Share	\$ 1.96	\$ 1.63	\$ 1.59	\$ 0.33	\$ 0.04	
Diluted Earnings Per Share	\$ 1.95	\$ 1.62	\$ 1.48	\$ 0.33	\$ 0.14	

The majority of the costs of energy in both segments are tracked costs that are passed through directly to the customer, resulting in an equal and offsetting amount reflected in operating revenues.

The increase in net income available to common shareholders during 2025 was primarily due to higher revenues, net of cost of energy, driven by our continued investment in safety and successful regulatory outcomes for these investments, reliability and low- or zero-emission generation year-over-year. The increase in net income available to common shareholders is partially offset by higher operation and maintenance expense, higher depreciation expense attributed to our planned capital expenditures, and increased interest expense.

For additional information on operating income variance drivers see "Results and Discussion of Operations" for Columbia Operations and NIPSCO Operations in this Management's Discussion.

Other Deductions, Net

The change in Other deductions, net in 2025 compared to 2024 is primarily driven by higher long-term debt interest in 2025 and lower AFUDC in 2025 driven by lower CWIP outstanding year-over-year. See Note 7, "Short-Term Borrowings," Note 8, "Long-Term Debt," Note 22, "Other, Net," and Note 23, "Interest Expense, Net," in the Notes to Consolidated Financial Statements for additional information.

Income Taxes

The increase in income tax expense in 2025 compared to the same period in 2024 is primarily due to higher pre-tax income, partially offset by the tax effect of non-controlling interest. Refer to Note 15, "Income Taxes," in the Notes to Consolidated Financial Statements for additional information on income taxes and the change in the effective tax rate.

RESULTS AND DISCUSSION OF OPERATIONS

Presentation of Segment Information

Columbia Operations aggregates the results of the fully regulated and wholly owned subsidiaries of NiSource Gas Distribution Group, Inc. Each Columbia distribution company is an operating segment which we aggregate to form the Columbia Operations reportable segment. NIPSCO Operations aggregates the results of NIPSCO Holdings I, and its majority-owned subsidiaries, including NIPSCO, which has both regulated gas and electric operations in northern Indiana. The remainder of our operations, which are not significant enough on a stand-alone basis to warrant treatment as a reportable segment, are presented as "Corporate and Other" within the Notes to the Condensed Consolidated Financial Statements (unaudited) and primarily are comprised of interest expense on holding company debt, unallocated corporate costs and activities and new business development costs associated with GenCo.

NiSOURCE INC.
ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
Columbia Operations

Financial and operational data for the Columbia Operations segment for the years ended December 31, 2025, 2024 and 2023, are presented below:

Year Ended December 31, (in millions)	2025	2024	2023	Favorable (Unfavorable)	
				2025 vs. 2024	2024 vs. 2023
Operating Revenues	\$ 3,343.3	\$ 2,716.0	\$ 2,746.1	\$ 627.3	\$ (30.1)
Operating Expenses					
Cost of energy	819.8	514.7	645.0	(305.1)	130.3
Operation and maintenance	923.7	837.5	792.3	(86.2)	(45.2)
Depreciation and amortization	451.2	409.1	371.7	(42.1)	(37.4)
Loss on impairment of assets	—	2.7	—	2.7	(2.7)
Loss on sale of assets, net	0.3	4.7	—	4.4	(4.7)
Other taxes	253.2	218.6	198.8	(34.6)	(19.8)
Total Operating Expenses	2,448.2	1,987.3	2,007.8	(460.9)	20.5
Operating Income	\$ 895.1	\$ 728.7	\$ 738.3	\$ 166.4	\$ (9.6)
Revenues					
Residential	\$ 2,284.0	\$ 1,891.5	\$ 1,882.8	\$ 392.5	\$ 8.7
Commercial	768.0	588.4	606.2	179.6	(17.8)
Industrial	168.8	145.2	139.5	23.6	5.7
Off-System	75.8	42.6	60.7	33.2	(18.1)
Other	46.7	48.3	56.9	(1.6)	(8.6)
Total	\$ 3,343.3	\$ 2,716.0	\$ 2,746.1	\$ 627.3	\$ (30.1)
Sales and Transportation (MMDth)					
Residential	180.3	153.2	155.2	27.1	(2.0)
Commercial	138.3	121.8	120.4	16.5	1.4
Industrial	278.1	277.9	255.3	0.2	22.6
Off-System	26.1	23.8	31.8	2.3	(8.0)
Other	0.3	0.2	0.3	0.1	(0.1)
Total	623.1	576.9	563.0	46.2	13.9
Heating Degree Days⁽¹⁾	5,170	4,262	4,373	908	(111)
Normal Heating Degree Days⁽¹⁾	5,012	5,134	5,137	(122)	(3)
% (Warmer) Colder than Normal	3 %	(17)%	(15)%		
% (Warmer) Colder than Prior Year	21 %	(3)%	(16)%		
Gas Distribution Customers					
Residential	2,237,810	2,225,564	2,215,293	12,246	10,271
Commercial	189,792	188,699	188,561	1,093	138
Industrial	1,988	1,991	1,986	(3)	5
Other	5	5	4	—	1
Total	2,429,595	2,416,259	2,405,844	13,336	10,415

⁽¹⁾ Heating degree figures represent averages of the five jurisdictions served by Columbia Operations.

NiSOURCE INC.**ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)****Columbia Operations (continued)**

Comparability of operation and maintenance expenses, depreciation and amortization, and other taxes may be impacted by regulatory, depreciation and tax trackers that allow for the recovery in rates of certain costs.

The underlying reasons for changes in our operating revenues and expenses from 2025 to 2024 are presented in the respective tables below.

	Favorable (Unfavorable)	
Changes in Operating Revenues (in millions)	2025 vs 2024	
New rates from base rate proceedings and regulatory capital programs	\$	178.9
The effects of weather in 2025 compared to 2024		53.9
The effects of customer growth		5.8
The effects of customer usage		(7.5)
Other		1.4
Change in operating revenues (before cost of energy and other tracked items)	\$	232.5
Operating revenues offset in operating expense		
Higher cost of energy billed to customers		305.2
Higher tracker recoveries within operation and maintenance, depreciation, and tax		89.6
Total change in operating revenues	\$	627.3

Weather

In general, we calculate the weather-related revenue variance based on changing customer demand driven by weather variance from normal heating degree days, net of weather and revenue normalization mechanisms. Our composite heating degree days reported do not directly correlate to the weather-related dollar impact on the results of Columbia Operations. Heating degree days experienced during different times of the year or in different operating locations may have more or less impact on volume and dollars depending on when and where they occur. When the detailed results are combined for reporting, there may be weather-related dollar impacts on operations when there is not an apparent or significant change in our aggregated composite heating degree day comparison.

Throughput

The increase in total volumes sold and transported in 2025 compared to 2024 of 46.2 MMDth is primarily attributable to the effects of colder weather.

NiSOURCE INC.**ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)****Columbia Operations (continued)**Commodity Price Impact

Cost of energy for the Columbia Operations segment is principally comprised of the cost of natural gas procured on behalf of and sold to customers while providing transportation services. All of our Columbia Operations companies have state-approved recovery mechanisms that provide a means for full recovery of prudently incurred gas costs. These are tracked costs that are passed through directly to the customer, and the gas costs included in revenues are matched with the gas cost expense recorded in the period. Any difference in actual costs incurred and amounts billed to customers is recorded on the Consolidated Balance Sheets as under-recovered or over-recovered gas cost to be included in future customer billings. Therefore, increases in these tracked operating expenses are offset by increases in operating revenues and have essentially no impact on net income. Certain Columbia Operations companies continue to offer choice opportunities, where customers can choose to purchase gas from a third-party supplier, through regulatory initiatives in their respective jurisdictions.

	Favorable (Unfavorable)	
Changes in Operating Expenses (in millions)	2025 vs 2024	
Higher depreciation and amortization expense	\$	(42.1)
Higher property tax		(18.0)
Higher employee related expenses		(16.0)
Loss on sale of assets and impairments in 2024		7.4
Other		2.6
Change in operating expenses (before cost of energy and other tracked items)	\$	(66.1)
Operating expenses offset in operating revenue		
Higher cost of energy billed to customers		(305.2)
Higher tracker recoveries within operation and maintenance, depreciation, and tax		(89.6)
Total change in operating expense	\$	(460.9)

NI SOURCE INC.
ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
NIPSCO Operations

Financial and operational data for the NIPSCO Operations segment, which services both gas and electric customers, for the years ended December 31, 2025, 2024 and 2023, are presented below:

Year Ended December 31, <i>(in millions)</i>	2025	2024	2023	Favorable (Unfavorable)	
				2025 vs. 2024	2024 vs. 2023
NIPSCO Operations					
Operating Revenues	\$ 3,308.5	\$ 2,752.0	\$ 2,771.6	\$ 556.5	\$ (19.6)
Operating Expenses					
Cost of energy	764.7	617.5	888.3	(147.2)	270.8
Operation and maintenance	848.9	761.4	787.7	(87.5)	26.3
Depreciation and amortization	680.6	590.3	493.8	(90.3)	(96.5)
Loss on impairment of assets	0.7	0.4	—	(0.3)	(0.4)
Loss (gain) on sale of assets, net	—	(1.7)	2.2	(1.7)	3.9
Other taxes	75.5	64.3	57.9	(11.2)	(6.4)
Total Operating Expenses	2,370.4	2,032.2	2,229.9	(338.2)	197.7
Operating Income	\$ 938.1	\$ 719.8	\$ 541.7	\$ 218.3	\$ 178.1

Year Ended December 31, <i>(in millions)</i>	2025	2024	2023	Favorable (Unfavorable)	
				2025 vs. 2024	2024 vs. 2023
NIPSCO Electric					
Revenues					
Residential	\$ 771.4	\$ 649.9	\$ 583.9	\$ 121.5	\$ 66.0
Commercial	716.8	620.4	578.1	96.4	42.3
Industrial	581.3	500.0	475.0	81.3	25.0
Wholesale and Other	139.4	143.3	148.0	(3.9)	(4.7)
Total	\$ 2,208.9	\$ 1,913.6	\$ 1,785.0	\$ 295.3	\$ 128.6
Sales (GWh)					
Residential	3,498.9	3,404.9	3,262.9	94.0	142.0
Commercial	3,737.0	3,697.9	3,614.2	39.1	83.7
Industrial	8,344.8	7,984.8	7,820.3	360.0	164.5
Wholesale and Other	958.1	974.9	635.3	(16.8)	339.6
Total	16,538.8	16,062.5	15,332.7	476.3	729.8
Cooling Degree Days	973	903	710	70	193
Normal Cooling Degree Days	868	852	831	16	21
% Warmer (Colder) than Normal	12 %	6 %	(15)%		
% Warmer (Colder) than prior year	8 %	27 %	(25)%		
NIPSCO Electric Customers					
Residential	433,889	430,648	427,217	3,241	3,431
Commercial	59,831	59,214	58,779	617	435
Industrial	2,109	2,121	2,126	(12)	(5)
Wholesale and other	705	707	711	(2)	(4)
Total	496,534	492,690	488,833	3,844	3,857

NI SOURCE INC.
ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
NIPSCO Operations

Year Ended December 31, (in millions)	Favorable (Unfavorable)				
	2025	2024	2023	2025 vs. 2024	2024 vs. 2023
NIPSCO Gas					
Revenues					
Residential	\$ 712.3	\$ 540.9	\$ 634.9	\$ 171.4	\$ (94.0)
Commercial	271.6	202.4	249.1	69.2	(46.7)
Industrial	100.2	79.0	86.9	21.2	(7.9)
Other	15.5	16.1	15.7	(0.6)	0.4
Total	\$ 1,099.6	\$ 838.4	\$ 986.6	\$ 261.2	\$ (148.2)
Sales and Transportation Volumes (MMDth)					
Residential	66.6	58.2	60.3	8.4	(2.1)
Commercial	47.3	42.5	43.9	4.8	(1.4)
Industrial	267.0	256.8	261.8	10.2	(5.0)
Total	380.9	357.5	366.0	23.4	(8.5)
Heating Degree Days	5,936	4,975	5,198	961	(223)
Normal Heating Degree Days	5,911	6,001	5,954	(90)	47
% Warmer than Normal	— %	(17)%	(13)%		
% (Warmer) Colder than prior year	19 %	(4)%	(15)%		
NIPSCO Gas Customers					
Residential	808,241	801,740	795,656	6,501	6,084
Commercial	66,957	66,633	66,305	324	328
Industrial	2,677	2,734	2,808	(57)	(74)
Total	877,875	871,107	864,769	6,768	6,338

NiSOURCE INC.
ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
NIPSCO Operations (continued)

Comparability of operation and maintenance expenses and depreciation and amortization may be impacted by regulatory and depreciation trackers that allow for the recovery in rates of certain costs.

The underlying reasons for changes in our operating revenues and expenses from 2025 to 2024 are presented in the respective tables below.

	Favorable (Unfavorable)	
Changes in Operating Revenues (in millions)	2025 vs 2024	
New rates from base rate proceedings and regulatory capital and DSM programs	\$	324.2
The effects of weather in 2025 compared to 2024		48.9
The effects of customer growth		12.8
Renewable Joint Venture revenue, fully offset by Joint Venture operating expense and noncontrolling interest net income (loss)		(8.6)
The effects of customer usage		(3.2)
Other		(3.8)
Change in operating revenues (before cost of energy and other tracked items)	\$	370.3
Operating revenues offset in operating expense		
Higher cost of energy billed to customers		147.0
Lower tracker deferrals within operation and maintenance, depreciation and tax		40.1
Reduction in gross receipts tax, offset in operating expenses		(0.9)
Total change in operating revenues	\$	556.5

Weather

The results of operations for the NIPSCO Operations segment include income from both electric and gas service lines. In general, we calculate the weather-related revenue variance based on changing customer demand driven by weather variance from normal cooling degree days and normal heating degree days, net of NIPSCO Gas' weather normalization mechanisms. Our composite cooling and heating degree days reported do not directly correlate to the weather-related dollar impact on the results of NIPSCO Operations. Cooling and heating degree days experienced during different times of the year or in different operating locations may have more or less impact on volume and dollars depending on when they occur. When the detailed results are combined for reporting, there may be weather-related dollar impacts on operations when there is not an apparent or significant change in our aggregated composite cooling and heating degree day comparison.

Sales

The increase in total volumes sold to electric customers for twelve months ended December 31, 2025 compared to the same period in 2024 was primarily attributable to residential customer growth and increased usage by commercial customers, partially offset by a decrease in usage by industrial customers. NIPSCO Electric results remains closely linked to the performance of the steel industry. MWh sales to steel-related industries accounted for approximately 49.3% and 49.4% of the total industrial MWh sales for the years ended December 31, 2025 and 2024, respectively.

The increase in total volumes sold to gas customers for the twelve months ended December 31, 2025 compared to the same period in 2024 was primarily attributable to colder weather, as well as residential and commercial customer count growth.

Commodity Price Impact

Cost of energy for the NIPSCO Operations segment's electric activities is principally comprised of the cost of coal, natural gas purchased for internal generation of electricity, transportation of coal and natural gas, and the cost of power purchased from generators of electricity for its generation and transmission activities. For its gas distribution activities, NIPSCO Operations' cost of energy is principally comprised of the cost of natural gas procured on behalf of and sold to customers while providing transportation and distribution services. NIPSCO Operations has state-approved recovery mechanisms that provides a means for full recovery of prudently incurred costs of energy. The majority of these costs of energy are passed through directly to the customer, and the costs of energy included in operating revenues are matched with the cost of energy expense recorded in the

NISOURCE INC.
ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
NIPSCO Operations (continued)

period. Any difference in actual costs incurred and amounts billed to customers is recorded on the Consolidated Balance Sheets as under-recovered or over-recovered fuel and gas cost to be included in future customer billings. Therefore, increases in these tracked operating expenses are offset by increases in operating revenues and have essentially no impact on net income.

The underlying reasons for changes in our operating expenses for the twelve months ended December 31, 2025 compared to the same period in 2024 are presented below.

	Favorable (Unfavorable)	
Changes in Operating Expenses (in millions)	2025 vs 2024	
Higher depreciation and amortization expense	\$	(91.2)
Higher outside services expenses		(21.1)
Higher expenses related to uncollectible customer accounts		(11.9)
Higher property tax		(11.4)
Renewable Joint Venture operating expense, partially offset by Joint Venture operating revenues		(8.6)
Higher employee and administrative expenses		(6.6)
Lower environmental remediation costs		5.0
Other		(6.2)
Change in operating expenses (before cost of energy and other tracked items)	\$	(152.0)
Operating expenses offset in operating revenue		
Higher cost of energy billed to customers		(147.0)
Higher tracker deferrals within operation and maintenance, depreciation and tax		(40.1)
Reduction in gross receipts tax, offset in operating revenues		0.9
Total change in operating expense	\$	(338.2)

Electric Supply and Generation Transition

NIPSCO continues to execute on an electric generation transition consistent with the 2018 Plan and 2021 Plan and maintained in the 2024 Plan. See "Liquidity and Capital Resources" in this Management's Discussion for additional information on our capital investment spend. NIPSCO is responding to federal and state executive orders, or other regulatory actions, with respect to its generation transition plans. In December 2025, before the planned retirement of the R.M. Schahfer coal facility, the U.S. Secretary of Energy issued an emergency order under section 202(c) of the Federal Power Act requiring R.M. Schahfer to continue operating for 90 days, through March 23, 2026. The order stated that continued operation of R.M. Schahfer was required to meet an energy emergency across MISO's North and Central regions. Consistent with the Federal Power Act and the U.S. Department of Energy regulations, the order authorizes NIPSCO to obtain cost recovery pursuant to 16 U.S.C. § 824a(c). As directed, NIPSCO continued to make R.M. Schahfer available in the MISO market. Following receipt of the emergency order, NIPSCO filed a complaint at FERC seeking a modification of the MISO Tariff to establish a mechanism for recovery and allocation of the cost to comply with this order. NIPSCO made two filings with the IURC related to the emergency order. The first filing is to confirm accounting treatment of current electric rate order, and the second is a filing for recovery of federally mandated expenses related to the emergency order, which will be utilized in the event that any costs of complying with the emergency order fall outside of the MISO Tariff recovery. For additional information, see Note 12, "Regulatory Matters,".

Since 2020, five PPA projects (three wind and two solar) and eight owned projects (two wind, four solar and two solar plus storage) have been placed into service totaling approximately 3,246 MW of nameplate capacity, including Dunn's Bridge II, Fairbanks, Gibson, Appleseed, and Carpenter, which were placed into service in January, May, August, and December 2025, respectively. NIPSCO has executed several PPAs to purchase 100% of the output from renewable generation facilities at a fixed price per MWh. Each facility supplying the energy has an associated nameplate capacity, and payments under the PPAs do not begin until the associated generation facility is placed into service. We expect the Templeton project, a wind BTA project with a nameplate capacity of 200 MW, to be placed in service in 2027. See "Executive Summary - Energy Transition" in this Management's Discussion for additional information. NIPSCO has sold, and may in the future sell, renewable energy credits from its renewable generation to third parties to offset customer costs.

NiSOURCE INC.**ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)****Liquidity and Capital Resources**

We continually evaluate the availability of adequate financing to fund our ongoing business operations, working capital and core safety and infrastructure investment programs. Our financing is sourced through cash flow from operations, the issuance of debt and/or equity, and minority interest investments in NIPSCO Holdings II and Generation Holdings II. Equity issuances are primarily conducted through our ATM program. Additionally, we received proceeds from tax credit transfers associated with the monetization of credits of \$22.4 million and \$23.5 million for the years ended December 31, 2025 and 2024, respectively. External debt financing is provided primarily through the issuance of long-term debt, accounts receivable securitization programs and our \$1.85 billion commercial paper program, which is backstopped by our committed revolving credit facility. In December 2025, we increased our revolving credit facility availability from \$1.85 billion to \$2.50 billion from third-party lenders. We believe these sources provide adequate capital to fund our operating activities and capital expenditures in 2026 and beyond.

As discussed above under "ADS Contract and Strategy," the aggregate cost of the Contract Assets is currently estimated to be approximately \$7 billion. We expect to finance the construction and development of these assets through a number of sources including but not limited to funds received under the ADS Contract, debt and equity financing raised by NiSource and capital contributions from affiliates of Blackstone to NIPSCO Holdings II and Generation Holdings II in connection with such Blackstone affiliates' minority interest investments in those entities. For additional information on these minority interest investments, refer to Note 4, "Noncontrolling Interests," and Note 19, "Other Commitments and Contingencies - E. Other Matters," included herein. If we enter into additional data center contracts, we expect that we would need to develop additional generation assets to serve our new data center customers. In order to fund the development of these assets which may be significant, we would be required to obtain significant additional financing, for which we may consider other funding sources, structures, or partnerships such as JVs or off-balance sheet arrangements in the form of BTAs to support maintenance of our investment grade credit ratings.

Sources of financing activities for the current year are as follows:

Details of our 2024 ATM program activity are summarized below:

- In February 2025, we executed a forward sale agreement, which allowed us to issue a fixed number of shares at a price to be settled in the future. The forward purchaser under our forward sale agreement borrowed 2,000,000 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$40.10 per share. In September 2025, we settled the forward sale agreement in shares for \$80.0 million, based on a net price of \$40.02 per share.
- In March 2025, we executed a forward sale agreement, which allowed us to issue a fixed number of shares at a price to be settled in the future. The forward purchaser under our forward sale agreement borrowed 1,707,320 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$41.00 per share. In September 2025, we settled the forward sale agreement in shares for \$69.9 million, based on a net price of \$40.92 per share.
- In June 2025, we executed a forward sale agreement, which allowed us to issue a fixed number of shares at a price to be settled in the future. The forward purchaser under our forward sale agreement borrowed 2,518,393 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$39.71 per share. In September 2025, we settled the forward sale agreement in shares for \$99.1 million, based on a net price of \$39.36 per share.
- In October 2025, with the commencement of our 2025 ATM program discussed below, we terminated the equity distribution agreements entered into in February 2024 in connection with the 2024 ATM program.

Details of our 2025 ATM program activity are summarized below:

- In October 2025, we entered into eleven separate equity distribution agreements providing for the sale of up to an aggregate of \$1.5 billion of our common stock.

NiSOURCE INC.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

- In October 2025, we executed a direct sale agreement of 1,195,029 shares at a price of \$41.84 resulting in net proceeds of \$49.6 million received in November 2025.
- In October 2025, we executed a forward sale agreement, which allows us to issue a fixed number of shares at a price to be settled in the future. The forward purchaser under our forward sale agreement borrowed 2,390,057 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$41.84 per share. We may settle the forward sale agreement in shares, cash or net shares by October 2026. Had we settled all of the shares under the forward sale agreement at December 31, 2025, we would have received approximately \$99.7 million, based on a net price of \$41.73 per share.
- As of December 31, 2025 the 2025 ATM program inclusive of the forward sale agreement had approximately \$1.35 billion of equity capacity available. The 2025 ATM program expires in December 2028.

Details of our 2025 long-term debt activity are summarized below:

- In March 2025, we completed the issuance and sale of \$750.0 million of 5.850% senior unsecured notes maturing in 2055, which resulted in approximately \$739.6 million of net proceeds after discount and debt issuance costs.
- In June 2025, we completed the issuance and sale of an additional \$750.0 million of 5.850% senior unsecured notes maturing in 2055 (the "2055 Notes"). The terms of the 2055 Notes, other than the issue date and the price to the public, are identical to the terms of, and constitute a reopening of, our 5.850% senior unsecured notes maturing in 2055 issued in March 2025. With the incremental issuance, we now have \$1.5 billion of 5.850% senior unsecured notes maturing in 2055. In June 2025, we also completed the issuance and sale of \$900.0 million of 5.350% senior unsecured notes maturing in 2035 (the "2035 Notes"). These issuances of the 2055 Notes and the 2035 Notes resulted in approximately \$1.616 billion of total net proceeds after discount and debt issuance costs.
- In August 2025, we repaid \$1,250.0 million of 0.95% senior unsecured notes at maturity.
- In November 2025, we completed the issuance and sale of \$1.0 billion of 5.750% fixed-to-fixed reset rate junior subordinated notes maturing in 2056, which resulted in approximately \$984.3 million of net proceeds after debt issuance costs.
- In December 2025, Columbia of Massachusetts repaid \$10.0 million of 6.430% medium term notes at maturity.

See Note 4, "Noncontrolling Interests," Note 6, "Equity," Note 7, "Short-Term Borrowings," and Note 8, "Long-Term Debt," in the Notes to the Consolidated Financial Statements for more information.

Operating Activities

Net cash from operating activities for the year ended December 31, 2025 was \$2,362.3 million, an increase of \$580.8 million from 2024. This increase in cash from operating activities was primarily attributable to higher net income, depreciation expense, deferred taxes, supplier refunds received in 2025 and decreases in current year exchange gas receivables in 2025 compared to 2024.

Investing Activities

Net cash used for investing activities for the year ended December 31, 2025 was \$4,524.1 million, an increase of \$1,311.1 million from 2024. The year over year increase in investing activities was primarily comprised of milestone payments to renewable generation asset developers for certain of our BTA projects, advanced deposits, and additional capital expenditures in 2025 compared to 2024.

NiSOURCE INC.
ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

Capital Expenditures. The table below reflects actual capital expenditures and certain other investing activities by segment for 2025.

<i>(in millions)</i>	Actual 2025
Columbia Operations	
System Growth and Tracker	\$ 825.5
Maintenance	387.5
Total Columbia Operations	1,213.0
NIPSCO Operations	
System Growth and Tracker	740.9
Maintenance	596.8
Generation Transition Investments	1,171.2
Total NIPSCO Operations	2,508.9
Corporate and Other Operations ⁽¹⁾	329.7
Total Capital Expenditures ⁽²⁾	\$ 4,051.6

⁽¹⁾Certain amounts may subsequently be allocated out of Corporate and Other Maintenance Costs to the Columbia Operations and NIPSCO Operations segments when placed in service. This amount also includes \$39.7 million related to data center generation assets.

⁽²⁾Amounts differ from those presented on the Statements of Consolidated Cash Flows primarily due to the capitalized portion of the Corporate Incentive Plan payout, inclusion of capital expenditures included in current liabilities and AFUDC Equity.

In addition to these capital expenditures, we invested \$70.5 million in cloud computing costs in 2025. We also made \$373.8 million in advanced deposits for project costs to secure certain long lead equipment related to data center generation assets.

We expect to make capital investments totaling approximately \$21.0 billion during the 2026-2030 period to support our base business (exclusive of investments relating to the ADS Contract), including capital investments to support our generation transition strategy, and to invest approximately \$7.0 billion during that period to develop the Contract Assets in connection with the ADS Contract, as set forth in the table below. As discussed above, if we enter into additional data center contracts, we expect to make significant further capital investments in addition to those set forth in the table below, and/or to consider alternative financing structures such as JVs or off-balance sheet arrangements. The forecasted capital investments are subject to continuing review and adjustment. Actual capital investments may vary from these estimates.

<i>(in billions)</i>	2025 Actual	2026 Estimated	2027 Estimated	2028 Estimated	2029 Estimated	2030 Estimated
Capital Investments (Base Business)	\$4.1	\$3.9 - 4.1	\$3.7 - 3.9	\$3.7 - 3.9	\$4.9 - 5.1	\$4.3 - 4.5
Capital Investments (Data Center Contracts)	0.4	1.2 - 1.4	1.5 - 1.7	1.8 - 2.0	1.0 - 1.2	0.4 - 0.6
Capital Investments (Total)	\$4.5	\$5.1 - 5.5	\$5.2 - 5.6	\$5.5 - 5.9	\$5.9 - 6.3	\$4.7 - 5.1

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ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

Regulatory Capital Programs. We continue to upgrade and modernize our electric system to enhance safety and reliability by addressing aged infrastructure and deploying advanced grid technologies. We are also upgrading and modernizing our gas infrastructure to enhance safety and reliability by reducing leaks. An ancillary benefit of these programs is the reduction of GHG emissions. In 2025, we continued to move forward on core infrastructure investment programs supported by complementary regulatory and customer initiatives across five states of our operating area.

The following table describes the most recent vintage of our regulatory programs to recover infrastructure replacement and other federally mandated compliance investments:

(in millions)

Company	Program	Capital Investment	Investment Period	Filing Date	Costs Covered ⁽¹⁾
Approved					
Columbia of Ohio	IRP - 2025	\$ 978.7	4/21-12/24	2/27/2025	Replacement of hazardous service lines, cast iron, wrought iron, uncoated steel, and bare steel pipe.
Columbia of Ohio	PHMSA IRP - 2025	\$ 78.2	1/23-12/24	2/28/2025	Investments necessary to comply with the PHMSA Mega Rule.
Columbia of Ohio	CEP - 2025	\$ 1,027.8	4/21-12/24	2/27/2025	Assets not included in the IRP or PHMSA IRP.
Columbia of Virginia	SAVE - 2026	\$ 176.1	10/24-12/26	8/12/2025	Replacement projects that (i) enhance system safety or reliability, or (ii) reduce, or potentially reduce, greenhouse gas emissions. Includes costs associated with Advanced Leak Detection and Repair.
Columbia of Kentucky	SMRP - 2026	\$ 181.4	1/23-12/26	10/15/2025	Replacement of mains and inclusion of system safety investments.
NIPSCO - Electric ⁽²⁾	TDSIC - 7	\$ 315.6	7/22-3/25	5/27/2025	New or replacement projects undertaken for the purpose of safety, reliability, system modernization or economic development.
NIPSCO - Electric ⁽³⁾	GCT - 2	\$ 229.5	9/23/4/26	6/18/2025	New gas peaker generation project costs forecasted through April 2026.
NIPSCO - Gas	TDSIC - 9	\$ 34.0	3/24-3/25	5/23/2025	New or replacement projects undertaken for the purpose of safety, reliability, system modernization, or economic development.
NIPSCO - Gas	FMCA -5	\$ 21.9	6/24-6/25	8/27/2025	Project costs to comply with federal mandates.
Pending Commission Approval					
NIPSCO - Gas	TDSIC - 10	\$ 90.3	4/25-9/25	11/25/2025	New or replacement projects undertaken for the purpose of safety, reliability, system modernization, or economic development.
NIPSCO - Electric ⁽³⁾	GCT - 3	\$ 385.6	9/23-10/26	12/16/2025	New gas peaker generation project cost forecasted through October 2026.

⁽¹⁾Programs do not include any costs already included in base rates.

⁽²⁾TDSIC - 7 was originally filed in May 2025 and refilled in July 2025, due to the electric rate case order. The refiling adjusted the capital in the tracker from \$744.7 million to \$315.6 million.

⁽³⁾Capital investment is based on a projected amount. The capital investment has not all been incurred to date and represents a forecasted average for the billing period.

Columbia of Ohio filed an application in December 2025. The application seeks to continue Columbia of Ohio's PHMSA IRP Rider for calendar year 2027. The request includes recovery of \$404.3 million of capital to reconfirm maximum allowable operating pressure of transmission class pipe to meet federal rule requirements.

NIPSCO filed a Gas TDSIC Plan (2026 - 2030) in December 2025. The petition is seeking recovery of new or replacement projects undertaken for the purpose of safety, reliability, system modernization, or economic development. The request includes \$764.7 million of estimated capital, including indirect costs and AFUDC.

Refer to Note 12, "Regulatory Matters," in the Notes to Consolidated Financial Statements for a further discussion of regulatory developments during 2025.

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ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
Financing Activities

Common Stock, Preferred Stock and Equity Unit Sale. Refer to Note 6, "Equity," in the Notes to Consolidated Financial Statements for information on common stock, preferred stock and equity units activity.

Short-term Debt. Refer to Note 7, "Short-Term Borrowings," in the Notes to Consolidated Financial Statements for information on short-term debt.

Long-term Debt. Refer to Note 8, "Long-Term Debt," in the Notes to Consolidated Financial Statements for information on long-term debt.

Non-controlling Interest. Refer to Note 4, "Noncontrolling Interests," in the Notes to Consolidated Financial Statements for more information.

Sources of Liquidity

The following table displays our liquidity position as of December 31, 2025 and 2024:

Year Ended December 31, (in millions)	2025	2024
Current Liquidity		
Revolving Credit Facility	\$ 2,500.0	\$ 1,850.0
Accounts Receivable Programs ⁽¹⁾	175.0	175.0
<i>Less:</i>		
Commercial Paper	736.0	604.6
Letters of Credit Outstanding Under Credit Facility	25.0	9.4
<i>Add:</i>		
Cash and Cash Equivalents	110.1	156.6
Net Available Liquidity	\$ 2,024.1	\$ 1,567.6

⁽¹⁾Represents the lesser of the seasonal limit or maximum borrowings supportable by the underlying receivables.

Debt Covenants. We are subject to a financial covenant under our revolving credit facility which requires us to maintain a debt to capitalization ratio that does not exceed 70%. As of December 31, 2025, the ratio was 51.0%.

Credit Ratings. The credit rating agencies periodically review our ratings, taking into account factors such as our capital structure and earnings profile. The following table includes our and NIPSCO's credit ratings and ratings outlook as of December 31, 2025.

A credit rating is not a recommendation to buy, sell or hold securities, and may be subject to revision or withdrawal at any time by the assigning rating organization.

	S&P		Moody's		Fitch	
	Rating	Outlook	Rating	Outlook	Rating	Outlook
NiSource	BBB+	Stable	Baa2	Stable	BBB	Stable
NIPSCO	BBB+	Stable	Baa1	Stable	BBB	Stable
Commercial Paper	A-2	Stable	P-2	Stable	F2	Stable

Certain of our subsidiaries have agreements that contain "ratings triggers" that require increased collateral if our credit ratings or the credit ratings of certain of our subsidiaries are below investment grade. These agreements are primarily for insurance purposes and for the physical purchase or sale of power. As of December 31, 2025, a collateral requirement of approximately \$150.2 million would be required in the event of a downgrade below investment grade. In addition to agreements with ratings triggers, there are other agreements that contain "adequate assurance" or "material adverse change" provisions that could necessitate additional credit support such as letters of credit and cash collateral to transact business.

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ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

Equity. Our authorized capital stock consists of 770,000,000 shares, \$0.01 par value, of which 750,000,000 are common stock and 20,000,000 are preferred stock. As of December 31, 2025, 478,432,058 shares of common stock were outstanding and no shares of preferred stock were outstanding. For more information regarding our common and preferred stock, see Note 6, "Equity," in the Notes to Consolidated Financial Statements.

Contractual Obligations, Cash Requirements and Off-Balance Sheet Arrangements

We have certain contractual obligations requiring payments at specified periods. Our material cash requirements are detailed below. We intend to use funds from the liquidity sources referenced above to meet these cash requirements.

At December 31, 2025, we had \$15,477.5 million in long-term debt, of which \$19.7 million is current, and \$736.0 million in short-term borrowings outstanding.

During 2026 and 2027, we expect to make cash payments of \$809.5 million and \$879.3 million, respectively, related to pipeline service obligations including demand for gas transportation, gas storage and gas purchases, and \$87.6 million and \$10.4 million, respectively, for long lead time items related to plant equipment purchases.

Our expected payments include employer contributions to pension and other postretirement benefits plans expected to be made in 2026. Plan contributions beyond 2026 are dependent upon a number of factors, including actual returns on plan assets, which cannot be reliably estimated at this time. In 2026, we expect to make contributions of approximately \$2.7 million to our pension plans and approximately \$18.3 million to our postretirement medical and life plans. Refer to Note 16, "Pension and Other Postemployment Benefits," in the Notes to Consolidated Financial Statements for more information.

We cannot reasonably estimate the settlement amounts or timing of cash flows related to asset retirement obligations on the Consolidated Balance Sheets.

We have uncertain income tax positions for which we are unable to predict when the matters will be resolved. Refer to Note 15, "Income Taxes," in the Notes to Consolidated Financial Statements for more information.

NIPSCO has executed several PPAs to purchase 100% of the output from renewable generation facilities at a fixed price per MWh. NIPSCO has also executed several BTAs with developers to construct renewable generation facilities. See Note 19, "Other Commitments and Contingencies - A. Contractual Obligations," and Note 19, "Other Commitments and Contingencies - E. Other Matters," in the Notes to Consolidated Financial Statements for additional information.

In addition, we, along with certain of our subsidiaries, enter into various agreements providing financial or performance assurance to third parties on behalf of certain subsidiaries. Such agreements include guarantees and stand-by letters of credit.

Refer to Note 19, "Other Commitments and Contingencies," in the Notes to Consolidated Financial Statements for additional information regarding our contractual obligations over the next 5 years and thereafter and our off-balance sheet arrangements.

Market Risk Disclosures

Risk is an inherent part of our businesses. The extent to which we properly and effectively identify, assess, monitor and manage each of the various types of risk involved in our businesses is critical to our profitability. We seek to identify, assess, monitor and manage, in accordance with defined policies and procedures, the following principal market risks that are involved in our businesses: commodity price risk, interest rate risk and credit risk. We manage risk through a multi-faceted process with oversight by the Risk Management Committee that requires constant communication, judgment and knowledge of specialized products and markets. Our senior management takes an active role in the risk management process and has developed policies and procedures that require specific administrative and business functions to assist in the identification, assessment and control of various risks. These may include, but are not limited to market, operational, financial, compliance and strategic risk types. In recognition of the increasingly varied and complex nature of the energy business, our risk management process, policies and procedures continue to evolve and are subject to ongoing review and modification.

Commodity Price Risk

Our gas and electric subsidiaries have commodity price risk primarily related to the purchases of natural gas and power. To manage this market risk, our subsidiaries use derivatives, including commodity futures contracts, swaps, forwards and options. We do not participate in speculative energy trading activity.

Commodity price risk resulting from derivative activities at our rate-regulated subsidiaries is limited and does not bear significant exposure to earnings risk, since our current regulatory mechanisms allow recovery of prudently incurred purchased

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ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

power, fuel and gas costs through the rate-making process, including gains or losses on these derivative instruments. These changes are included in the GCA and FAC regulatory rate-recovery mechanisms. If these mechanisms were to be adjusted or eliminated, these subsidiaries may begin providing services without the benefit of the traditional rate-making process and may be more exposed to commodity price risk. For additional information, see "Results and Discussion of Operations" in this Management's Discussion.

Our subsidiaries are required to make cash margin deposits with their brokers to cover actual and potential losses in the value of outstanding exchange traded derivative contracts. The amount of these deposits, some of which are reflected in our restricted cash balance, may fluctuate significantly during periods of high volatility in the energy commodity markets.

Refer to Note 13, "Risk Management Activities," in the Notes to Consolidated Financial Statements for further information on our commodity price risk assets and liabilities as of December 31, 2025 and 2024.

Interest Rate Risk

We are exposed to interest rate risk as a result of changes in interest rates on borrowings under our revolving credit agreement, commercial paper program, and accounts receivable programs, which have interest rates that are indexed to short-term market interest rates. Based upon average borrowings and debt obligations subject to fluctuations in short-term market interest rates, an increase (or decrease) in short-term interest rates of 100 basis points (1%) would have increased (or decreased) interest expense by \$8.2 million and \$7.9 million for 2025 and 2024, respectively. We are also exposed to interest rate risk as a result of changes in benchmark rates that can influence the interest rates of future long-term debt issuances. From time to time, we may enter into forward interest rate instruments to lock in long term interest costs and/or rates.

Credit Risk

Due to the nature of the industry, credit risk is embedded in many of our business activities. Our extension of credit is governed by a Corporate Credit Risk Management Policy which establishes guidelines for documenting management approval levels for credit limits, evaluating creditworthiness, and credit risk mitigation efforts. Exposures to credit risks are monitored by the risk management function, which is independent of commercial operations. Credit risk arises due to the possibility that a customer, supplier or counterparty will not be able or willing to fulfill its obligations on a transaction on or before the settlement date. For derivative-related contracts, credit risk arises when counterparties are obligated to deliver or purchase defined commodity units of gas or power to us at a future date per execution of contractual terms and conditions. Exposure to credit risk is measured in terms of both current obligations and the market value of forward positions net of any posted collateral such as cash and letters of credit.

The financial status of our banking partners is periodically assessed through traditional credit ratings provided by major credit rating agencies.

NiSOURCE INC.**ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)****Other Information**Critical Accounting Estimates

We apply certain accounting policies in accordance with GAAP, which require that we make estimates and judgments that have had, and may continue to have, significant impacts on our operations and Consolidated Financial Statements. We evaluate our estimates on an ongoing basis. We base our estimates on historical experience and on various other assumptions that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. We believe the following represent the more significant items requiring the use of judgment in preparing our Consolidated Financial Statements:

Basis of Accounting for Rate-Regulated Subsidiaries. ASC Topic 980, *Regulated Operations*, provides that rate-regulated subsidiaries account for and report assets and liabilities consistent with the economic effect of the way in which regulators establish rates, if the rates established are designed to recover the costs of providing the regulated service and if the competitive environment makes it probable that such rates can be billed and collected. Accordingly, certain expenses and credits subject to utility regulation or rate determination normally reflected in income may be deferred on the Consolidated Balance Sheets and recognized in income as the related amounts are included in service rates and recovered from or refunded to customers. For additional information, refer to Note 12, "Regulatory Matters," in the Notes to Consolidated Financial Statements.

In the event that regulation significantly changes the opportunity for us to recover our costs in the future, all or a portion of our regulated operations may no longer meet the criteria for the application of ASC Topic 980, *Regulated Operations*. In such event, a write-down of all or a portion of our existing regulatory assets and liabilities could result. If transition cost recovery is approved by the appropriate regulatory bodies that would meet the requirements under GAAP for continued accounting as regulatory assets and liabilities during such recovery period, the regulatory assets and liabilities would be reported at the recoverable amounts. If we were unable to continue to apply the provisions of ASC Topic 980, *Regulated Operations*, we would be required to apply the provisions of ASC Topic 980-20, *Discontinuation of Rate-Regulated Accounting*. In management's opinion, our regulated subsidiaries will be subject to ASC Topic 980, *Regulated Operations* for the foreseeable future.

Certain of the regulatory assets reflected on our Consolidated Balance Sheets require specific regulatory action in order to be included in future service rates. Although recovery of these amounts is not guaranteed, we believe that these costs meet the requirements for deferral as regulatory assets. If we determine that the amounts included as regulatory assets are no longer probable of recovery, a charge to income would immediately be required to the extent of the unrecoverable amounts.

One of the more significant items recorded through the application of this accounting guidance is the regulatory overlay for JV accounting. The application of HLBV to consolidated VIEs generally results in the recognition of profit from the related JVs over a time frame that is different from when the regulatory return is earned. In accordance with the principles of ASC 980, we have recognized a regulatory deferral of certain amounts representing the timing difference between the profit earned from the JVs and the amount included in regulated rates to recover our approved investments in consolidated JVs. For additional information, refer to Note 1, "Nature of Operations and Summary of Significant Accounting Policies - S. Noncontrolling Interest," in the Notes to Consolidated Financial Statements.

Pension and Postretirement Benefits. We have defined benefit plans for both pension and other postretirement benefits. The calculation of the net obligations and annual expense related to the plans requires a significant degree of judgment regarding the discount rates to be used in bringing the liabilities to present value, expected long-term rates of return on plan assets, health care trend rates, and mortality rates, among other assumptions. Due to the size of the plans and the long-term nature of the associated liabilities, changes in the assumptions used in the actuarial estimates could have material impacts on the measurement of the net obligations and annual expense recognition. Differences between actuarial assumptions and actual plan results are deferred into AOCI or a regulatory balance sheet account, depending on the jurisdiction of our entity. These deferred gains or losses are then amortized into the income statement when the accumulated differences exceed 10% of the greater of the projected benefit obligation or the fair value of plan assets (known in GAAP as the "corridor" method) or when settlement accounting is triggered.

The discount rates, expected long-term rates of return on plan assets, health care cost trend rates and mortality rates are critical assumptions. Methods used to develop these assumptions are described below. While a third party actuarial firm assists with the development of many of these assumptions, we are ultimately responsible for selecting the final assumptions.

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ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

The discount rate is utilized principally in calculating the actuarial present value of pension and other postretirement benefit obligations and net periodic pension and other postretirement benefit plan costs. Our discount rates for both pension and other postretirement benefits are determined using spot rates along an AA-rated above median yield curve with cash flows matching the expected duration of benefit payments to be made to plan participants.

The expected long-term rate of return on plan assets is a component utilized in calculating annual pension and other postretirement benefit plan costs. We estimate the expected return on plan assets by evaluating expected bond returns, equity risk premiums, target asset allocations, the effects of active plan management, the impact of periodic plan asset rebalancing and historical performance. We also consider the guidance from our investment advisors in making a final determination of our expected rate of return on assets. For measurement of 2025 net periodic benefit cost, we selected a weighted-average assumption of the expected pre-tax long-term rate of return of 7.30% and 7.09% for our pension and other postretirement benefit plan assets, respectively. For measurement of 2026 net periodic benefit cost, we selected a weighted-average assumption of the expected pre-tax long-term rate of return of 7.13 % and 6.61% respectively, for our pension and other postretirement benefit plan assets.

We estimate the assumed health care cost trend rate, which is used in determining our other postretirement benefit net expense, based upon our actual health care cost experience, the effects of recently enacted legislation, third-party actuarial surveys and general economic conditions.

We utilize a full yield curve approach to estimate the service and interest components of net periodic benefit cost for pension and other postretirement benefits by applying the specific spot rates along the yield curve used in the determination of the benefit obligation to the relevant projected cash flows. For further discussion of our pension and other postretirement benefits, see Note 16, "Pension and Other Postemployment Benefits," in the Notes to Consolidated Financial Statements.

Typically, we use the Society of Actuaries' most recently published mortality data in developing a best estimate of mortality as part of the calculation of the pension and other postretirement benefit obligations. We adopted Aon's U.S. Endemic Mortality Improvement scale MP-2021, accounting for both the near-term and long-term COVID-19 impacts.

The following tables illustrate the effects of changes in these actuarial assumptions while holding all other assumptions constant:

Change in Assumptions (in millions)	Impact on December 31, 2025 Projected Benefit Obligation Increase/(Decrease)	
	Pension Benefits	Other Postretirement Benefits
+50 basis points change in discount rate	\$ (43.8)	\$ (16.9)
-50 basis points change in discount rate	47.1	18.3

Change in Assumptions (in millions)	Impact on 2025 Expense Increase/(Decrease) ⁽¹⁾	
	Pension Benefits	Other Postretirement Benefits
+50 basis points change in discount rate	\$ (1.3)	\$ 0.1
-50 basis points change in discount rate	1.4	0.3
+50 basis points change in expected long-term rate of return on plan assets	(6.3)	(1.2)
-50 basis points change in expected long-term rate of return on plan assets	6.3	1.2

⁽¹⁾Before labor capitalization and regulatory deferrals.

Goodwill and Other Intangible Assets. We have six goodwill reporting units, comprised of the six state operating companies within both the Columbia Operations and NIPSCO Operations reportable segments. Our goodwill assets at December 31, 2025 were \$1,485.9 million, most of which resulted from the acquisition of Columbia on November 1, 2000.

As required by GAAP, we test for impairment of goodwill on an annual basis and on an interim basis when events or circumstances indicate that a potential impairment may exist. Our annual goodwill test takes place in the second quarter of each year and was performed on May 1, 2025. A qualitative ("step 0") test was completed on May 1, 2025 for all reporting units. In the Step 0 analysis, we assessed various assumptions, events and circumstances that would have affected the estimated fair value of the applicable reporting units as compared to the baseline "step 1" fair value measurement performed May 1, 2024.

NiSOURCE INC.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

The results of this assessment indicated that it was more likely than not that the estimated fair value of the reporting units substantially exceeded the related carrying values of our reporting units; therefore, no "step 1" analysis was required and no impairment charges were indicated. Since the annual evaluation, there have been no indications that the fair values of the goodwill reporting units have decreased below the carrying values.

As noted above, application of the qualitative goodwill impairment test requires evaluating various events and circumstances to determine whether it is not more likely than not that the fair value of a reporting unit is less than its carrying amount. Although we believe all relevant factors were considered in the qualitative impairment analysis to reach the conclusion that goodwill is not impaired, significant changes in any one of the assumptions could potentially result in the recording of an impairment that could have significant impacts on the Consolidated Financial Statements.

See Note 10, "Goodwill," in the Notes to Consolidated Financial Statements for information regarding our 2025 analyses and assumptions.

Unbilled Revenue. We record utility operating revenues when energy is delivered to our customers. However, the determination of energy sales to individual customers is based upon the reading of their meters, which occurs on a systematic basis throughout the month. At the end of each month, amounts of energy delivered to customers since the date of their last meter reading are estimated and corresponding unbilled revenues are calculated. This unbilled revenue is estimated each month based upon historical usage, customer rates and weather. As of December 31, 2025, we recorded \$465.2 million of customer accounts receivable for unbilled revenue. Significant fluctuations in energy demand for the unbilled period or changes in the composition of customer classes could impact the accuracy of the unbilled revenue estimate. Refer to Note 3, "Revenue Recognition," in the Notes to Consolidated Financial Statements for additional information regarding our significant judgments and estimates related to unbilled revenue recognition.

Income Taxes. The consolidated income tax provision and deferred income tax assets and liabilities, as well as any unrecognized tax benefits and valuation allowances, require use of estimates and significant management judgment. Although we believe that current estimates for deferred tax assets and liabilities are reasonable, actual results could differ from these estimates for a variety of reasons, including reasonable projections of taxable income, the ability and intent to implement tax planning strategies if necessary, and interpretations of applicable tax laws and regulations across multiple taxing jurisdictions. Ultimate resolution or clarification of income tax matters may result in favorable or unfavorable impacts to net income and cash flows, and adjustments to tax-related assets and liabilities could be material.

We account for uncertain income tax positions using a benefit recognition model with a two-step approach including a more-likely-than-not recognition threshold and a measurement approach based on the largest amount of tax benefit that is greater than 50% likely of being realized upon settlement. We evaluate each position based solely on the technical merits and facts and circumstances of the position, assuming the position will be examined by a taxing authority having full knowledge of all relevant information. Significant judgment is required to determine whether the recognition threshold has been met and, if so, the appropriate amount of tax benefits to be recorded in the consolidated financial statements. At December 31, 2025 and 2024, we had \$21.7 million of unrecognized tax benefits. Changes in these unrecognized tax benefits may result from remeasurement of amounts expected to be realized, settlements with tax authorities and expiration of statutes of limitations.

On a quarterly basis, we evaluate our deferred tax assets by considering current and historical financial results, expectations for future taxable income and the availability of tax planning strategies that can be implemented, if necessary, to realize deferred tax assets. Failure to achieve forecasted taxable income or successfully implement tax planning strategies may affect the realization of deferred tax assets. We establish a valuation allowance when we conclude it is more likely than not that all, or a portion, of a deferred tax asset will not be realized in future periods. Significant judgment is required to determine the amount of tax benefits expected to be realized. At December 31, 2025 and 2024, we had established \$14.8 million and \$6.4 million, respectively, of valuation allowances (net of federal benefit) related to federal Section 163(j) interest limitation carryforward and certain state net operating loss carryforwards. Refer to Note 15, "Income Taxes," in the Notes to Consolidated Financial Statements for additional information.

Recently Issued Accounting Pronouncements

Refer to Note 2, "Recent Accounting Pronouncements," in the Notes to Consolidated Financial Statements.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Quantitative and Qualitative Disclosures about Market Risk are reported in Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations – Market Risk Disclosures."

NiSOURCE INC.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

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NiSOURCE INC.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA (continued)

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of NiSource Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of NiSource Inc. and subsidiaries (the "Company") as of December 31, 2025 and 2024, the related consolidated statements of income, comprehensive income, stockholders' equity, and cash flows, for each of the three years in the period ended December 31, 2025, and the related notes and the schedule listed in the Index at Item 15 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 11, 2026, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Regulatory Matters - Impact of Rate Regulation on the Financial Statements – Refer to Notes 1, 9, and 12 to the financial statements

Critical Audit Matter Description

The Company's primary subsidiaries are fully regulated natural gas and electric utility companies serving customers in six states. These rate-regulated subsidiaries account for and report assets and liabilities consistent with the economic effect of the manner in which regulators establish rates, if the rates established are designed to recover the costs of providing the regulated service and it is probable that such rates can be charged to and collected from customers. Certain expenses and credits subject to utility regulation or rate determination normally reflected in income are deferred on the consolidated balance sheets and are later recognized in income as the related amounts are included in customer rates and recovered from or refunded to customers.

NiSOURCE INC.**ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA (continued)****REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The Company's subsidiaries' rates are determined and approved in regulatory proceedings based on an analysis of the subsidiaries' costs to provide utility service and a return on, and recovery of, the subsidiaries' investment in the utility business. Regulatory decisions can have an impact on the recovery of costs, the rate of return earned on investment, and the timing and amount of assets to be recovered by rates. The respective commission's regulation of rates is premised on the full recovery of prudently incurred costs and a reasonable rate of return on invested capital. Decisions to be made by the commission in the future will impact the accounting for regulated operations, including decisions about the amount of allowable costs and return on invested capital included in rates and any refunds that may be required. While the Company has indicated it expects to recover costs from customers through regulated rates, there is a risk that the commission will not approve: (1) full recovery of the costs of providing utility service, or (2) full recovery of all amounts invested in the utility business and a reasonable return on that investment.

We identified the impact of rate regulation, specifically certain regulatory assets and liabilities at the Company's Northern Indiana Public Service Company LLC and Columbia Gas of Ohio, Inc. subsidiaries, as a critical audit matter due to the significant judgments made by management to support its assertions about certain account balances and the significant degree of subjectivity involved in assessing the likelihood of recovery of incurred costs in current or future rates due in part to uncertainty related to future decisions by the rate regulators. This required specialized knowledge of accounting for rate regulation and the rate setting process due to its inherent complexities and a significant degree of auditor judgment when performing audit procedures to evaluate the reasonableness of management's conclusions.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the application of specialized rules to account for the effects of cost-based rate regulation related to the uncertainty of future decisions by the rate regulators, specifically the Indiana Utility Regulatory Commission (IURC) and the Public Utilities Commission of Ohio (PUCO), included the following, among others:

- We tested the effectiveness of management's controls over (1) the evaluation of the likelihood of (a) the recovery of costs deferred as regulatory assets in future periods, and (b) regulatory developments that may affect the likelihood of recovering costs in future rates or of a future reduction in rates; and (2) the evaluation of Hypothetical Liquidation Book Value (HLBV) accounting for the company's renewable facility joint ventures and its impact on the Company's regulatory liability.
- We evaluated Northern Indiana Public Service Company LLC and Columbia Gas of Ohio, Inc.'s disclosures related to the financial statement impacts of rate regulation.
- We read relevant regulatory orders issued by the IURC and PUCO, including regulatory statutes, interpretations, procedural memorandums, filings made by interveners, and other publicly available information to assess the likelihood of recovery in future rates or a future reduction in rates based on precedents of the commissions' treatment of similar costs under similar circumstances. We evaluated this external information and compared to management's recorded regulatory asset and liability balances for completeness, including the implementation of a new base rate order at Northern Indiana Public Service Company LLC's electric business.
- We inspected minutes of the boards of directors for discussions of changes in legal, regulatory, or business factors which could impact management's conclusions with respect to the financial statement impacts of rate regulation.
- For the Northern Indiana Public Service Company LLC's electric base rate case that was approved in 2025, we inspected the order for any evidence that might contradict management's assertions related to recoverability of recorded assets.
- We inquired of management about property, plant, and equipment that may be abandoned with an emphasis on the generation strategy related to Northern Indiana Public Service Company LLC's R.M. Schahfer and Michigan City Generating Stations. We inspected minutes of the board of directors, regulatory orders, the Department of Energy's

NiSOURCE INC.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA (continued)

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Order Under Federal Power Act Section 202(c), and other filings with the IURC to identify evidence that may contradict management's assertion regarding probability of abandonment.

- We read the relevant regulatory orders issued by the IURC for the Company's renewable energy investments held within joint ventures. We evaluated the appropriateness of recognizing a regulatory liability for timing differences between the profit allocated under the HLBV accounting method and the allowed earnings included in rates for these joint ventures. We also evaluated the appropriateness of the offset to the regulatory liability recorded in depreciation expense.

/s/ DELOITTE & TOUCHE LLP
Columbus, Ohio
February 11, 2026

We have served as the Company's auditor since 2002.

NiSource INC.
ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA (continued)
STATEMENTS OF CONSOLIDATED INCOME

Year Ended December 31, <i>(in millions, except per share amounts)</i>	2025	2024	2023
Operating Revenues			
Customer revenues	\$ 6,522.8	\$ 5,282.9	\$ 5,347.8
Other revenues	119.4	172.2	157.6
Total Operating Revenues	6,642.2	5,455.1	5,505.4
Operating Expenses			
Cost of energy	1,584.4	1,132.2	1,533.3
Operation and maintenance	1,710.2	1,515.2	1,494.9
Depreciation and amortization	1,167.6	1,043.2	908.2
Loss on impairment of assets	0.7	6.1	—
Loss (gain) on sale of assets, net	(0.1)	2.9	2.9
Other taxes	344.1	300.0	270.6
Total Operating Expenses	4,806.9	3,999.6	4,209.9
Operating Income	1,835.3	1,455.5	1,295.5
Other Income (Deductions)			
Interest expense, net	(639.0)	(517.2)	(489.6)
Other, net	20.1	64.5	8.0
Total Other Deductions, Net	(618.9)	(452.7)	(481.6)
Income before Income Taxes	1,216.4	1,002.8	813.9
Income Taxes	203.8	158.1	139.5
Net Income	1,012.6	844.7	674.4
Net income (loss) attributable to noncontrolling interest	83.1	84.3	(39.9)
Net Income attributable to NiSource	929.5	760.4	714.3
Preferred dividends	—	(6.7)	(42.8)
Preferred redemption premium	—	(14.0)	(9.8)
Net Income Available to Common Shareholders	\$ 929.5	\$ 739.7	\$ 661.7
Earnings Per Share			
Basic Earnings Per Share	\$ 1.96	\$ 1.63	\$ 1.59
Diluted Earnings Per Share	\$ 1.95	\$ 1.62	\$ 1.48
Basic Average Common Shares Outstanding	472.9	454.2	416.1
Diluted Average Common Shares	474.5	456.0	447.9

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

NiSOURCE INC.
ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA (continued)
STATEMENTS OF CONSOLIDATED COMPREHENSIVE INCOME

Year Ended December 31, <i>(in millions, net of taxes)</i>	2025	2024	2023
Net Income	\$ 1,012.6	\$ 844.7	\$ 674.4
Other comprehensive income:			
Net unrealized gain on available-for-sale securities ⁽¹⁾	4.1	3.3	3.9
Net unrealized loss on cash flow hedges ⁽²⁾	(0.4)	(0.4)	(0.2)
Unrecognized pension and OPEB benefit (costs) ⁽³⁾	20.5	0.3	(0.2)
Total other comprehensive income	24.2	3.2	3.5
Total Comprehensive Income	\$ 1,036.8	\$ 847.9	\$ 677.9

⁽¹⁾ Net unrealized gain on available-for-sale securities, net of \$1.1 million tax expense, \$0.9 million tax expense and \$1.0 million tax expense in 2025, 2024 and 2023, respectively.

⁽²⁾ Net unrealized loss on derivatives qualifying as cash flow hedges, net of \$0.1 million tax benefit, \$0.1 million tax benefit and \$0.1 million tax benefit in 2025, 2024 and 2023, respectively.

⁽³⁾ Unrecognized pension and OPEB benefit (costs), net of \$4.4 million tax expense, \$0.3 million tax expense and \$0.1 million tax benefit in 2025, 2024 and 2023, respectively.

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

NiSOURCE INC.
ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA (continued)
CONSOLIDATED BALANCE SHEETS

<i>(in millions)</i>	December 31, 2025	December 31, 2024
ASSETS		
Property, Plant and Equipment		
Plant	\$ 38,058.8	\$ 34,152.9
Accumulated depreciation and amortization	(9,370.6)	(8,699.0)
Net Property, Plant and Equipment ⁽¹⁾	28,688.2	25,453.9
Investments and Other Assets		
Unconsolidated affiliates	8.1	6.5
Available-for-sale debt securities (amortized cost of \$145.8 and \$91.9, allowance for credit losses of \$0.0 and \$0.1, respectively)	146.1	86.7
Other investments	118.6	85.5
Total Investments and Other Assets	272.8	178.7
Current Assets		
Cash and cash equivalents	110.1	156.6
Restricted cash	25.6	42.0
Accounts receivable	1,238.1	987.9
Allowance for credit losses	(40.6)	(23.7)
Accounts receivable, net	1,197.5	964.2
Gas storage	252.0	179.6
Materials and supplies, at average cost	189.0	173.3
Electric production fuel, at average cost	8.5	36.2
Exchange gas receivable	66.0	45.7
Regulatory assets	274.2	319.9
Prepayments	149.3	138.5
Other current assets	105.0	24.2
Total Current Assets ⁽¹⁾	2,377.2	2,080.2
Other Assets		
Regulatory assets	2,225.2	2,157.4
Goodwill	1,485.9	1,485.9
Deferred charges and other ⁽²⁾	809.4	432.0
Total Other Assets	4,520.5	4,075.3
Total Assets	\$ 35,858.7	\$ 31,788.1

⁽¹⁾Includes \$1,312.7 million and \$1,323.8 million in 2025 and 2024, respectively, of net property, plant and equipment assets, \$90.1 million and \$65.0 million in 2025 and 2024, respectively, of current assets of consolidated VIEs that may be used only to settle obligations of the consolidated VIEs. Refer to Note 4, "Noncontrolling Interests," for additional information.

⁽²⁾Includes \$305.4 million in 2025 of advanced deposits of project costs of consolidated VIEs that may be used only to settle obligations of the consolidated VIEs. Refer to Note 4, "Noncontrolling Interests," for additional information.

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

NiSOURCE INC.
ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA (continued)
CONSOLIDATED BALANCE SHEETS

<i>(in millions, except share amounts)</i>	December 31, 2025	December 31, 2024
CAPITALIZATION AND LIABILITIES		
Capitalization		
Stockholders' Equity		
Common stock - \$0.01 par value, 750,000,000 shares authorized; 478,432,058 and 469,822,472 shares outstanding, respectively	\$ 4.8	\$ 4.7
Treasury stock	(99.9)	(99.9)
Additional paid-in capital	9,866.6	9,521.5
Retained deficit	(315.2)	(711.7)
Accumulated other comprehensive loss	(6.2)	(30.4)
Total NiSource Stockholders' Equity	9,450.1	8,684.2
Noncontrolling interest in consolidated subsidiaries	2,209.8	1,984.1
Total Stockholders' Equity	11,659.9	10,668.3
Long-term debt, excluding amounts due within one year	15,457.8	12,074.5
Total Capitalization	27,117.7	22,742.8
Current Liabilities		
Current portion of long-term debt	19.7	1,281.2
Short-term borrowings	736.0	604.6
Accounts payable	1,124.5	863.1
Customer deposits and credits	283.4	268.8
Taxes accrued	228.8	173.4
Interest accrued	206.2	157.0
Asset retirement obligations	55.0	84.6
Exchange gas payable	125.4	91.8
Regulatory liabilities	260.1	150.5
Accrued compensation and employee benefits	246.8	268.2
Other accruals	171.5	170.2
Total Current Liabilities ⁽¹⁾	3,457.4	4,113.4
Other Liabilities		
Deferred income taxes	2,500.1	2,281.6
Accrued liability for postretirement and postemployment benefits	153.1	207.5
Regulatory liabilities	1,513.3	1,431.2
Asset retirement obligations	781.9	698.6
Other noncurrent liabilities and deferred credits	335.2	313.0
Total Other Liabilities ⁽¹⁾	5,283.6	4,931.9
Commitments and Contingencies (Refer to Note 19, "Other Commitments and Contingencies")		
Total Capitalization and Liabilities	\$ 35,858.7	\$ 31,788.1

⁽¹⁾Includes \$56.9 million and \$53.7 million in 2025 and 2024, respectively, of current liabilities, \$55.7 million and \$58.3 million in 2025 and 2024, respectively, of other liabilities, and finance leases of \$40.1 million and \$40.4 million in 2025 and 2024, respectively, of consolidated VIEs that creditors do not have recourse to our general credit. Refer to Note 4, "Noncontrolling Interests," for additional information.

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

NiSource Inc.
ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA (continued)
STATEMENTS OF CONSOLIDATED CASH FLOWS

Year Ended December 31, (in millions)	2025	2024	2023
Operating Activities			
Net Income	\$ 1,012.6	\$ 844.7	\$ 674.4
Adjustments to Reconcile Net Income to Net Cash from Operating Activities:			
Depreciation and amortization	1,167.6	1,043.2	908.2
Deferred income taxes and investment tax credits	235.8	168.0	134.1
Stock compensation expense and 401(k) profit sharing contribution	50.9	43.6	33.5
Payments for asset retirement obligations	(73.0)	(72.5)	(41.6)
Other adjustments	24.8	(49.9)	(15.0)
Changes in Assets and Liabilities:			
Accounts receivable	(273.4)	(101.5)	184.1
Gas storage and other inventories	(60.3)	102.0	233.9
Accounts payable	131.8	71.5	(171.8)
Exchange gas receivable/payable	135.8	(133.5)	126.5
Other accruals	67.9	9.5	(102.9)
Prepayments and other current assets	(37.3)	(75.9)	36.7
Regulatory assets/liabilities	55.7	(8.7)	(26.2)
Postretirement and postemployment benefits	(46.1)	(64.3)	(22.0)
Deferred charges and other noncurrent assets	(33.5)	(20.8)	(10.1)
Other noncurrent liabilities and deferred credits	3.0	26.1	(6.7)
Net Cash Flows from Operating Activities	2,362.3	1,781.5	1,935.1
Investing Activities			
Capital expenditures	(2,782.3)	(2,614.0)	(2,645.8)
Cost of removal	(188.3)	(166.8)	(160.8)
Purchases of available-for-sale securities	(93.9)	(17.8)	(42.8)
Sales of available-for-sale securities	39.3	93.2	39.9
Milestone and final payments to renewable generation asset developers	(1,098.7)	(482.0)	(761.4)
Advanced deposits for project costs	(373.8)	(29.0)	—
Other investing activities	(26.4)	3.4	(0.7)
Net Cash Flows used for Investing Activities	(4,524.1)	(3,213.0)	(3,571.6)
Financing Activities			
Proceeds from issuance of long-term debt	3,352.0	2,229.5	1,488.7
Repayments of finance lease obligations	(22.0)	(25.6)	(33.1)
Repayments of long-term debt	(1,260.0)	—	—
Repayment of short term credit agreements	—	(1,650.0)	—
Issuance of short term credit agreements	—	—	650.0
Net change in commercial paper and other short-term borrowings	131.4	(794.0)	636.4
Issuance of common stock, net of issuance costs	312.1	612.6	12.9
Redemption of preferred stock	—	(486.1)	(393.9)
Preferred stock redemption premium	—	(14.0)	(6.2)
Payment of obligation to renewable generation asset developer	—	—	(347.2)
Equity costs, premiums and other debt related costs	(26.8)	(67.3)	(30.2)
Contributions from NIPSCO and GenCo minority interest holders	231.4	99.5	2,161.9
Distributions to NIPSCO minority interest holders	(74.6)	(50.3)	—
Contributions from tax equity partners	—	—	240.9
Distributions to tax equity partners	(14.2)	(16.1)	(14.1)
Dividends paid - common stock	(530.4)	(481.0)	(413.5)
Dividends paid - preferred stock	—	(8.2)	(43.8)
Contract liability payment	—	—	(66.6)
Net Cash Flows (used for) from Financing Activities	2,098.9	(651.0)	3,842.2
Change in cash, cash equivalents and restricted cash	(62.9)	(2,082.5)	2,205.7
Cash, cash equivalents and restricted cash at beginning of period	198.6	2,281.1	75.4
Cash, Cash Equivalents and Restricted Cash at End of Period	\$ 135.7	\$ 198.6	\$ 2,281.1
Reconciliation to Balance Sheet	2025	2024	2023
Cash and cash equivalents	110.1	156.6	2,245.4
Restricted cash	25.6	42.0	35.7
Total Cash, Cash Equivalents and Restricted Cash	135.7	198.6	2,281.1

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

NiSOURCE INC.
ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA (continued)
STATEMENTS OF CONSOLIDATED STOCKHOLDERS' EQUITY

<i>(in millions)</i>	Common Stock	Preferred Stock ⁽¹⁾	Treasury Stock	Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest in Consolidated Subsidiaries	Total
Balance as of December 31, 2022	\$ 4.2	\$ 1,546.5	\$ (99.9)	\$ 7,375.3	\$ (1,213.6)	\$ (37.1)	\$ 326.4	\$ 7,901.8
Comprehensive Income:								
Net Income (Loss)	—	—	—	—	714.3	—	(39.9)	674.4
Other comprehensive income, net of tax	—	—	—	—	—	3.5	—	3.5
Dividends:								
Common stock (\$1.00 per share)	—	—	—	—	(414.1)	—	—	(414.1)
Preferred stock (See Note 6)	—	—	—	—	(43.8)	—	—	(43.8)
Noncontrolling Interests:								
Issuance of noncontrolling interests ⁽²⁾	—	—	—	809.6	—	—	1,361.1	2,170.7
Contributions from noncontrolling interest ⁽³⁾	—	—	—	—	—	—	233.2	233.2
Distributions to noncontrolling interest	—	—	—	—	—	—	(14.1)	(14.1)
Stock issuances (redemptions):								
Equity Units	0.3	(666.5)	—	666.2	—	—	—	—
Series A Preferred stock redemption	—	(393.9)	—	—	—	—	—	(393.9)
Series A Preferred stock redemption premium	—	—	—	—	(9.8)	—	—	(9.8)
Employee stock purchase plan	—	—	—	5.9	—	—	—	5.9
Long-term incentive plan	—	—	—	12.6	—	—	—	12.6
401(k) and profit sharing	—	—	—	9.9	—	—	—	9.9
Balance as of December 31, 2023	\$ 4.5	\$ 486.1	\$ (99.9)	\$ 8,879.5	\$ (967.0)	\$ (33.6)	\$ 1,866.7	\$ 10,136.3
Comprehensive Income:								
Net Income	—	—	—	—	760.4	—	84.3	844.7
Other comprehensive income, net of tax	—	—	—	—	—	3.2	—	3.2
Dividends:								
Common stock (\$1.06 per share)	—	—	—	—	(483.0)	—	—	(483.0)
Preferred stock (See Note 6)	—	—	—	—	(8.1)	—	—	(8.1)
Noncontrolling Interests:								
Contributions from noncontrolling interest ⁽³⁾	—	—	—	—	—	—	99.5	99.5
Distributions to noncontrolling interest	—	—	—	—	—	—	(66.4)	(66.4)
Stock issuances (redemptions):								
Series B and B-1 Preferred stock redemption	—	(486.1)	—	—	—	—	—	(486.1)
Series B and B-1 Preferred stock redemption premium	—	—	—	—	(14.0)	—	—	(14.0)
Employee stock purchase plan	—	—	—	6.4	—	—	—	6.4
Long-term incentive plan	—	—	—	26.6	—	—	—	26.6
401(k) and profit sharing	—	—	—	9.2	—	—	—	9.2
ATM Program	0.2	—	—	599.8	—	—	—	600.0
Balance as of December 31, 2024	\$ 4.7	\$ —	\$ (99.9)	\$ 9,521.5	\$ (711.7)	\$ (30.4)	\$ 1,984.1	\$ 10,668.3
Comprehensive Income:								
Net Income	—	—	—	—	929.5	—	83.1	1,012.6
Other comprehensive income, net of tax	—	—	—	—	—	24.2	—	24.2
Dividends:								
Common stock (\$1.12 per share)	—	—	—	—	(533.0)	—	—	(533.0)
Noncontrolling Interests:								
Contributions from noncontrolling interest ⁽³⁾	—	—	—	—	—	—	231.4	231.4
Distributions to noncontrolling interests	—	—	—	—	—	—	(88.8)	(88.8)
Stock issuances (redemptions):								
Employee stock purchase plan	—	—	—	7.4	—	—	—	7.4
Long-term incentive plan	—	—	—	30.2	—	—	—	30.2
401(k) and profit sharing	—	—	—	9.4	—	—	—	9.4
ATM Program	0.1	—	—	298.1	—	—	—	298.2
Balance as of December 31, 2025	\$ 4.8	\$ —	\$ (99.9)	\$ 9,866.6	\$ (315.2)	\$ (6.2)	\$ 2,209.8	\$ 11,659.9

⁽¹⁾ Series A, Series B and Series C shares had an aggregate liquidation preference of \$400M, \$500M and \$863M, respectively.

⁽²⁾ Relates to the NIPSCO Minority Interest Transaction. See Note 4, "Noncontrolling Interests," for additional discussion.

⁽³⁾ Contributions from NIPSCO and GenCo (starting in 2025) minority interest holders included in noncontrolling interest is net of transaction costs.

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

NiSOURCE INC.
ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA (continued)
STATEMENTS OF CONSOLIDATED STOCKHOLDERS' EQUITY (continued)

<i>(in thousands)</i>	Preferred	Common		
	Shares	Shares	Treasury	Outstanding
Balance as of December 31, 2022	1,303	416,106	(3,963)	412,143
Issued:				
Employee stock purchase plan	—	216	—	216
Long-term incentive plan	—	758	—	758
401(k) and profit sharing plan	—	366	—	366
Equity Units ⁽¹⁾	—	33,899	—	33,899
Redeemed:				
Equity Units ⁽¹⁾	(863)	—	—	—
Series A Preferred Stock	(400)	—	—	—
Balance as of December 31, 2023	40	451,345	(3,963)	447,382
Issued:				
Employee stock purchase plan	—	218	—	218
Long-term incentive plan	—	769	—	769
401(k) and profit sharing plan	—	309	—	309
ATM Program	—	21,144	—	21,144
Redeemed:				
Series B and B-1 Preferred Stock	(40)	—	—	—
Balance as of December 31, 2024	—	473,785	(3,963)	469,822
Issued:				
Employee stock purchase plan	—	186	—	186
Long-term incentive plan	—	772	—	772
401(k) and profit sharing plan	—	231	—	231
ATM Program	—	7,421	—	7,421
Balance as of December 31, 2025	—	482,395	(3,963)	478,432

⁽¹⁾See Note 6, "Equity," for additional information.

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

1. Nature of Operations and Summary of Significant Accounting Policies

A. Company Structure and Principles of Consolidation. We are an energy holding company incorporated in Delaware and headquartered in Merrillville, Indiana. Our subsidiaries are fully regulated natural gas and electric utility companies serving approximately 3.8 million customers in six states. We generate substantially all of our operating income through these rate-regulated businesses. The consolidated financial statements include the accounts of us, our majority-owned subsidiaries, and VIEs of which we are the primary beneficiary after the elimination of all intercompany accounts and transactions.

B. Use of Estimates. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

C. Cash, Cash Equivalents and Restricted Cash. We consider all highly liquid investments with original maturities of three months or less to be cash equivalents. We report amounts deposited in brokerage accounts for margin requirements as restricted cash. In addition, we have amounts deposited in trusts to satisfy requirements for the provision of various property, liability, workers compensation, and long-term disability insurance, and holdbacks related to certain joint venture development agreements which is classified as restricted cash on the Consolidated Balance Sheets and disclosed with cash and cash equivalents on the Statements of Consolidated Cash Flows.

D. Accounts Receivable and Unbilled Revenue. Accounts receivable on the Consolidated Balance Sheets includes both billed and unbilled amounts. Unbilled amounts of accounts receivable relate to a portion of a customer's consumption of gas or electricity from their last cycle billing date through the last day of the month (balance sheet date). Factors taken into consideration when estimating unbilled revenue include historical usage, customer rates, weather and reasonable and supportable forecasts. Accounts receivable fluctuates from year to year depending in large part on weather impacts and price volatility. Our accounts receivable on the Consolidated Balance Sheets include unbilled revenue, less reserves. The reserve for uncollectible receivables is our best estimate of the amount of probable credit losses in the existing accounts receivable. We determined the reserve based on historical collection experience, current market conditions and reasonable and supportable forecasts. Account balances are charged against the allowance when it is anticipated the receivable will not be recovered. Refer to Note 3, "Revenue Recognition," for additional information on customer-related accounts receivable, including amounts related to unbilled revenues.

E. Investments in Debt Securities. Our investments in debt securities are carried at fair value and are designated as available-for-sale. These investments are included within "Available-for-sale debt securities" and "Other investments" on the Consolidated Balance Sheets. Unrealized gains and losses, net of deferred income taxes, are recorded to accumulated other comprehensive income or loss. At each reporting period these investments are qualitatively and quantitatively assessed to determine whether a decline in fair value below the amortized cost basis has resulted from a credit loss or other factors. Impairments related to credit loss are recorded through an allowance for credit losses. Impairments that are not related to credit losses are included in other comprehensive income and are reflected in the Statements of Consolidated Income. No material impairment charges were recorded for the years ended December 31, 2025, 2024 or 2023. Refer to Note 14, "Fair Value," for additional information.

F. Basis of Accounting for Rate-Regulated Subsidiaries. Rate-regulated subsidiaries account for and report assets and liabilities consistent with the economic effect of the way in which regulators establish rates, if the rates established are designed to recover the costs of providing the regulated service and it is probable that such rates can be billed and collected. Certain expenses and credits subject to utility regulation or rate determination that would normally be reflected in income for non-regulated entities are deferred on the Consolidated Balance Sheets and are later recognized in income as the related amounts are included in customer rates and recovered from or refunded to customers.

We continually evaluate whether or not our operations are within the scope of ASC 980 and rate regulations. As part of that analysis, we evaluate probability of recovery for our regulatory assets. In management's opinion, our regulated subsidiaries will be subject to regulatory accounting for the foreseeable future. Refer to Note 12, "Regulatory Matters," for additional information.

G. Plant and Other Property and Related Depreciation and Maintenance. Property, plant and equipment (principally utility plant) is stated at cost. Our rate-regulated subsidiaries record depreciation using composite rates on a straight-line basis over the remaining service lives of the electric, gas and common properties, as approved by the appropriate regulators.

Non-utility property, consisting of renewable generation assets owned by JVs of which we are the primary beneficiary and certain retired regulatory assets described below, is generally depreciated over the life of the associated assets. Refer to Note 9, "Property, Plant and Equipment," for additional information related to depreciation expense.

For rate-regulated companies where provided for in rates, AFUDC is capitalized on all classes of property except organization costs, land, autos, office equipment, tools and other general property purchases. The allowance is applied to construction costs for that period of time between the date of the expenditure and the date on which such project is placed in service. Our consolidated pre-tax rate for AFUDC was 3.6% in 2025, 4.8% in 2024 and 3.9% in 2023.

Generally, our subsidiaries follow the practice of charging maintenance and repairs, including the cost of removal of minor items of property, to expense as incurred. When our subsidiaries retire regulated property, plant and equipment, original cost plus the cost of retirement, less salvage value, is charged to accumulated depreciation. However, when it becomes probable a regulated asset will be retired substantially in advance of its original expected useful life or is abandoned, the cost of the asset and the corresponding accumulated depreciation is recognized as a separate asset. If the asset is still in operation, the gross amounts are classified as "Non-Utility and Other" as described in Note 9, "Property, Plant and Equipment." If the asset is no longer operating but still subject to recovery, the net amount is classified in "Regulatory assets" on the Consolidated Balance Sheets. If we are able to recover a full return of and on investment, the carrying value of the asset is based on historical cost. If we are not able to recover a full return on investment, a loss on impairment is recognized to the extent the net book value of the asset exceeds the present value of future revenues discounted at the incremental borrowing rate.

External and internal costs associated with on-premises computer software developed for internal use are capitalized. Capitalization of such costs commences upon the completion of the preliminary stage of each project. Once the installed software is ready for its intended use, such capitalized costs are amortized on a straight-line basis generally over a period of five years. External and internal up-front implementation costs associated with cloud computing arrangements that are service contracts are deferred on the Consolidated Balance Sheets, with the associated internal-use software capitalized to plant if the we have a contractual right to take possession of the software at any time during the hosting period without significant penalty and it is feasible for us to either run the software on our own hardware or contract with another party unrelated to the vendor to host the software. Once the installed software is ready for its intended use, such deferred costs are amortized on a straight-line basis to "Operation and maintenance," over the minimum term of the contract plus contractually-provided renewal periods that are reasonably expected to be exercised.

H. Goodwill and Other Intangible Assets. Substantially all of our goodwill relates to the excess of cost over the fair value of the net assets acquired in the Columbia acquisition on November 1, 2000. We test our goodwill for impairment annually as of May 1, or more frequently if events and circumstances indicate that goodwill might be impaired. Fair value of our reporting units is determined using a combination of income and market approaches. See Note 10, "Goodwill," for additional information.

I. Accounts Receivable Transfer Programs. Certain of our subsidiaries have agreements with third parties to transfer certain accounts receivable without recourse. These transfers of accounts receivable are accounted for as secured borrowings. The entire gross receivables balance remains on the December 31, 2025 and 2024 Consolidated Balance Sheets. When amounts are securitized, the short-term debt is recorded in the amount of proceeds received from the transferees involved in the transactions. Refer to Note 7, "Short-Term Borrowings," for further information.

J. Gas Cost and Fuel Adjustment Clause. Our regulated subsidiaries defer most differences between gas and fuel purchase costs and the recovery of such costs in revenues and adjust future billings for such deferrals on a basis consistent with applicable state-approved tariff provisions. These deferred balances are recorded as "Regulatory assets" or "Regulatory liabilities," as appropriate, on the Consolidated Balance Sheets. Refer to Note 12, "Regulatory Matters," for additional information.

K. Gas Storage and Other Inventories. Both the LIFO inventory methodology and the weighted average cost methodology are used to value natural gas in storage, as approved by regulators for all of our regulated subsidiaries. Inventory valued using LIFO was \$42.5 million and \$43.8 million at December 31, 2025 and 2024, respectively. Based on the average cost of gas using the LIFO method, the estimated replacement cost of gas in storage was less than the stated LIFO cost by \$7.6 million at December 31, 2025 and was less than the stated LIFO cost by \$12.8 million at December 31, 2024. As all LIFO inventory costs are collected from customers through our rate-regulated subsidiaries, no inventory impairment has been recorded. Gas inventory valued using the weighted average cost methodology was \$209.5 million at December 31, 2025 and \$135.8 million at December 31, 2024.

Electric production fuel is valued using the weighted average cost inventory methodology, as approved by NIPSCO's regulator.

Materials and supplies are valued using the weighted average cost inventory methodology. Materials and supplies are charged to expense or capitalized to property, plant and equipment when issued.

L. Accounting for Exchange and Balancing Arrangements of Natural Gas. Our Columbia Operations and NIPSCO Operations segment enters into balancing and exchange arrangements of natural gas as part of its operations and off-system sales programs. We record a receivable or payable for any of our respective cumulative gas imbalances, as well as for any gas inventory borrowed or lent under an exchange agreement. Exchange gas is valued based on individual regulatory jurisdiction requirements (for example, historical spot rate, spot at the beginning of the month). These receivables and payables are recorded as "Exchange gas receivable" or "Exchange gas payable" on our Consolidated Balance Sheets, as appropriate.

M. Accounting for Risk Management Activities. We account for our derivatives and hedging activities in accordance with ASC 815. We recognize all derivatives as either assets or liabilities on the Consolidated Balance Sheets at fair value, unless such contracts are exempted as a normal purchase normal sale under the provisions of the standard. The accounting for changes in the fair value of a derivative depends on the intended use of the derivative and resulting designation.

We do not offset the fair value amounts recognized for any of our derivative instruments against the fair value amounts recognized for the right to reclaim cash collateral or obligation to return cash collateral for derivative instruments executed with the same counterparty under a master netting arrangement. See Note 13, "Risk Management Activities," for additional information.

N. Income Taxes and Investment Tax Credits. Under the asset and liability method, deferred income taxes are provided for the tax consequences of temporary differences by applying enacted statutory tax rates applicable to future years to differences between the financial statement carrying amount and the tax basis of existing assets and liabilities. Investment tax credits and production tax credits associated with regulated operations are deferred and amortized as a reduction to income tax expense over a 10 year period and 1 year period, respectively. Furthermore, the tax basis of the asset is reduced by 50% of the ITCs received, resulting in a net deferred tax asset.

To the extent certain deferred income taxes of the regulated companies are recoverable or payable through future rates, regulatory assets and liabilities have been established. Regulatory assets for income taxes are primarily attributable to property-related tax timing differences for which deferred taxes had not been provided in the past when regulators did not recognize such taxes as costs in the rate-making process. Regulatory liabilities for income taxes are primarily attributable to the regulated companies' obligation to refund to ratepayers deferred income taxes provided at rates higher than the current Federal income tax rate. Such property-related amounts are credited to ratepayers using either the average rate assumption method or the reverse South Georgia method. Non property-related amounts are credited to ratepayers consistent with state utility commission direction.

Pursuant to the Internal Revenue Code and relevant state taxing authorities, we and our subsidiaries generally file consolidated income tax returns for federal and certain state jurisdictions. We and our subsidiaries are parties to a tax sharing agreement under which income taxes recorded by each party represent amounts that would be owed had the party been separately subject to tax. Effective January 1, 2024, NIPSCO Accounts Receivable Corporation is no longer included in the consolidated group and now files a separate income tax return.

O. Pension Remeasurement. We utilize a third-party actuary for the purpose of performing actuarial valuations of our defined benefit plans. Annually, as of December 31, we perform a remeasurement for our defined benefit plans. Quarterly, we monitor for significant events, and if a significant event is identified, we perform a qualitative and quantitative assessment to determine if the resulting remeasurement would materially impact the NiSource financial statements. If material, an interim remeasurement is performed. See Note 16, "Pension and Other Postemployment Benefits," for additional information.

P. Environmental Expenditures. We accrue for costs associated with environmental remediation obligations, including expenditures related to asset retirement obligations and cost of removal, when the incurrence of such costs is probable and the amounts can be reasonably estimated, regardless of when the expenditures are actually made. The estimated future expenditures are based on currently enacted laws and regulations, existing technology and estimated site-specific costs where assumptions may be made about the nature and extent of site contamination, the extent of cleanup efforts, costs of alternative cleanup methods and other variables. The liability is adjusted as further information is discovered or circumstances change. The accruals for estimated environmental expenditures are recorded on the Consolidated Balance Sheets in "Other accruals" for short-term portions of these liabilities and "Other noncurrent liabilities and deferred credits" for the respective long-term portions of these liabilities. Rate-regulated subsidiaries applying regulatory accounting establish regulatory assets on the Consolidated Balance Sheets to the extent that future recovery of environmental remediation costs is probable through the regulatory process. Refer to Note 11, "Asset Retirement Obligations," and Note 19, "Other Commitments and Contingencies," for further information.

Q. Excise Taxes. As an agent for some state and local governments, we invoice and collect certain excise taxes levied by state and local governments on customers and record these amounts as liabilities payable to the applicable taxing jurisdiction. Such balances are presented within "Other accruals" on the Consolidated Balance Sheets. These types of taxes collected from customers, comprised largely of sales taxes, are presented on a net basis affecting neither revenues nor cost of sales. We account for excise taxes for which we are liable by recording a liability for the expected tax with a corresponding charge to "Other taxes" expense on the Statements of Consolidated Income.

R. Accrued Insurance Liabilities. We accrue for insurance costs related to workers compensation, automobile, property, general and employment practices liabilities based on the most probable value of each claim. In general, claim values are determined by professional, licensed loss adjusters who consider the facts of the claim, anticipated indemnification and legal expenses, and respective state rules. Claims are reviewed by us at least quarterly and an adjustment is made to the accrual based on the most current information.

S. Noncontrolling Interest. We maintain a controlling financial interest in certain of our less than wholly owned subsidiaries. We consolidate these subsidiaries as either voting interest entities or VIEs and present the third-party investors' portion of our net income (loss), net assets and comprehensive income (loss) as noncontrolling interest. Noncontrolling interest is included as a component of equity on the Consolidated Balance Sheet.

In December 2023, the NIPSCO Minority Interest Transaction closed and a 19.9% equity interest in NIPSCO Holdings II, the sole owner of NIPSCO, was issued to an affiliate of Blackstone. NIPSCO Holdings II does not meet the criteria of a VIE and instead is consolidated under the voting interest model in accordance with ASC 810 as we maintain control through a majority interest in NIPSCO Holdings II.

In October 2025, the GenCo Minority Interest Transaction closed and a 19.9% equity interest in Generation Holdings II, the sole owner of GenCo, was issued to affiliates of Blackstone. Generation Holdings II meets the criteria of a VIE and is consolidated in accordance with ASC 810 as we control the decisions that are significant to the VIE's ongoing operations and economic results (i.e., we are the primary beneficiary).

Refer to Note 4, "Noncontrolling Interests," for further discussion on the NIPSCO Minority Interest Transaction and GenCo Minority Interest Transaction.

We fund a portion of our renewable generation assets through JVs with tax equity partners. We consolidate these JVs in accordance with ASC 810 as they are VIEs in which we hold a variable interest, and we control decisions that are significant to the JVs' ongoing operations and economic results (i.e., we are the primary beneficiary).

These JVs are subject to profit sharing arrangements in which the allocation of the JVs' cash distributions and tax benefits to members is based on factors other than members' relative ownership percentages. As such, we utilize the HLBV method to allocate proceeds to each partner at the balance sheet date based on the liquidation provisions of the related JV's operating agreement and adjust the amount of the VIE's net income attributable to us and the noncontrolling tax equity member during the period.

In each reporting period, the application of HLBV to our consolidated VIEs results in a difference between the amount of profit from the consolidated JVs and the amount included in regulated rates. As discussed above in "F. Basis of Accounting for Rate-Regulated Subsidiaries," we are subject to the accounting and reporting requirements of ASC 980. In accordance with these principles, we recognize a regulatory liability or asset for amounts representing the timing difference between the profit earned from the JVs and the amount included in regulated rates to recover our approved investments in consolidated JVs. The amounts recorded in income will ultimately reflect the amount allowed in regulated rates to recover our investments over the useful life of the projects. The offset to the regulatory liability or asset associated with our renewable investments included in regulated rates is recorded in "Depreciation expense" on the Statements of Consolidated Income.

2. Recent Accounting Pronouncements

Recently Issued Accounting Pronouncements

In September 2025, the FASB issued ASU 2025-06, Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software. This pronouncement updates the guidance on capitalization of internal-use software, including removing the development stages utilized for evaluation of when certain activities are capital eligible. The ASU instead provides that an entity is required to start capitalizing eligible software

development costs when (1) management has authorized and committed to funding the software project and (2) it is probable that the project will be completed and the software will be used to perform the function intended, which is referred to as the “probable-to-complete recognition threshold”. This probable-to-complete threshold includes an evaluation of whether there is significant uncertainty associated with the development activities of the software. The ASU is effective for fiscal years beginning after December 15, 2027. We are currently evaluating the impacts this amendment will have on our internal-use software capitalization policy.

In November 2024, the FASB issued ASU 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40). This pronouncement requires disaggregated disclosure of income statement expenses for public business entities. The ASU requires disclosure in tabular format of disaggregation of relevant expense captions presented on the income statement by certain natural expense categories with certain related qualitative disclosures within the notes to the financial statements. The ASU does not change the expense captions an entity presents on the income statement. The ASU is effective for fiscal years beginning after December 15, 2026, and interim reporting periods within annual reporting periods beginning after December 15, 2027, as defined in ASU 2025-01, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40). We are currently evaluating the impacts this amendment will have on our required disclosures.

Recently Adopted Accounting Pronouncements

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures. This pronouncement enhances required income tax disclosures. The pronouncement requires disclosure of specific categories and reconciling items included in the rate reconciliation, disaggregation between federal, state and local income taxes paid, and disclosure of income taxes paid by jurisdictions over a certain threshold. Additionally, the pronouncement eliminates certain required disclosures related to unrecognized tax benefits. We have adopted this ASU on a retrospective basis in the income tax footnote 15, for the year ended December 31, 2025.

3. Revenue Recognition

Customer Revenues. Substantially all of our revenues are tariff-based. Under ASC 606, the recipients of our utility service meet the definition of a customer, while the operating company tariffs represent an agreement that meets the definition of a contract, which creates enforceable rights and obligations. Customers in certain of our jurisdictions participate in programs that allow for a fixed payment each month regardless of usage. Payments received that exceed the value of gas or electricity actually delivered are recorded as a liability and presented in "Customer deposits and credits" on the Consolidated Balance Sheets. Amounts in this account are reduced and revenue is recorded when customer usage exceeds payments received.

We have identified our performance obligations created under tariff-based sales as i) the commodity (natural gas or electricity, which includes generation and capacity) and ii) delivery. These commodities are sold and / or delivered to and generally consumed by customers simultaneously, leading to satisfaction of our performance obligations over time as gas or electricity is delivered to customers. Due to the at-will nature of utility customers, performance obligations are limited to the services requested and received to date. Once complete, we generally maintain no additional performance obligations.

Transaction prices for each performance obligation are generally prescribed by each operating company's respective tariff. Rates include provisions to adjust billings for fluctuations in fuel and purchased power costs and cost of natural gas. Revenues are adjusted for differences between actual costs, subject to reconciliation, and the amounts billed in current rates. Under or over recovered revenues related to these cost recovery mechanisms are included in "Regulatory assets" or "Regulatory liabilities" on the Consolidated Balance Sheets and are recovered from or returned to customers through adjustments to tariff rates. As we provide and deliver service to customers, revenue is recognized based on the transaction price allocated to each performance obligation. Distribution revenues are generally considered daily or "at-will" contracts as customers may cancel their service at any time (subject to notification requirements), and revenue generally represents the amount we are entitled to bill customers.

In addition to tariff-based sales, our gas distribution in both our Columbia Operations and NIPSCO Operations segments enters into balancing and exchange arrangements of natural gas as part of our operations and off-system sales programs. Performance obligations for these types of sales include transportation and storage of natural gas and can be satisfied at a point in time or over a period of time, depending on the specific transaction. For those transactions that span a period of time, we record a receivable or payable for any cumulative gas imbalances, as well as for any gas inventory borrowed or lent under a gas distribution operations exchange agreement.

Revenue Disaggregation and Reconciliation. We disaggregate revenue from contracts with customers based upon reportable segment, as well as by customer class. As of January 1, 2024, we have changed our reportable segments from Gas Distribution Operations and Electric Operations to Columbia Operations and NIPSCO Operations. Our historical segment disclosures have been recast to be consistent with the current presentation. For additional information see Note 21, "Business Segment Information".

The Columbia Operations segment provides regulated natural gas service and transportation for residential, commercial and industrial customers in Ohio, Pennsylvania, Virginia, Kentucky, and Maryland. The NIPSCO Operations segment provides regulated gas and electric service in northern Indiana for residential, commercial and industrial customers.

Other Revenues. As permitted by accounting principles generally accepted in the United States, regulated utilities have the ability to earn certain types of revenue that are outside the scope of ASC 606. These revenues primarily represent revenue earned under alternative revenue programs. Alternative revenue programs represent regulator-approved mechanisms that allow for the adjustment of billings and revenue for certain approved programs. We maintain a variety of these programs, including demand side management initiatives that recover costs associated with the implementation of energy efficiency programs, as well as normalization programs that adjust revenues for the effects of weather or other external factors. Additionally, we maintain certain programs with future test periods that operate similarly to FERC formula rate programs and allow for recovery of costs incurred to replace aging infrastructure. When the criteria to recognize alternative revenue have been met, we establish a regulatory asset and present revenue from alternative revenue programs on the Statements of Consolidated Income as "Other revenues". When amounts previously recognized under alternative revenue accounting guidance are billed, we reduce the regulatory asset and record a customer account receivable.

The tables below reconcile revenue disaggregation by customer class to segment revenue, as well as to revenues reflected on the Statements of Consolidated Income:

<i>Year Ended December 31, 2025 (in millions)</i>	Columbia Operations		NIPSCO Operations		Corporate and Other		Total
Gas Distribution							
Residential	\$	2,279.9	\$	708.0	\$	—	\$ 2,987.9
Commercial		763.7		270.0		—	1,033.7
Industrial		167.4		100.2		—	267.6
Off-system		75.8		—		—	75.8
Wholesale		2.1		—		—	2.1
Miscellaneous ⁽¹⁾		35.9		13.5		—	49.4
Subtotal	\$	3,324.8	\$	1,091.7	\$	—	\$ 4,416.5
Electric Generation and Power Delivery							
Residential	\$	—	\$	768.4	\$	—	\$ 768.4
Commercial		—		713.9		—	713.9
Industrial		—		578.3		—	578.3
Wholesale		—		45.1		—	45.1
Public Authority		—		9.5		—	9.5
Miscellaneous ⁽¹⁾		—		(8.9)		—	(8.9)
Subtotal	\$	—	\$	2,106.3	\$	—	\$ 2,106.3
Total Customer Revenues ⁽²⁾		3,324.8		3,198.0		—	6,522.8
Other Revenues ⁽³⁾		5.2		109.3		4.9	119.4
Total Operating Revenues	\$	3,330.0	\$	3,307.3	\$	4.9	\$ 6,642.2

⁽¹⁾Amounts included in Columbia Operations are primarily related to earnings sharing mechanisms and late fees. Amounts included in NIPSCO Operations are primarily related to revenue refunds, public repairs and property rentals.

⁽²⁾Customer revenue amounts exclude intersegment revenues. See Note 21, "Business Segment Information," for discussion of intersegment revenues.

⁽³⁾Amounts included in Columbia Operations primarily relate to alternate revenue programs, including weather normalization adjustment mechanisms. Amounts included in NIPSCO Operations primarily relate to weather normalization adjustment mechanisms, MISO multi-value projects and revenue from non-jurisdictional transmission assets. Amounts included in Corporate and Other primarily relate to products and services revenue.

NISOURCE INC.
ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA (continued)
Notes to Consolidated Financial Statements

Year Ended December 31, 2024 <i>(in millions)</i>	Columbia Operations		NIPSCO Operations		Corporate and Other		Total
Gas Distribution							
Residential	\$	1,833.8	\$	531.4	\$	—	\$ 2,365.2
Commercial		580.3		199.2		—	779.5
Industrial		144.2		79.0		—	223.2
Off-system		42.6		—		—	42.6
Wholesale		1.2		—		—	1.2
Miscellaneous ⁽¹⁾		26.3		15.4		—	41.7
Subtotal	\$	2,628.4	\$	825.0	\$	—	\$ 3,453.4
Electric Generation and Power Delivery							
Residential		—		649.9		—	649.9
Commercial		—		620.4		—	620.4
Industrial		—		499.1		—	499.1
Wholesale		—		38.3		—	38.3
Public Authority		—		8.1		—	8.1
Miscellaneous ⁽¹⁾		—		13.7		—	13.7
Subtotal	\$	—	\$	1,829.5	\$	—	\$ 1,829.5
Total Customer Revenues⁽²⁾	\$	2,628.4	\$	2,654.5	\$	—	\$ 5,282.9
Other Revenues⁽³⁾		74.8		96.5		0.9	172.2
Total Operating Revenues	\$	2,703.2	\$	2,751.0	\$	0.9	\$ 5,455.1

⁽¹⁾Amounts included in Columbia Operations are primarily related to earnings sharing mechanisms and late fees. Amounts included in NIPSCO Operations are primarily related to revenue refunds, public repairs and property rentals.

⁽²⁾Customer revenue amounts exclude intersegment revenues. See Note 21, "Business Segment Information," for discussion of intersegment revenues.

⁽³⁾Amounts included in Columbia Operations primarily related to weather normalization adjustment mechanisms. Amounts included in NIPSCO Operations primarily relate to weather normalization adjustment mechanisms, MISO multi-value projects and revenue from non-jurisdictional transmission assets.

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ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA (continued)
Notes to Consolidated Financial Statements

Year Ended December 31, 2023 <i>(in millions)</i>	Columbia Operations		NIPSCO Operations		Corporate and Other		Total
Gas Distribution							
Residential	\$	1,827.5	\$	635.0	\$	—	\$ 2,462.5
Commercial		598.9		249.0		—	847.9
Industrial		139.0		87.0		—	226.0
Off-system		60.6		—		—	60.6
Wholesale		1.6		—		—	1.6
Miscellaneous ⁽¹⁾		33.4		14.8		—	48.2
Subtotal	\$	2,661.0	\$	985.8	\$	—	\$ 3,646.8
Electric Generation and Power Delivery							
Residential	\$	—	\$	583.9	\$	—	\$ 583.9
Commercial		—		578.1		—	578.1
Industrial		—		474.1		—	474.1
Wholesale		—		32.0		—	32.0
Public Authority		—		11.5		—	11.5
Miscellaneous ⁽¹⁾		—		21.4		—	21.4
Subtotal	\$	—	\$	1,701.0	\$	—	\$ 1,701.0
Total Customer Revenues⁽²⁾	\$	2,661.0	\$	2,686.8	\$	—	\$ 5,347.8
Other Revenues⁽³⁾		72.9		83.9		0.8	157.6
Total Operating Revenues	\$	2,733.9	\$	2,770.7	\$	0.8	\$ 5,505.4

⁽¹⁾Amounts included in Columbia Operations are primarily related to earnings share mechanisms and late fees. Amounts included in NIPSCO Operations are primarily related to late fees, property rentals, revenue refunds and adjustments.

⁽²⁾Customer revenue amounts exclude intersegment revenues. See Note 21, "Business Segment Information," for discussion of intersegment revenues.

⁽³⁾Amounts included in Columbia Operations primarily related to weather normalization adjustment mechanisms. Amounts included in NIPSCO Operations primarily related to MISO multi-value projects and revenue from non-jurisdictional transmission assets.

Customer Accounts Receivable. Accounts receivable on our Consolidated Balance Sheets includes both billed and unbilled amounts, as well as certain amounts that are not related to customer revenues. Unbilled amounts of accounts receivable relate to a portion of a customer's consumption of gas or electricity from the date of their last cycle billing through the last day of the month (balance sheet date). Factors taken into consideration when estimating unbilled revenue include historical usage, customer rates, and weather. A significant portion of our operations are subject to seasonal fluctuations in sales. During the heating season, primarily from November through March, revenues and receivables from gas sales are more significant than in other months. The opening and closing balances of customer receivables for the year ended December 31, 2025, are presented in the table below. We had no significant contract assets or liabilities during the period. Additionally, we have not incurred any significant costs to obtain or fulfill contracts.

<i>(in millions)</i>	Customer Accounts Receivable, Billed (less reserve)	Customer Accounts Receivable, Unbilled (less reserve)
Balance as of December 31, 2024	\$ 525.1	\$ 408.1
Balance as of December 31, 2025	698.8	465.2

Utility revenues are billed to customers monthly on a cycle basis. We expect that substantially all customer accounts receivable will be collected following customer billing, as this revenue consists primarily of periodic, tariff-based billings for service and usage. We maintain common utility credit risk mitigation practices, including requiring deposits and actively pursuing collection of past due amounts. Our regulated operations also utilize certain regulatory mechanisms that facilitate recovery of bad debt costs within tariff-based rates, which provides further evidence of collectability. It is probable that substantially all of the consideration to which we are entitled from customers will be collected upon satisfaction of performance obligations.

Allowance for Credit Losses. To evaluate for expected credit losses, customer account receivables are pooled based on similar risk characteristics, such as customer type, geography, payment terms, and related macro-economic risks. Expected credit losses are established using a model that considers historical collections experience, current information, and reasonable and

supportable forecasts. Internal and external inputs are used in our credit model including, but not limited to, revenue projections, actual charge-offs data, recoveries data, shut-offs, security deposits and final bill data. We continuously evaluate available information relevant to assessing collectability of current and future receivables. We evaluate creditworthiness of specific customers periodically or following changes in facts and circumstances. When we become aware of a specific commercial or industrial customer's inability to pay, an allowance for expected credit losses is recorded for the relevant amount. We also monitor other circumstances that could affect our overall expected credit losses including, but not limited to, creditworthiness of overall population in service territories, adverse conditions impacting an industry sector, and current economic conditions. Bad debt expense for the year ended December 31, 2025 was \$16.5 million higher than the prior year primarily due to increases in aged receivables and anticipated higher delinquencies following colder weather in the fourth quarter.

At each reporting period, we record expected credit losses to an allowance for credit losses account. When deemed to be uncollectible, customer accounts are written-off. A rollforward of our allowance for credit losses as of December 31, 2025 and December 31, 2024, are presented in the tables below:

<i>(in millions)</i>	Columbia Operations	NIPSCO Operations	Corporate and Other	Total
Balance as of December 31, 2024	\$ 9.8	\$ 13.9	\$ —	\$ 23.7
Current period provisions	42.3	25.0	—	67.3
Write-offs charged against allowance	(50.8)	(15.0)	—	(65.8)
Recoveries of amounts previously written off	14.3	1.1	—	15.4
Balance as of December 31, 2025	\$ 15.6	\$ 25.0	\$ —	\$ 40.6

<i>(in millions)</i>	Columbia Operations	NIPSCO Operations	Corporate and Other	Total
Balance as of December 31, 2023	\$ 10.2	\$ 11.9	\$ 0.8	\$ 22.9
Current period provisions	26.7	12.1	—	38.8
Write-offs charged against allowance	(43.9)	(11.0)	(0.8)	(55.7)
Recoveries of amounts previously written off	16.8	0.9	—	17.7
Balance as of December 31, 2024	\$ 9.8	\$ 13.9	\$ —	\$ 23.7

4. Noncontrolling Interests

Variable Interest Entities.

A VIE is an entity in which the controlling interest is determined through means other than a majority voting interest. Refer to Note 1, "Nature of Operations and Summary of Significant Accounting Policies - S. Noncontrolling Interest," for information on our accounting policy for the VIEs.

NIPSCO is the managing member and operator of two wind JVs, Rosewater and Indiana Crossroads Wind, which have 102 MW and 302 MW of nameplate capacity, respectively. NIPSCO is also a managing member and operator of two solar JVs, Indiana Crossroads Solar and Dunns Bridge I, which have a nameplate capacity of 200 MW and 265 MW, respectively. We have determined that these JVs are VIEs. NIPSCO controls decisions that are significant to these entities' ongoing operations and economic results. Therefore, we have concluded that NIPSCO is the primary beneficiary and have consolidated all four entities.

Members of each respective JV include NIPSCO (who is the managing member) and a tax equity partner. Earnings, tax attributes and cash flows are allocated to both NIPSCO and the tax equity partner in varying percentages by category and over the life of the partnership. NIPSCO and each tax equity partner contributed cash to the respective JV. Once the tax equity partner has earned their negotiated rate of return and the JV has reached a stated contractual date, NIPSCO has the option to purchase the remaining interest in the respective JV from the tax equity partner. NIPSCO has an obligation to purchase 100% of the electricity generated by each commercially operational JV.

We did not provide any financial or other support for the JVs during the year that was not contractually required.

Our Consolidated Balance Sheets included the following assets and liabilities associated with the JV VIEs.

<i>(in millions)</i>	December 31, 2025	December 31, 2024
Net Property, Plant and Equipment	\$ 1,273.0	\$ 1,323.8
Current assets	27.6	65.0
Total assets⁽¹⁾⁽²⁾	1,300.6	1,388.8
Current liabilities	16.1	53.7
Asset retirement obligations	55.7	58.3
Finance lease obligations	40.1	40.4
Total liabilities⁽¹⁾⁽²⁾	\$ 111.9	\$ 152.4

⁽¹⁾The assets of each VIE represent assets of a consolidated VIE that can be used only to settle obligations of the respective consolidated VIE. The creditors of the liabilities of the VIEs do not have recourse to the general credit of the primary beneficiary.

⁽²⁾In addition to the amounts disclosed above there is a de minimis amount of other noncurrent assets and liabilities at Rosewater as of December 31, 2025.

GenCo Minority Interest Transaction. In October 2025, NiSource issued a 19.9% equity interest in Generation Holdings II, the sole owner of GenCo, to BIP Orion Holdco L.P. and BIP Orion Holdco II L.P., affiliates of Blackstone (collectively, “Blackstone Investor”), in exchange for \$35.2 million in cash contributions to Generation Holdings II through the Generation Holdings II LLC Agreement. Generation Holdings II is the sole owner of GenCo. Generation Holding II is considered a VIE as it passes the variability of its operating results through to its shareholders (Generation Holdings I and Blackstone Investor) and has insufficient equity to finance its activities without additional subordinated financial support. The sole purpose of the VIE is to own and operate GenCo which will acquire and build generation assets and provide capacity and electricity to support data center customers. Generation Holdings II and its wholly owned subsidiary, GenCo, is a consolidated VIE, as we have the power to direct the significant decision-making activities that most impact the ongoing operations and economic performance of the entity (i.e., we are the primary beneficiary) including business development and operating decisions.

The Generation Holdings II LLC Agreement establishes, among other things, governance rights, exit rights, requirements for additional capital contributions, mechanics for distributions, and other arrangements for Generation Holdings II. Specifically, under the terms of the Generation Holdings II LLC Agreement, Blackstone Investor will provide up to \$1.325 billion in additional capital contributions over a seven-year period, which obligation is backed by an Equity Commitment Letter from Blackstone or an affiliate thereof. Under the Generation Holdings II LLC Agreement, Blackstone Investor is entitled to appoint two directors to the board of directors of Generation Holdings II (the “Board”) so long as Blackstone Investor (together with any approved affiliate) holds at least a 17.5% Percentage Interest (as defined in the Generation Holdings II LLC Agreement). The Board is comprised of seven directors, two appointed by Blackstone Investor and five appointed by NiSource. The Generation Holdings II LLC Agreement also contains certain investor protections, including, among other things, requiring Blackstone Investor approval for Generation Holdings II to take certain major actions outside of the normal course of business. In addition, the Generation Holdings II LLC Agreement contains certain terms surrounding transfer rights and other obligations applicable to both Blackstone Investor and NiSource. Under the Generation Holdings II LLC Agreement, Generation Holdings II has agreed that, so long as Blackstone Investor holds a 14.9% or greater percentage interest in Generation Holdings II, Generation Holdings II and/or its subsidiaries and NIPSCO Holdings II and/or its subsidiaries shall be the exclusive vehicles for all power, storage and generation requirements for data center customers within NIPSCO’s service territory. The Generation Holdings II LLC Agreement also establishes that NiSource will be attributed 80.1% of any profit or loss from Generation Holdings II, through its wholly owned subsidiary GenCo, with the Blackstone Investor being attributed the remaining 19.9% of any profit or loss.

For the twelve months ended December 31, 2025, Generation Holdings I contributed \$344.9 million in cash and assets and the Blackstone Investor contributed \$76.9 million in cash to Generation Holdings II. For the twelve months ended December 31, 2025, Generation Holdings I received a distribution of \$35.2 million from Generation Holdings II.

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Notes to Consolidated Financial Statements

Our Consolidated Balance Sheets included the following assets and liabilities associated with GenCo:	December 31, 2025
<i>(in millions)</i>	
Net Property, Plant and Equipment	\$ 39.7
Current assets	62.5
Other assets	305.4
Total assets ⁽¹⁾	407.6
Current liabilities	40.8
Total liabilities ⁽¹⁾	\$ 40.8

⁽¹⁾The assets of each VIE represent assets of a consolidated VIE that can be used only to settle obligations of the respective consolidated VIE. The creditors of the liabilities of the VIEs do not have recourse to the general credit of the primary beneficiary.

Voting Interest Entities

NIPSCO Minority Interest Transaction. In December 2023, we consummated the NIPSCO Minority Interest Transaction for a capital contribution of \$2.16 billion in cash. The difference between the \$2.16 billion consideration received and the \$1.36 billion carrying value of the noncontrolling interest claim on net assets was recorded to additional paid-in capital, net of \$54.7 million in transaction costs and a \$63.5 million income tax benefit. We retain a controlling financial interest in NIPSCO Holdings II and its subsidiaries and consolidate their financial results. For the twelve months ending December 31, 2025, we received \$154.4 million of contributions and made \$74.6 million of distributions to our NIPSCO minority interest holders. For the twelve months ending December 31, 2024 we received \$99.5 million of contributions and made \$50.3 million of distributions to our NIPSCO minority interest holders. See Note 19, "Other Commitments and Contingencies - E. Other Matters," for a detailed discussion of the NIPSCO Holdings II LLC Agreement and governance structure.

In October 2025, the members of NIPSCO Holdings II entered into the Amended LLC Agreement, which, among other changes, increased the amount and time period for additional mandatory capital contributions required to be contributed by Blackstone Investor by \$175 million and seven years, which obligation is backed by an Equity Commitment Letter from Blackstone or an affiliate thereof, and amended certain provisions to facilitate NIPSCO Holdings II and its subsidiaries' provision of electric service to data center customers (and related activities) and their related contracts and arrangements with Generation Holdings II and its subsidiaries.

5. Earnings Per Share

The calculations of basic and diluted EPS are based on the weighted average number of shares of common stock and potential common stock outstanding during the period. Diluted EPS includes the incremental effects of the various long-term incentive compensation plans and ATM forward sale agreements under the treasury stock method when the impact would be dilutive. For the purposes of determining diluted EPS, for the twelve months ended December 31, 2023, the shares underlying the purchase contracts included within the Equity Units were included in the calculation of potential common stock outstanding using the if-converted method under US GAAP and we assumed share settlement of the remaining purchase contract payment balance from our Equity Units based on the average share price during the period. This method assumes conversion at the beginning of the reporting period, or at time of issuance, if later. The purchase contracts were settled on December 1, 2023. For the purchase contracts, the number of shares of our common stock that would have been issuable at the end of each reporting period prior to the settlement date were reflected in the denominator of our diluted EPS calculation. A numerator adjustment was reflected in the calculation of diluted EPS for interest expense incurred in 2023, net of tax, related to the purchase contracts.

The shares underlying the Series C Mandatory Convertible Preferred Stock included within the Equity Units were contingently convertible as the conversion was contingent on a successful remarketing. Contingently convertible shares where conversion was not tied to a market price trigger were excluded from the calculation of diluted EPS until such time as the contingency had been resolved under the if-converted method. The unsuccessful remarketing resolved the contingency and no shares were reflected in the denominator for the years ended December 31, 2023, for the calculation of diluted EPS.

We began using the two-class method of computing earnings per share in 2023 because we have participating securities in the form of non-vested restricted stock units with a non-forfeitable right to dividend equivalents, for which vesting is predicated solely on the passage of time. The calculation of earnings per share using the two-class method excludes income attributable to these participating securities from the numerator and excludes the dilutive impact of those shares from the denominator.

Basic net income per share is computed by dividing net income available to common shareholders by the weighted-average number of shares of common stock outstanding during the period. Diluted net income per share is computed by giving effect to all potential shares of common stock, to the extent they are dilutive. Refer to Note 6, "Equity," for additional information.

The following table presents the calculation of our basic and diluted EPS:

Year Ended December 31, <i>(in millions, except per share amounts)</i>	2025	2024	2023
Numerator:			
Net Income Available to Common Shareholders	\$ 929.5	\$ 739.7	\$ 661.7
Less: Income allocated to participating securities	2.6	1.6	0.6
Net Income Available to Common Shareholders - Basic	\$ 926.9	\$ 738.1	\$ 661.1
Add: Dilutive effect of Equity Units	—	—	1.4
Net Income Available to Common Shareholders - Diluted	\$ 926.9	\$ 738.1	\$ 662.5
Denominator:			
Average common shares outstanding - Basic	472.9	454.2	416.1
Dilutive potential common shares:			
Equity Units purchase contracts	—	—	29.8
Equity Units purchase contract payment balance	—	—	0.9
Shares contingently issuable under employee stock plans	1.2	0.9	0.7
Shares restricted under employee stock plans	0.3	0.3	0.4
ATM Forward sale agreements	0.1	0.6	—
Average Common Shares - Diluted	474.5	456.0	447.9
Earnings per common share:			
Basic	\$ 1.96	\$ 1.63	\$ 1.59
Diluted	\$ 1.95	\$ 1.62	\$ 1.48

6. Equity

Holders of shares of our common stock are entitled to receive dividends when, as, and if declared by the Board out of funds legally available. The policy of the Board has been to declare cash dividends on a quarterly basis payable on or about the 20th day of February, May, August and November. We have certain debt covenants that could restrict our ability to pay dividends or potentially limit the amount of dividends we could pay in order to maintain compliance with these covenants. Refer to Note 8, "Long-Term Debt," for more information. As of December 31, 2025, these covenants did not restrict our ability to pay dividends or the amount of dividends that were available to be paid.

There is no preferred stock outstanding as of December 31, 2025.

Common and preferred stock activity for 2025, 2024 and 2023 is described further below.

Details of our 2024 ATM program are summarized below:

- In February 2024, we entered into eight separate equity distribution agreements providing for the sale of up to an aggregate of \$900.0 million of our common stock.
- During 2024, we executed and settled four forward sale agreements. Under these agreements, we issued 21,143,900 shares resulting in net proceeds of \$600.3 million.
- In February 2025, we executed a forward sale agreement, which allowed us to issue a fixed number of shares at a price to be settled in the future. The forward purchaser under our forward sale agreement borrowed 2,000,000 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$40.10 per share. In September 2025, we settled the forward sale agreement in shares for \$80.0 million, based on a net price of \$40.02 per share.

- In March 2025, we executed a forward sale agreement, which allowed us to issue a fixed number of shares at a price to be settled in the future. The forward purchaser under our forward sale agreement borrowed 1,707,320 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$41.00 per share. In September 2025, we settled the forward sale agreement in shares for \$69.9 million, based on a net price of \$40.92 per share.
- In June 2025, we executed a forward sale agreement, which allowed us to issue a fixed number of shares at a price to be settled in the future. The forward purchaser under our forward sale agreement borrowed 2,518,393 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$39.71 per share. In September 2025, we settled the forward sale agreement in shares for \$99.1 million, based on a net price of \$39.36 per share.
- In October 2025, with the commencement of our 2025 ATM program discussed below, we terminated the equity distribution agreements entered into in February 2024 in connection with the 2024 ATM program.

Details of our 2025 ATM program are summarized below:

- In October 2025, we entered into eleven separate equity distribution agreements providing for the sale of up to an aggregate of \$1.5 billion of our common stock.
- In October 2025, we executed a direct sale agreement of 1,195,029 shares at a price of \$41.84 resulting in net proceeds of \$49.6 million received in November 2025.
- In October 2025, we executed a forward sale agreement, which allows us to issue a fixed number of shares at a price to be settled in the future. The forward purchaser under our forward sale agreement borrowed 2,390,057 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$41.84 per share. We may settle the forward sale agreement in shares, cash or net shares by October 2026. Had we settled all the shares under the forward sale agreement at December 31, 2025, we would have received approximately \$99.7 million, based on a net price of \$41.73 per share.
- As of December 31, 2025, the 2025 ATM program inclusive of the forward sale agreement had approximately \$1.35 billion of equity capacity available. The 2025 ATM program expires in December 2028.

Series A Preferred Stock. During 2023, there were \$28.25 dividends declared per share for the Series A Preferred Stock. There were no dividends declared per share for the Series A Preferred Stock during 2024 and 2025.

In June 2023, we redeemed all 400,000 outstanding shares of Series A Preferred Stock for a redemption price of \$1,000 per share or \$400.0 million in total.

Series B and B-1 Preferred Stock. During 2024 and 2023, dividends declared per share for the Series B Preferred Stock were \$406.25 and \$1,625.0, respectively. There were no dividends declared per share for the Series B Preferred Stock during 2025.

In March 2024, we redeemed all 20,000 outstanding shares of Series B Preferred Stock for a redemption price of \$25,000 per share and all 20,000 outstanding shares of Series B-1 Preferred Stock for a redemption price of \$0.01 per share or \$500.0 million in total. Following the redemption, dividends ceased to accrue on the shares of Series B Preferred Stock, shares of the Series B Preferred Stock and Series B-1 Preferred Stock were no longer deemed outstanding and all rights of the holders of such shares of Series B Preferred Stock and Series B-1 Preferred Stock terminated. In conjunction with the redemption, we recorded a \$14.0 million preferred stock redemption premium, calculated as the difference between the carrying value on the redemption date of the Series B Preferred Stock and Series B-1 Preferred Stock and the total amount of consideration paid to redeem, which was recorded as a reduction to retained earnings during the first quarter of 2024. We did not recognize an excise tax liability under the IRA in connection with this redemption as we issued common stock in 2024 in excess of the fair value of the Series B Preferred Stock and Series B-1 Preferred Stock redeemed.

In March 2024, we filed a Certificate of Elimination to our Amended and Restated Certificate of Incorporation with the Secretary of State of Delaware to eliminate from the Amended and Restated Certificate of Incorporation all matters set forth in the Certificate of Designations with respect to the Series B Preferred Stock and the Certificate of Designations with respect to

the Series B-1 Preferred Stock. As a result, the 20,000 shares that were previously designated as Series B Preferred Stock and the 20,000 shares that were previously designated as Series B-1 Preferred Stock were returned to the status of authorized but unissued shares of preferred stock, par value \$0.01 per share, without designation as to series. The Certificate of Elimination does not change the total number of authorized shares of capital stock of NiSource or the total number of authorized shares of preferred stock. We voluntarily delisted the preferred stock from the New York Stock Exchange in March 2024.

Equity Units. In December 2023, we issued 33,898,837 shares of our common stock under the purchase contract component of the Corporate Units. As of December 2023, each holder of Corporate Units was deemed to have automatically delivered to us the related Series C Mandatory Convertible Preferred Stock that were components of the Corporate Units in full satisfaction of such holder's obligations under the related purchase contract, and all 862,500 shares of Series C Mandatory Convertible Preferred Stock were returned to the status of authorized but unissued preferred stock, par value of \$0.01 per share, without designation as to series. We voluntarily delisted the Corporate Units from the New York Stock Exchange in December 2023.

Refer to Note 5, "Earnings Per Share," for additional information regarding our treatment of the Equity Units for diluted EPS.

Noncontrolling Interest in Consolidated Subsidiaries. As of December 31, 2025 and 2024, NIPSCO and tax equity partners have completed their cash contributions into the Indiana Crossroads Wind, Rosewater, Indiana Crossroads Solar and Dunn's Bridge I JVs. Earnings, tax attributes and cash flows are allocated to both NIPSCO and the respective tax equity partners in varying percentages by category and over the life of the partnership. The tax equity partner's contributions, net of these allocations, is represented as a noncontrolling interest within total equity on the Consolidated Balance Sheets. Refer to Note 4, "Noncontrolling Interests," for more information.

In December 2023, we consummated the closing of the NIPSCO Minority Interest Transaction and issued a 19.9% equity interest in NIPSCO Holdings II LLC to BIP in exchange for a capital contribution of \$2.16 billion in cash. Transaction costs and deferred tax impacts of \$54.7 million and \$63.5 million, respectively, were recorded during the period ending December 31, 2023. Refer to Note 4, "Noncontrolling Interests," Note 15, "Income Taxes," and Note 19, "Other Commitments and Contingencies - E. Other Matters," in the Notes to the Consolidated Financial Statements for more information on this transaction.

In October 2025, NiSource issued a 19.9% direct equity interest in NiSource's wholly-owned subsidiary Generation Holdings II to BIP Orion Holdco L.P. and BIP Orion Holdco II L.P., affiliates of Blackstone (collectively, "Blackstone Investor"), in exchange for \$35.2 million. In October 2025, simultaneously with issuance of the 19.9% equity interest in Generation Holdings II, Blackstone Investor, Generation Holdings I, Generation Holdings II and NiSource entered into Generation Holdings II LLC Agreement. Refer to Note 4, "Noncontrolling Interests," and Note 19, "Other Commitments and Contingencies - E. Other Matters," for more information.

7. Short-Term Borrowings

We generate short-term borrowings from our revolving credit facility, commercial paper program and accounts receivable transfer programs. Each of these borrowing sources is described further below.

Revolving Credit Facility. We maintain a revolving credit facility to fund ongoing working capital requirements, including the provision of liquidity support for our commercial paper program, the issuance of letters of credit and also for general corporate purposes. Our revolving credit facility has a facility limit of \$2.50 billion and is comprised of a syndicate of banks. In December 2025, we extended the termination date of our revolving credit facility to December 2030 and increased our facility limit from \$1.85 billion to \$2.50 billion. At December 31, 2025 and 2024, we had no outstanding borrowings under this facility.

Commercial Paper Program. In February 2024, we increased our program limit from \$1.50 billion to \$1.85 billion. We had \$736.0 million and \$604.6 million of commercial paper outstanding with weighted-average interest rates of 3.92% and 4.73% as of December 31, 2025 and 2024, respectively.

Accounts Receivable Transfer Programs. Columbia of Ohio, NIPSCO, and Columbia of Pennsylvania each maintain a receivables agreement whereby they transfer their customer accounts receivables to third party financial institutions through consolidated special purpose entities. The three agreements expire between May 2026 and October 2026 and may be further extended if mutually agreed to by the parties thereto.

All receivables transferred to third parties are valued at face value, which approximates fair value due to their short-term nature. The amount of the undivided percentage ownership interest in the accounts receivables transferred is determined in part by required loss reserves under the agreements.

Transfers of accounts receivable are accounted for as secured borrowings resulting in the recognition of short-term borrowings on the Consolidated Balance Sheets. As of December 31, 2025, the maximum amount we could borrow related to our accounts receivable programs is \$175.0 million.

We had no short-term borrowings related to the securitization transactions as of December 31, 2025 and 2024, respectively.

For the year ended December 31, 2025 and 2024, zero and \$337.6 million, respectively, was recorded as cash flows used for financing activities related to the change in short-term borrowings due to securitization transactions. For the accounts receivable transfer programs, we pay used facility fees for amounts borrowed, unused commitment fees for amounts not borrowed and upfront renewal fees. Fees associated with the securitization transactions were \$1.4 million, \$1.5 million, and \$2.7 million for the years ended December 31, 2025, 2024 and 2023, respectively. Columbia of Ohio, NIPSCO and Columbia of Pennsylvania remain responsible for collecting the receivables securitized, and the receivables cannot be transferred to another party. Refer to Note 23, "Interest Expense, Net," for additional information on securitization transaction fees.

Items listed above are presented net in the Statements of Consolidated Cash Flows as their maturities are less than 90 days.

NiSource INC.
ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA (continued)
Notes to Consolidated Financial Statements
8. Long-Term Debt

Our long-term debt as of December 31, 2025 and 2024 is as follows:

Long-term debt type	Maturity as of December 31, 2025	Weighted average interest rate (%)	Outstanding balance as of December 31, (in millions)	
			2025	2024
Senior notes:				
NiSource	August 2025	0.950 %	\$ —	\$ 1,250.0
NiSource	May 2027	3.490 %	1,000.0	1,000.0
NiSource	December 2027	6.780 %	3.0	3.0
NiSource	March 2028	5.250 %	1,050.0	1,050.0
NiSource	July 2029	5.200 %	600.0	600.0
NiSource	September 2029	2.950 %	750.0	750.0
NiSource	May 2030	3.600 %	1,000.0	1,000.0
NiSource	February 2031	1.700 %	750.0	750.0
NiSource	June 2033	5.400 %	450.0	450.0
NiSource	April 2034	5.350 %	650.0	650.0
NiSource	July 2035	5.350 %	900.0	—
NiSource	December 2040	6.250 %	152.6	152.6
NiSource	June 2041	5.950 %	347.4	347.4
NiSource	February 2042	5.800 %	250.0	250.0
NiSource	February 2043	5.250 %	500.0	500.0
NiSource	February 2044	4.800 %	750.0	750.0
NiSource	February 2045	5.650 %	500.0	500.0
NiSource	May 2047	4.375 %	1,000.0	1,000.0
NiSource	March 2048	3.950 %	750.0	750.0
NiSource	June 2052	5.000 %	350.0	350.0
NiSource	April 2055	5.850 %	1,500.0	—
Total senior notes			\$ 13,253.0	\$ 12,103.0
Junior subordinated notes:				
NiSource	November 2054	6.950 %	\$ 500.0	\$ 500.0
NiSource	March 2055	6.375 %	500.0	500.0
NiSource	July 2056	5.750 %	1,000.0	—
Total junior subordinated notes			\$ 2,000.0	\$ 1,000.0
Medium term notes:				
NiSource	May 2027	7.990 %	\$ 29.0	\$ 29.0
NIPSCO	June 2027 to August 2027	7.644 %	58.0	58.0
Columbia of Massachusetts	December 2025	6.430 %	—	10.0
Columbia of Massachusetts	February 2028	6.260 %	5.0	5.0
Total medium term notes			\$ 92.0	\$ 102.0
Finance leases:				
NiSource Corporate Services	January 2026 to September 2027	4.350 %	\$ 5.0	\$ 14.6
NIPSCO	December 2027 to December 2063	5.480 %	165.5	124.3
Columbia of Ohio	December 2035 to March 2052	6.110 %	81.7	85.6
Columbia of Virginia	July 2029 to November 2039	5.620 %	16.2	15.2
Columbia of Kentucky	May 2027	5.360 %	0.1	0.1
Columbia of Pennsylvania	March 2030 to May 2035	4.430 %	5.5	6.4
Total finance leases			\$ 274.0	\$ 246.2
Less: Unamortized issuance costs and discounts			(141.5)	(95.5)
Less: Current portion of long term debt			(19.7)	(1,281.2)
Total Long-Term Debt			\$ 15,457.8	\$ 12,074.5

Details of our 2025 long-term debt activity are summarized below:

- In March 2025, we completed the issuance and sale of \$750.0 million of 5.850% senior unsecured notes maturing in 2055, which resulted in approximately \$739.6 million of net proceeds after discount and debt issuance costs.
- In June 2025, we completed the issuance and sale of an additional \$750.0 million of 5.850% senior unsecured notes maturing in 2055 (the "2055 Notes"). The terms of the 2055 Notes, other than the issue date and the price to the public, are identical to the terms of, and constitute a reopening of, our 5.850% senior unsecured notes maturing in 2055 issued in March, 2025. With the incremental issuance, we now have \$1.5 billion of 5.850% senior unsecured notes maturing in 2055. In June 2025, we also completed the issuance and sale of \$900.0 million of 5.350% senior unsecured notes maturing in 2035 (the "2035 Notes"). The issuances of the 2055 Notes and the 2035 Notes in June, 2025 resulted in approximately \$1.616 billion of total net proceeds after discount and debt issuance costs.
- In August 2025, we repaid \$1,250.0 million of 0.95% senior unsecured notes at maturity.
- In November 2025, we completed the issuance and sale of \$1.0 billion of 5.750% fixed-to-fixed reset rate junior subordinated notes maturing in 2056, which resulted in approximately \$984.3 million of net proceeds after debt issuance costs. The subordinated notes bear interest (i) from and including November 2025 to, but excluding, July 2031 at a rate of 5.75% per annum and (ii) from and including July 2031, during each five-year reset period at a rate per annum equal to the five-year U.S. treasury rate (determined as described in the prospectus supplement filed with the SEC in November 2025) as of the then most recent reset interest determination date plus a spread of 2.035%, to be reset on each reset date; provided that the interest rate during any reset period will not reset below 5.750% per annum. At our option, we may redeem some or all of the subordinated notes during specified periods, and upon the occurrence of certain ratings or tax events, all as described in the prospectus supplement. In accordance with terms of the subordinated notes, we have the right, from time to time, to defer the payment of interest on the outstanding subordinated notes on one or more occasions for up to ten consecutive years. In the event that we were to exercise such right to defer interest on the subordinated notes, we would not be able to pay cash dividends on the common stock during the periods in which such payments were deferred.
- In December 2025, Columbia of Massachusetts repaid \$10.0 million of 6.430% medium term notes at maturity.

Details of our 2024 long-term debt activity are summarized below:

- In March 2024, we completed the issuance and sale of \$650.0 million of 5.350% senior unsecured notes maturing in 2034, which resulted in approximately \$642.6 million of net proceeds after discount and debt issuance costs.
- In May 2024, we completed the issuance and sale of \$500.0 million of 6.950% fixed-to-fixed reset rate junior subordinated notes maturing in 2054, which resulted in approximately \$493.4 million of net proceeds after debt issuance costs. The subordinated notes bear interest (i) from and including May 2024 to, but excluding, November 2029 at a rate of 6.950% per annum and (ii) from and including November 2029, during each five-year reset period at a rate per annum equal to the five-year U.S. treasury rate (determined as described in the prospectus supplement filed with the SEC in May 2024) as of the then most recent reset interest determination date plus a spread of 2.451%, to be reset on each reset date. At our option, we may redeem some or all of the subordinated notes during specified periods, and upon the occurrence of certain ratings or tax events, all as described in the prospectus supplement. In accordance with terms of the subordinated notes, we have the right, from time to time, to defer the payment of interest on the outstanding subordinated notes on one or more occasions for up to ten consecutive years. In the event that we were to exercise such right to defer interest on the subordinated notes, we would not be able to pay cash dividends on the common stock during the periods in which such payments were deferred.
- In June 2024, we completed the issuance and sale of \$600.0 million of 5.200% senior unsecured notes maturing in 2029, which resulted in approximately \$593.7 million of net proceeds after discount and debt issuance costs.
- In September 2024, we completed the issuance and sale of \$500.0 million of 6.375% fixed-to-fixed reset rate junior subordinated notes maturing in 2055, which resulted in approximately \$493.6 million of net proceeds after debt issuance costs. The subordinated notes bear interest (i) from and including September 2024 to, but excluding, March 2035 at a rate of 6.375% per annum and (ii) from and including March 2035, during each five-year reset period at a rate per annum equal to the five-year U.S. treasury rate (determined as described in the prospectus supplement filed with the SEC in September 2024) as of the then most recent reset interest determination date plus a spread of 2.527%,

to be reset on each reset date. At our option, we may redeem some or all of the subordinated notes during specified periods, and upon the occurrence of certain ratings or tax events, all as described in the prospectus supplement. In accordance with terms of the subordinated notes, we have the right, from time to time, to defer the payment of interest on the outstanding subordinated notes on one or more occasions for up to ten consecutive years. In the event that we were to exercise such right to defer interest on the subordinated notes, we would not be able to pay cash dividends on the common stock during the periods in which such payments were deferred.

See Note 19, "Other Commitments and Contingencies - A. Contractual Obligations," for the outstanding long-term debt maturities at December 31, 2025.

Unamortized debt expense, premium and discount on long-term debt applicable to outstanding bonds are being amortized over the life of such bonds.

We are subject to a financial covenant under our revolving credit facility which requires us to maintain a debt to capitalization ratio that does not exceed 70%. As of December 31, 2025, the ratio was 51.0%.

We are also subject to certain other non-financial covenants under the revolving credit facility. Such covenants include a limitation on the creation or existence of new liens on our assets, generally exempting liens on utility assets, purchase money security interests, preexisting security interests and an additional subset of assets equal to \$500 million. An asset sale covenant generally restricts the sale, conveyance, lease, transfer or other disposition of our assets to those dispositions that are for a price not materially less than fair market of such assets, that would not materially impair our ability to perform obligations under the revolving credit facility, and that together with all other such dispositions, would not have a material adverse effect. The covenant also restricts dispositions to no more than 15% of our consolidated total assets as of the last day of our fiscal year then most recently ended for which financial statements have been delivered. Additionally, the revolving credit facility requires us to own directly or indirectly at least 70% of NIPSCO. The revolving credit facility also includes a cross-default provision, which triggers an event of default under the credit facility in the event of an uncured payment default relating to any indebtedness of us or any of our subsidiaries in a principal amount of \$100.0 million or more.

Our indentures generally do not contain any financial maintenance covenants. However, our indentures are generally subject to cross-default provisions ranging from uncured payment defaults of \$5.0 million to \$50.0 million, and limitations on the incurrence of liens on our assets, generally exempting liens on utility assets, purchase money security interests, preexisting security interests and an additional subset of assets capped at 10% of our consolidated net tangible assets.

9. Property, Plant and Equipment

Our property, plant and equipment on the Consolidated Balance Sheets are classified as follows:

At December 31, <i>(in millions)</i>	2025	2024
Property, Plant and Equipment		
Gas distribution utility	\$ 21,509.4	\$ 20,007.2
Electric utility	11,420.7	8,666.8
Corporate	236.4	248.1
Construction work in process	1,700.7	2,084.7
JV renewable generation assets ⁽¹⁾	1,429.3	1,434.2
Non-utility and other	1,762.3	1,711.9
Total Property, Plant and Equipment	\$ 38,058.8	\$ 34,152.9
Accumulated Depreciation and Amortization		
Gas distribution utility	\$ (4,427.3)	\$ (4,166.8)
Electric utility	(2,987.0)	(2,707.8)
Corporate	(156.1)	(163.4)
JV renewable generation assets ⁽¹⁾	(156.3)	(110.4)
Non-utility and other	(1,643.9)	(1,550.6)
Total Accumulated Depreciation and Amortization	\$ (9,370.6)	\$ (8,699.0)
Net Property, Plant and Equipment	\$ 28,688.2	\$ 25,453.9

⁽¹⁾These JV renewable generation assets owned and operated by JVs between NIPSCO and unrelated tax equity partners represent Non-Utility Property, are depreciated straight-line over 30 years and are part of our NIPSCO Operations segment. Refer to Note 4, "Noncontrolling Interests," for additional information.

The weighted average depreciation provisions for utility plant, as a percentage of the original cost, for the periods ended December 31, 2025, 2024 and 2023 were as follows:

	2025	2024	2023
NIPSCO Operations	3.0 %	3.0 %	3.0 %
Columbia Operations	2.6 %	2.6 %	2.5 %

We recognized depreciation expense of \$1,008.9 million, \$820.4 million and \$756.9 million for the years ended 2025, 2024 and 2023, respectively. The 2025, 2024 and 2023, depreciation expense includes \$62.4 million, \$58.9 million, and \$12.5 million related to the regulatory deferral of income associated with our JVs. See Note 1, "Nature of Operations and Summary of Significant Accounting Policies - S. Noncontrolling Interest," for additional details.

Amortization of on-premises Software Costs. We amortized \$76.0 million, \$85.2 million and \$77.5 million in 2025, 2024 and 2023, respectively, related to software recorded as intangible assets. Our unamortized software balance was \$390.3 million and \$236.1 million at December 31, 2025 and 2024, respectively.

Amortization of Cloud Computing Costs. We amortized \$27.0 million, \$17.7 million and \$12.6 million in 2025, 2024 and 2023, respectively, related to cloud computing costs to "Operation and maintenance" expense. Our unamortized cloud computing balance was \$165.1 million and \$77.5 million at December 31, 2025 and 2024, respectively.

10. Goodwill

The following presents our goodwill balance allocated by segment as of December 31, 2025:

<i>(in millions)</i>	Columbia Operations	NIPSCO Operations	Total
Goodwill	\$ 1,468.1	\$ 17.8	\$ 1,485.9

For our annual goodwill impairment analysis performed as of May 1, 2025, we performed a qualitative "step 0" assessment and determined that it was more likely than not that the estimated fair value of a reporting unit substantially exceeded its carrying value of our reporting unit. For this test, we assessed various assumptions, events and circumstances that would have affected the estimated fair value of the reporting unit as compared to its baseline May 1, 2024 "step 1" fair value measurement. There have been no impairments recorded during the periods presented.

11. Asset Retirement Obligations

We have recognized asset retirement obligations associated with various legal obligations including costs to remove and dispose of certain construction materials located within many of our facilities (including our JV facilities), certain costs to retire pipeline, removal costs for certain underground storage tanks, closure costs for certain sites including ash ponds, solid waste management units and a landfill, as well as some other nominal asset retirement obligations. We also have an obligation associated with the decommissioning of our two hydro facilities located in Indiana. These hydro facilities have an indeterminate life, and as such, no asset retirement obligation has been recorded.

During 2025, we continued to evaluate the applicability of revisions to the EPA rule for disposal of CCRs, which was announced in May 2024. As a result, during 2025, we recorded an increase of \$48.9 million based on initial assessments of estimated costs to comply with the EPA rule for certain sites. Additional costs will be recorded if they become probable and estimable. These costs are expected to be recoverable through existing and future depreciation rates. See Note 19, "Other Commitments and Contingencies - D. Environmental Matters," for additional information on the legacy CCR rule.

Changes in our liability for asset retirement obligations for the years 2025 and 2024 are presented in the table below:

<i>(in millions)</i>	2025	2024
Beginning Balance	\$ 783.2	\$ 553.0
Accretion recorded as a regulatory asset/liability	38.0	25.3
Additions	63.3	189.9
Settlements	(73.0)	(72.5)
Change in estimated cash flows	25.4	87.5
Ending Balance	\$ 836.9	\$ 783.2

Certain non-legal costs of removal not yet incurred but have been, and continue to be, included in depreciation rates and collected in the customer rates of the rate-regulated subsidiaries are classified as "Regulatory liabilities" on the Consolidated Balance Sheets.

12. Regulatory Matters

Regulatory Filings

Renewable generation filings. In February 2025, NIPSCO filed a petition with the IURC to modify its February 2023 order that approved a power purchase agreement related to Templeton and allow for NIPSCO to fully own Templeton. The IURC issued an order in September 2025 approving the filed petition.

NIPSCO Electric rate case filing. In February 2025, NIPSCO and certain intervening parties filed a Joint Stipulation and Settlement Agreement with the IURC. The IURC issued an order in June 2025, approving the Settlement Agreement without modification. New rates were implemented in multiple steps beginning in July 2025 and will continue with the final step no later than March 2026.

Columbia of Pennsylvania rate case filing. In December 2025, the Pennsylvania Public Utility Commission issued a final order accepting in part, and denying in part, Columbia's exceptions to the recommended decision issued by the Administrative Law Judges. The final order approved the continuation of a pilot residential Weather Normalization Adjustment with a few modifications (most notably increasing the percentage range in which weather normalization is applied from 3% to 5% and an increase to the residential fixed customer charge to \$20.15. Rates became effective in January 2026. Two parties have filed petitions for reconsideration on certain aspects of the final order and petitions for reconsideration are pending.

GenCo filing. In January 2025, GenCo, an indirect subsidiary of NiSource Inc., filed a declination of jurisdiction petition with the IURC related to the ownership, development, financing, construction and operation of generation facilities. This was an

administrative filing and is a step in NIPSCO's effort to set up a framework to accommodate megaload customers, including data centers. A settlement agreement among GenCo, NIPSCO, and a coalition of NIPSCO's largest industrial customers was approved by the IURC in September 2025. In October 2025, the Indiana Office of the Utility Consumer Counselor ("OUCC") filed a limited Request for Rehearing with the IURC and the OUCC filed a Notice of Appeal of the IURC order approving the GenCo settlement, which was immediately stayed by the Court of Appeals to allow the IURC process to be completed. In November 2025, the IURC issued an order granting the OUCC's limited request for rehearing, which was supported by NIPSCO and GenCo. In December 2025, all parties who originally appealed the IURC approval filed motions to dismiss their respective appeals.

NIPSCO Electric Special Contract and GenCo PPA filing. In November 2025, NIPSCO and GenCo filed an application with the IURC seeking approval of (i) a retail special contract for electric service between NIPSCO and ADS, (ii) a related power purchase agreement between NIPSCO and GenCo, and (iii) an alternative regulatory plan and associated accounting treatment. Testimony from the OUCC and intervenors was filed in January 2026. The OUCC and one other intervenor were generally supportive of approval of the special contract and GenCo PPA, while one intervenor sought certain modifications to the special contract. A hearing is scheduled for February 2026. An order is anticipated in the second quarter of 2026.

202(c) Emergency Order for R.M. Schahfer coal facility. In December 2025, before the planned retirement of the R.M. Schahfer coal facility, the U.S. Secretary of Energy issued an emergency order under section 202(c) of the Federal Power Act requiring R.M. Schahfer to continue operating for 90 days, through March 23, 2026. The order stated that continued operation of R.M. Schahfer was required to meet an energy emergency across MISO's North and Central regions. Following receipt of the emergency order, NIPSCO filed a complaint at FERC seeking a modification of the MISO Tariff to establish a mechanism for recovery and allocation of the cost to comply with this order. NIPSCO made two filings with the IURC related to the emergency order. The first filing is to confirm accounting treatment of the current electric rate order, and the second is a filing for recovery of federally mandated expenses related to the emergency order, which will be utilized in the event that any costs of complying with the emergency order fall outside of the MISO Tariff recovery. The Michigan City coal facility is scheduled to be retired by the end of 2028.

IURC Investigation. In November 2025, the IURC initiated an investigation into the accuracy of NIPSCO's gas meters. This investigation followed NIPSCO's disclosure of a latent issue with a small percentage of the meter indexes in NIPSCO's gas meters, which was discovered during roll-out of new AMI communications modules for gas meters. A procedural schedule has been established and a hearing is expected in July 2026.

Regulatory Assets and Liabilities. We follow the accounting and reporting requirements of ASC Topic 980, which provides that regulated entities account for and report assets and liabilities consistent with the economic effect of regulatory rate-making procedures when the rates established are designed to recover the costs of providing the regulated service and it is probable that such rates will be charged and collected from customers. Certain expenses and credits subject to utility regulation or rate determination normally reflected in income or expense are deferred on the balance sheet and are recognized in the income statement as the related amounts are included in customer rates and recovered from or refunded to customers. We assess the probability of collection for all of our regulatory assets each period. The offset to the regulatory liability associated with our renewable investments included in regulated rates is recorded in "Depreciation and amortization" on the Statements of Consolidated Income.

Regulatory assets were comprised of the following items:

At December 31, <i>(in millions)</i>	2025	2024
Regulatory Assets		
Unrecognized pension and other postretirement benefit costs (see Note 16)	\$ 433.1	\$ 485.3
Deferred pension and other postretirement benefit costs (see Note 16)	30.8	45.3
Environmental costs (see Note 19-D.)	42.0	42.8
Regulatory effects of accounting for income taxes (see Note 1-N. and Note 15)	190.8	172.0
Under-recovered gas and fuel costs (see Note 1-J.)	41.3	82.3
Depreciation	218.4	214.9
Post-in-service carrying charges	287.2	280.8
Safety activity costs	200.6	203.7
DSM programs	13.4	17.8
Retired coal generating stations	552.1	617.0
Losses on commodity price risk programs (See Note 13)	10.1	6.5
Deferred property taxes	79.4	75.9
Renewable energy investments	130.7	81.3
WAM system filing	33.5	21.5
Customer assistance programs	17.3	24.4
Uncollected future cost of removal	102.5	—
Other	116.2	105.8
Total Regulatory Assets	\$ 2,499.4	\$ 2,477.3
Less: Current Portion	274.2	319.9
Total Noncurrent Regulatory Assets	\$ 2,225.2	\$ 2,157.4

Regulatory liabilities were comprised of the following items:

At December 31, <i>(in millions)</i>	2025	2024
Regulatory Liabilities		
Over-recovered gas and fuel costs (see Note 1-J.)	\$ 50.6	\$ 21.4
Cost of removal (see Note 11)	454.5	482.8
Regulatory effects of accounting for income taxes (see Note 1-N. and Note 15)	869.3	827.0
Deferred pension and other postretirement benefit costs (see Note 16)	28.0	40.4
Gains on commodity price risk programs (See Note 13)	19.2	28.7
Customer assistance programs	10.6	9.4
Off-system sales sharing	21.8	21.4
Renewable energy investments (See Note 1-S. and Note 4)	139.4	77.0
Rate refunds	68.9	16.6
Other	111.1	57.0
Total Regulatory Liabilities	\$ 1,773.4	\$ 1,581.7
Less: Current Portion	260.1	150.5
Total Noncurrent Regulatory Liabilities	\$ 1,513.3	\$ 1,431.2

Regulatory assets, including under-recovered gas and fuel costs and depreciation, of approximately \$499.3 million and \$671.3 million as of December 31, 2025 and 2024, respectively, are not earning a return on investment. These costs are recovered over a remaining life of between 15 and 75 years.

Assets:

Unrecognized pension and other postretirement benefit costs. Represents the deferred other comprehensive income or loss of the actuarial gains or losses and the prior service costs or credits that arise during the period but that are not immediately recognized as components of net periodic benefit costs by certain subsidiaries that will ultimately be recovered through base rates.

Deferred pension and other postretirement benefit costs. Primarily relates to the difference between defined benefit plan expense recorded by certain subsidiaries due to regulatory orders and the corresponding expense that would otherwise be recorded in accordance with GAAP. This balance is driven by Columbia of Ohio deferrals.

Environmental costs. Includes certain recoverable costs related to gas plant sites, disposal sites or other sites onto which material may have migrated. The recovery of these costs is to be addressed in future base rates, billing riders or tracking mechanisms of certain of our subsidiaries.

Regulatory effects of accounting for income taxes. Represents the deferral and under collection of deferred taxes in the rate making process.

Under-recovered gas and fuel costs. Represents the difference between the costs of gas and fuel, as well as energy acquired through power purchase agreements, including NIPSCO's own renewable projects, and the recovery of such costs in revenue and is used to adjust future billings for such deferrals on a basis consistent with applicable state-approved tariff provisions. Recovery of these costs is achieved through tracking mechanisms.

Depreciation. Represents differences between depreciation expense incurred on a GAAP basis and that prescribed through regulatory order. The majority of this balance is driven by Columbia of Ohio's IRP and CEP deferrals.

Post-in-service carrying charges. Represents deferred debt-based carrying charges incurred on certain assets placed into service but not yet included in customer rates. The majority of this balance is driven by Columbia of Ohio's IRP and CEP deferrals.

Safety activity costs. Represents the difference between costs incurred by certain of our subsidiaries in eligible safety programs in compliance with PHMSA regulations in excess of those being recovered in rates. The majority of this balance is driven by Columbia of Ohio.

DSM programs. Represents costs associated with Columbia Operations and NIPSCO Operations energy efficiency and conservation programs. Costs are recovered through tracking mechanisms.

Retired coal generating stations. Represents the net book value of Units 7 and 8 of Bailly Generating Station that was retired during 2018 and the net book value of Units 14 and 15 of R.M. Schahfer Generating Station retired in 2021. These amounts are currently being amortized at a rate consistent with their inclusion in customer rates. The August 2023 NIPSCO electric rate case order extends the recovery of, and on, the net book value of the stations by the end of 2034 and implements a revenue credit for the retired units. The credit is based on the difference between the year-end value of Units 14 and 15 and the most recent value established in the last base rate case proceeding or credit compliance filing.

Losses on commodity price risk programs. Represents the unrealized losses related to certain of our subsidiary's commodity price risk programs. These programs help to protect against the volatility of commodity prices and these amounts are collected from customers through their inclusion in customer rates.

Deferred property taxes. Represents the deferral and under collection of property taxes in the rate making process for Columbia of Ohio and is driven by the IRP and CEP deferrals.

Renewable energy investments. Represents the regulatory deferral of renewable energy formation and developer costs primarily through deferred depreciation.

WAM system filing. Represents the deferral of certain costs, including depreciation and amortization incurred in connection with improvements to its information technology systems through the design, development, and implementation of a new WAM program for the scheduling, dispatch, and execution of work and the management of underlying assets.

Customer Assistance Programs. Represents the difference between the eligible customer assistance program costs and collections, which will be collected from customers.

Uncollected Future Cost of Removal. Represents asset removal costs not yet recovered.

Liabilities:

Over-recovered gas and fuel costs. Represents the difference between the cost of gas and fuel, as well as energy acquired through power purchase agreements, including NIPSCO's own renewable projects and, the recovery of such costs in revenues and is the basis to adjust future billings for such refunds on a basis consistent with applicable state-approved tariff provisions. Refunding of these revenues is achieved through tracking mechanisms.

Cost of removal. Represents anticipated costs of removal for utility assets that have been collected through depreciation rates for future costs to be incurred.

Regulatory effects of accounting for income taxes. Represents amounts owed to customers for deferred taxes collected at a higher rate than the current statutory rates and liabilities associated with accelerated tax deductions owed to customers. Balance includes excess deferred taxes recorded upon implementation of the TCJA in December 2017, net of amounts amortized through 2025 and federal tax credits generated by Cavalry, Dunn's Bridge II, Fairbanks, and Gibson solar facilities that are passed back to customers. For discussion of the regulatory impact of the NIPSCO Minority Interest Transaction on deferred taxes, see Note 15, "Income Taxes," for additional details.

Deferred pension and other postretirement benefit costs. Primarily represents cash contributions in excess of postretirement benefit expense that is deferred by certain subsidiaries.

Gains on commodity price risk programs. Represents the unrealized gains related to certain of our subsidiary's commodity price risk programs. These programs help to protect against the volatility of commodity prices, and these amounts are passed back to customers through their inclusion in customer rates.

Customer Assistance Programs. Represents the difference between the eligible customer assistance program costs and collections, which will be refunded to customers.

Renewable energy investments. Represents the regulatory deferral of certain amounts representing the timing difference between the profit earned from the JVs and the amount included in regulated rates to recover our approved investments in consolidated JVs. The offset to the regulatory liability associated with our renewable investments is recorded in "Depreciation expense" on the Statements of Consolidated Comprehensive Income. Refer to Note 1, "Nature of Operations and Summary of Significant Accounting Policies - S. Noncontrolling Interest," Note 4, "Noncontrolling Interests," and Note 9, "Property, Plant and Equipment," for additional information.

Rate Refunds. Represents supplier refunds received by the company that are owed to customers and will be remitted and amounts that are being collected in rates subject to refund.

Off System Sales Sharing. Represents amounts to be passed back to the customers as a result of Off System sales that is shared between the company and the customer.

13. Risk Management Activities

We are exposed to certain risks related to our ongoing business operations; namely commodity price risk and interest rate risk. We recognize that the prudent and selective use of derivatives may help to limit volatility in the price of natural gas, and manage interest rate exposure.

Risk management assets and liabilities on our derivatives are presented on the Consolidated Balance Sheets as shown below:

(in millions)	December 31, 2025		December 31, 2024	
	Assets	Liabilities	Assets	Liabilities
Current⁽¹⁾				
Derivatives not designated as hedging instruments	\$ 9.7	\$ 2.1	\$ 9.1	\$ 2.3
Total	\$ 9.7	\$ 2.1	\$ 9.1	\$ 2.3
Noncurrent⁽²⁾				
Derivatives not designated as hedging instruments	\$ 9.1	\$ 3.8	\$ 17.9	\$ 1.2
Total	\$ 9.1	\$ 3.8	\$ 17.9	\$ 1.2

⁽¹⁾ Current assets and liabilities are presented in "Prepayments and other" and "Other accruals", respectively, on the Consolidated Balance Sheets.

⁽²⁾ Noncurrent assets and liabilities are presented in "Deferred charges and other" and "Other noncurrent liabilities and deferred credits", respectively, on the Consolidated Balance Sheets.

Our derivative instruments are subject to enforceable master netting arrangements or similar agreements. No collateral was either received or posted related to our outstanding derivative positions at December 31, 2025 and 2024. If the above gross asset and liability positions were presented net of amounts owed or receivable from counterparties, we would report a net asset position of \$12.9 million and \$23.5 million at December 31, 2025 and 2024, respectively.

Derivatives Not Designated as Hedging Instruments

Commodity price risk management. We, along with our utility customers, are exposed to variability in cash flows associated with natural gas purchases and volatility in natural gas prices. We purchase natural gas for sale and delivery to our retail, commercial and industrial customers, and for most customers the variability in the market price of gas is passed through in their rates. Some of our utility subsidiaries offer programs whereby variability in the market price of gas is assumed by the respective utility. The objective of our commodity price risk programs is to mitigate the gas cost variability, for us or on behalf of our customers, associated with natural gas purchases or sales by economically hedging the various gas cost components using a combination of futures, options, forwards or other derivative contracts. As of December 31, 2025 and 2024, we had 83.7 MMDth and 77.8 MMDth, respectively, of net energy derivative volumes outstanding related to our natural gas hedges.

NIPSCO has received IURC approval to lock in a fixed price for its natural gas customers using long-term forward purchase instruments and is limited to 20% of NIPSCO's average annual GCA purchase volume. As of December 31, 2025, the remaining terms of these instruments range from one to three years. Likewise, Columbia of Pennsylvania has received approval for a 24-month rolling hedge program that will continue in perpetuity. The program is designed to financially hedge approximately 20% of the customer's annual demand. Under both programs all gains and losses on these derivative contracts are deferred as regulatory liabilities or assets and are remitted to or collected from customers through the relevant cost recovery mechanism.

Derivatives Designated as Hedging Instruments

Interest rate risk management. As of December 31, 2025 and 2024, we had no active interest rate swap positions. We have recorded the overall net loss related to previously settled interest rate swaps in AOCI. The gain or loss associated with each previously settled interest rate swap is amortized in interest expense over the term of each corresponding debt issuance. These amounts were immaterial for the years ended December 31, 2025, 2024 and 2023 and are recorded in "Interest expense, net" on the Condensed Statements of Consolidated Income. Amounts expected to be reclassified to earnings during the next twelve months are immaterial. See Note 20, "Accumulated Other Comprehensive Loss," for additional information.

14. Fair Value

A. Fair Value Measurements

Recurring Fair Value Measurements

The following tables present financial assets and liabilities measured and recorded at fair value on our Consolidated Balance Sheets on a recurring basis and their level within the fair value hierarchy as of December 31, 2025 and December 31, 2024. As of December 31, 2025 and December 31, 2024, there were no material transfers between fair value hierarchies. Additionally, there were no changes in the method or significant assumptions used to estimate the fair value of our financial instruments.

Recurring Fair Value Measurements December 31, 2025 (<i>in millions</i>)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of December 31, 2025
Assets				
Risk management assets	\$ —	\$ 18.8	\$ —	\$ 18.8
Available-for-sale debt securities	—	146.1	—	146.1
Equity Securities ⁽¹⁾⁽²⁾	8.5	—	—	8.5
Total	\$ 8.5	\$ 164.9	\$ —	\$ 173.4
Liabilities				
Risk management liabilities	\$ —	\$ 5.9	\$ —	\$ 5.9
Total	\$ —	\$ 5.9	\$ —	\$ 5.9

⁽¹⁾ Equity securities are in a high dividend equity fund and are valued using market prices in active markets. Level 1 instrument valuations are obtained from real-time quotes for transactions in active exchange markets involving identical assets. Equity securities are presented in "Other Investments" on the Consolidated Balance Sheets.

⁽²⁾ As of December 31, 2025, the investment cost of equity securities measured at fair value was \$7.9 million, gross unrealized gains were \$0.7 million, and the fair value was \$8.5 million.

Recurring Fair Value Measurements December 31, 2024 (<i>in millions</i>)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of December 31, 2024
Assets				
U.S. Treasury debt securities ⁽¹⁾	\$ 80.1	\$ —	\$ —	\$ 80.1
Risk management assets	—	27.0	—	27.0
Available-for-sale debt securities	—	86.7	—	86.7
Total	\$ 80.1	\$ 113.7	\$ —	\$ 193.8
Liabilities				
Risk management liabilities	\$ —	\$ 3.5	\$ —	\$ 3.5
Total	\$ —	\$ 3.5	\$ —	\$ 3.5

⁽¹⁾ Treasury bills are presented in "Cash and cash equivalents" and "Restricted cash" on the Consolidated Balance Sheets.

Level 1- When utilized, exchange-traded derivative contracts are based on unadjusted quoted prices in active markets and are classified within Level 1. These financial assets and liabilities are secured with cash on deposit with the exchange; therefore, nonperformance risk has not been incorporated into these valuations. These financial assets and liabilities are deemed to be cleared and settled daily by NYMEX as the related cash collateral is posted with the exchange. As a result of this exchange rule, NYMEX derivatives are considered to have no fair value at the balance sheet date for financial reporting purposes, and are presented in Level 1 net of posted cash; however, the derivatives remain outstanding and are subject to future commodity price fluctuations until they are settled in accordance with their contractual terms.

Level 2- Certain non-exchange-traded derivatives are valued using broker or over-the-counter, on-line exchanges. In such cases, these non-exchange-traded derivatives are classified within Level 2. Non-exchange-based derivative instruments include swaps, forwards, and options. In certain instances, these instruments may utilize models to measure fair value. We use a similar model to value similar instruments. Valuation models utilize various inputs that include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, other observable inputs for the asset or liability and market-corroborated inputs, (i.e., inputs derived principally from or corroborated by observable market data by correlation or other means). Where observable inputs are available for substantially the full term of the asset or liability, the instrument is categorized within Level 2.

Level 3- Certain derivatives trade in less active markets with a lower availability of pricing information and models may be utilized in the valuation. When such inputs have a significant impact on the measurement of fair value, the instrument is categorized within Level 3.

Risk Management Assets and Liabilities. Risk management assets and liabilities include exchange-traded NYMEX futures and NYMEX options and non-exchange-based forward purchase contracts. NIPSCO and Columbia of Pennsylvania have entered into long-term forward natural gas purchase instruments to lock in a fixed price for natural gas customers. We value these contracts using a pricing model that incorporates market-based information when available, as these instruments trade less frequently and are classified within Level 2 of the fair value hierarchy. For additional information, see Note 13, "Risk Management Activities."

Available-for-Sale Debt Securities. Available-for-sale debt securities are investments pledged as collateral for trust accounts related to our wholly-owned insurance company. We value U.S. Treasury, corporate debt and mortgage-backed securities using a matrix pricing model that incorporates market-based information. These securities trade less frequently and are classified within Level 2.

Our available-for-sale debt securities impairments are recognized periodically using an allowance approach. At each reporting date, we utilize a quantitative and qualitative review process to assess the impairment of available-for-sale debt securities at the individual security level. For securities in a loss position, we evaluate our intent to sell or whether it is more-likely-than-not that we will be required to sell the security prior to the recovery of its amortized cost. If either criteria is met, the loss is recognized in earnings immediately, with the offsetting entry to the carrying value of the security. If both criteria are not met, we perform an analysis to determine whether the unrealized loss is related to credit factors. The analysis focuses on a variety of factors that include, but are not limited to, downgrade on ratings of the security, defaults in the current reporting period or projected defaults in the future, the security's yield spread over treasuries, and other relevant market data. If the unrealized loss is not related to credit factors, it is included in other comprehensive income. If the unrealized loss is related to credit factors, the loss is recognized as credit loss expense in earnings during the period, with an offsetting entry to the allowance for credit losses. The amount of the credit loss recorded to the allowance account is limited by the amount at which the security's fair value is less than its amortized cost basis. If certain amounts recorded in the allowance for credit losses are deemed uncollectible, the allowance on the uncollectible portion will be charged off, with an offsetting entry to the carrying value of the security. Subsequent improvements to the estimated credit losses of available-for-sale debt securities will be recognized immediately in earnings. Continuous credit monitoring and portfolio credit balancing mitigates our risk of credit losses on our available-for-sale debt securities.

The amortized cost, gross unrealized gains and losses, allowance for credit losses, and fair value of available-for-sale securities at December 31, 2025 and 2024 were:

December 31, 2025 <i>(in millions)</i>	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses ⁽¹⁾	Allowance for Credit Losses	Fair Value
Available-for-sale debt securities					
U.S. Treasury debt securities	\$ 9.5	\$ —	\$ —	\$ —	\$ 9.5
Corporate/Other debt securities	136.3	2.4	(2.1)	—	136.6
Total	\$ 145.8	\$ 2.4	\$ (2.1)	\$ —	\$ 146.1

December 31, 2024 <i>(in millions)</i>	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses ⁽²⁾	Allowance for Credit Losses	Fair Value
Available-for-sale debt securities					
Corporate/Other debt securities	91.9	0.5	(5.6)	(0.1)	86.7
Total	\$ 91.9	\$ 0.5	\$ (5.6)	\$ (0.1)	\$ 86.7

⁽¹⁾ Fair value of U.S. Treasury debt securities and Corporate/Other debt securities in an unrealized loss position without an allowance for credit losses is \$3.5 million and \$40.2 million, respectively at December 31, 2025.

⁽²⁾ Fair value of Corporate/Other debt securities in an unrealized loss position without an allowance for credit losses is \$70.1 million at December 31, 2024.

The cost of maturities sold is based upon specific identification. Net realized gains and losses on available-for-sale securities were \$(1.0) million for the twelve months ended December 31, 2025, and \$2.3 million for the twelve months ended December 31, 2024. At December 31, 2025, approximately \$9.8 million and \$4.0 million of Corporate/Other debt securities and U.S. Treasury debt securities, respectively, have maturities of less than a year.

Equity Investments. Investments measured at net asset value per share (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. These investments represent holdings in a single private investment fund that are redeemable at the election of the holder. As of December 31, 2025, the Company holds \$17.9 million of equity investments measured at net asset value.

Non-recurring Fair Value Measurements

We measure the fair value of certain assets, including goodwill, on a non-recurring basis, typically when events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. As of December 31, 2025, no non-recurring fair value adjustments have been made.

B. Other Fair Value Disclosures for Financial Instruments.

The carrying amount of cash and cash equivalents, restricted cash, notes receivable, customer deposits and short-term borrowings is a reasonable estimate of fair value due to their liquid or short-term nature. Our long-term borrowings are recorded at historical amounts.

The following method and assumptions were used to estimate the fair value of each class of financial instruments.

Long-term debt. The fair value of outstanding long-term debt is estimated based on the quoted market prices for the same or similar securities. Certain premium costs associated with the early settlement of long-term debt are not taken into consideration in determining fair value. These fair value measurements are classified within Level 2 of the fair value hierarchy. For the years ended December 31, 2025 and 2024, there was no change in the method or significant assumptions used to estimate the fair value of long-term debt.

The carrying amount and estimated fair values of these financial instruments were as follows:

At December 31, <i>(in millions)</i>	Carrying Amount 2025	Estimated Fair Value 2025	Carrying Amount 2024	Estimated Fair Value 2024
Long-term debt (including current portion)	\$ 15,477.5	\$ 14,975.3	\$ 13,355.7	\$ 12,505.2

15. Income Taxes

Judgment and the use of estimates are required in developing the provision for income taxes and reporting of tax-related assets and liabilities. The interpretation of tax laws and associated regulations involves uncertainty as taxing authorities may interpret the laws differently.

NIPSCO's historical business activities through the closing of the NIPSCO Minority Interest Transaction in 2023 were included in the consolidated U.S. federal and certain state income tax returns of NiSource Inc. Prior to April 13, 2023, NIPSCO was treated as a taxable division of its corporate parent, NiSource Inc. Beginning on that date, NIPSCO became a division of NIPSCO Holdings I. In connection with the NIPSCO Minority Interest Transaction, NIPSCO Holdings I retained NIPSCO's income tax balances and 80.1% of the excess deferred income tax regulatory balances as described below. NIPSCO Holdings I's income tax balances are based on the difference between the financial statement amount and the tax basis of its investment in NIPSCO Holdings II.

Income Tax Expense. The components of income tax expense (benefit) were as follows:

Year Ended December 31, (in millions)	2025	2024	2023
Income Taxes			
Current			
Federal	\$ (30.4)	\$ (19.3)	\$ —
State	(1.6)	9.4	5.3
Total Current (Benefit) Expense	(32.0)	(9.9)	5.3
Deferred			
Federal			
Taxes before operating loss carryforwards and investment credits	189.2	105.9	49.7
Tax utilization expense of operating loss carryforwards	34.2	60.4	65.1
Investment tax credits	—	(0.1)	(2.1)
State	13.1	2.6	22.5
Total Deferred Expense	236.5	168.8	135.2
Deferred Investment Tax Credits	(0.7)	(0.8)	(1.0)
Income Taxes from Continuing Operations	\$ 203.8	\$ 158.1	\$ 139.5

We earn federal Investment Tax Credits ("ITC"s) and Production Tax Credits ("PTC"s) related to qualifying renewable energy projects. These credits are nonrefundable, can be utilized to offset income tax liabilities, and are transferable. We recognize the benefit of these credits within income tax expense (benefit) in the period the credits are generated.

During the periods ended December 31, 2025 and 2024, respectively, we elected to monetize certain transferable ITC/PTC credits through sales to unrelated third-party taxpayers. Accordingly, the cash proceeds received from the sale of the credits are reflected as an adjustment to income tax (benefit) expense. We recognized a current tax benefit associated with the monetization of these credits of \$19.3 million and \$18.8 million, for the years ended December 31, 2025, and 2024, respectively. These amounts offset current tax expense in the years received and a regulatory liability was established to pass back to customers over ten years, as ordered by the regulator.

In connection with the NIPSCO Minority Interest Transaction during 2023, NiSource recognized a \$63.5 million income tax benefit in additional paid in capital related to 19.9% of NIPSCO's excess deferred income taxes attributable to Blackstone's noncontrolling interest. This benefit does not impact NIPSCO's regulatory books or the excess deferred taxes that will benefit customers through lower future rates in accordance with applicable regulatory orders. See Note 4, "Noncontrolling Interests," for further discussion of the NIPSCO Minority Interest Transaction.

Statutory Rate Reconciliation. The following table provides a quantitative reconciliation of the reported income tax expense (benefit) from the statutory U.S. federal income tax rate to the Company's effective tax rate for each period presented.

Year Ended December 31, (in millions)	2025		2024		2023	
Book income before income taxes	\$	1,216.4	\$	1,002.8	\$	813.9
Tax expense (benefit) at statutory federal income tax rate		255.4	21.0 %	210.6	21.0 %	170.8
State and local income taxes, net of federal income tax effect		4.9	0.4	11.7	1.2	13.7
Tax Credits						
Investment tax credit		(32.4)	(2.7)	(14.5)	(1.5)	(2.1)
Production tax credit		(40.5)	(3.3)	(5.8)	(0.6)	(0.3)
Other		(3.1)	(0.3)	(3.0)	(0.3)	(1.5)
Regulatory Adjustments						
ITC / PTC		68.2	5.6	20.0	2.0	—
Amortization of Excess Deferred Income Taxes		(30.2)	(2.5)	(31.2)	(3.1)	(39.2)
AFUDC equity		(5.5)	(0.4)	(12.5)	(1.2)	(5.3)
Changes in Valuation Allowances		8.4	0.7	—	—	—
Nontaxable or Nondeductible Items						
Noncontrolling interests		(18.2)	(1.5)	(27.3)	(2.7)	—
Other		1.2	0.1	7.6	0.8	7.8
Other adjustments		(4.4)	(0.3)	2.5	0.2	(4.4)
Income Taxes	\$	203.8	16.8 %	\$	158.1	15.8 %
					\$	139.5
						17.1 %

For the year ended December 31, 2025, the state and local income tax reconciling item of \$4.9 million represents the tax effect of income primarily in Virginia, which accounted for more than 50 percent of the company's state and local tax liability.

The increase in tax expense of \$45.7 million in 2025 versus 2024 was primarily due to higher pre-tax income, the establishment of a valuation allowance on deferred tax assets related to disallowed §163(j) interest carryforwards, lower non-controlling interest and lower AFUDC equity, partially offset by lower state taxes and higher federal investment and production credits generated by Dunns Bridge II Solar and Storage facility, Cavalry Solar, Fairbanks Solar, and Gibson Solar that are offset in a regulatory liability to pass back to customers in future periods.

The increase in the ITC / PTC regulatory adjustment in 2025 versus 2024 was primarily due to the regulatory liability established for the investment and production tax credits generated in 2025, net of the \$4.6 million pass back to customers of prior period federal tax credits.

The increase in tax expense of \$18.6 million in 2024 versus 2023 was primarily due to higher pre-tax income, partially offset by the tax effect of non-controlling interest, and higher federal tax credits generated by the Cavalry solar and storage facility that are offset in a regulatory liability to pass back to customers in future periods.

The increase in the ITC / PTC regulatory adjustment in 2024 versus 2023 was primarily due to the regulatory liability established for the Cavalry tax credits generated in 2024.

Cash Taxes Paid Disclosure. In accordance with ASU 2023-09, the following table provides cash taxes paid for each period presented, which represents the actual cash payments made for income taxes to federal and state authorities by jurisdiction and differs from the income tax expense recognized for financial reporting purposes due to deferred taxes, credits, and other reconciling items.

Year Ended December 31, (in millions)	2025	2024	2023
Jurisdiction			
Federal	\$ 2.5	\$ —	\$ —
Pennsylvania	(0.2)	3.0	4.0
Virginia	—	1.2	5.4
Ohio local	0.7	—	—
Other	0.3	0.1	—
Total Cash Taxes Paid	\$ 3.3	\$ 4.3	\$ 9.4

The state component for 2025 and prior years primarily relates to Pennsylvania, Virginia and local Ohio taxes, accounting for greater than 50 percent of the total state tax payments.

Net Deferred Income Tax Liability Components. Deferred income taxes result from temporary differences between the financial statement carrying amounts and the tax basis of existing assets and liabilities. The principal components of our net deferred tax liabilities were as follows:

At December 31, (in millions)	2025	2024
Deferred tax liabilities		
Accelerated depreciation and other property differences	\$ 1,552.0	\$ 1,419.4
Partnership basis differences	1,431.1	1,328.6
Other regulatory assets	210.3	210.1
Total Deferred Tax Liabilities	3,193.4	2,958.1
Deferred tax assets		
Other regulatory liabilities and deferred investment tax credits (including TCJA)	185.1	170.4
Pension and other postretirement/postemployment benefits	32.0	58.8
Net operating loss carryforwards	326.0	369.4
Environmental liabilities	10.3	12.2
Other accrued liabilities	49.6	43.4
Disallowed §163(j) interest expense carryforward	8.4	—
General business credits	77.3	20.5
Other, net	19.4	8.2
Total Deferred Tax Assets	708.1	682.9
Valuation Allowance	(14.8)	(6.4)
Net Deferred Tax Assets	693.3	676.5
Net Deferred Tax Liabilities	\$ 2,500.1	\$ 2,281.6

Deferred tax assets include amounts for disallowed §163(j) interest expense carryforward; during the period, we recorded a valuation allowance on these amounts in accordance with realizability requirements, and corresponds to the unfavorable item presented in the rate reconciliation.

On April 14, 2023, the IRS issued Revenue Procedure 2023-15 which provides a safe harbor method of accounting that taxpayers may use to determine whether expenses to repair, maintain, replace, or improve linear property and non-linear natural gas transmission and distribution property must be capitalized as improvements or are allowable as deductions. On June 3, 2024, the IRS extended the favorable rules to a Year 2 adoption period. The Company filed a method change with its 2024 consolidated tax return filing to elect this change in tax accounting method under the cutoff method.

In connection with the NIPSCO Minority Interest Transaction, NIPSCO's deferred taxes were removed from its GAAP books and were reconstituted as deferred taxes on the outside basis difference of NiSource's investment in NIPSCO Holdings II. These deferred taxes are reflected as partnership basis differences above.

NiSource has the following deductible loss and credit carryforwards:

At December 31, 2025 <i>(in millions)</i>	Deductible Amount	Deferred Tax Asset	Valuation Allowance	Expiration Period
Federal losses	\$ 1,192.0	\$ 250.3	\$ —	Indefinite
Federal investment tax credits	—	31.0	—	2043-2045
Federal production tax credits	—	23.4	—	2040-2045
Federal other credit	—	22.9	—	2029-2045
Federal disallowed interest expense carryforward	—	8.4	(8.4)	Indefinite
State losses	1,867.1	75.4	(6.4)	2029-2045
Total		\$ 411.4	\$ (14.8)	

We believe it is not more likely than not that the Federal §163(j) disallowed interest expense carryforward and a portion of the benefit from certain state net operating loss carryforwards will be realized. We have recorded a valuation allowance of \$8.4 million on the deferred tax asset related to the Federal §163(j) interest expense carryforward and \$6.4 million related to Massachusetts Net Operating Losses reflected in table presented above.

Unrecognized Tax Benefits. A reconciliation of the beginning and ending amounts of unrecognized tax benefits is as follows:

At December, <i>(in millions)</i>	2025	2024	2023
Opening Balance	\$ 21.7	\$ 21.7	\$ 21.7
Gross decreases - tax positions in prior period	—	—	—
Gross increases - current period tax positions	—	—	—
Ending Balance	\$ 21.7	\$ 21.7	\$ 21.7
Offset for net operating loss carryforwards	(21.7)	(21.7)	(21.7)
Balance, Less Net Operating Loss Carryforwards	\$ —	\$ —	\$ —

We are subject to income taxation in the United States and various state jurisdictions, primarily Indiana, Pennsylvania, Kentucky, Massachusetts, Maryland and Virginia.

We participate in the IRS CAP, which provides the opportunity to resolve tax matters with the IRS before filing each year's consolidated federal income tax return. As of December 31, 2025, tax years through 2023 have been audited and are closed to further assessment. NiSource has not yet received a final acceptance letter from the IRS for its 2024 return. However, no adjustments are expected.

The statute of limitations in each of the state jurisdictions in which we operate remains open between 3-4 years from the date the state income tax returns are filed. As of December 31, 2025, there were no state income tax audits in progress that would have a material impact on the consolidated financial statements.

NiSource is obligated to report adjustments resulting from IRS audits or settlements to state taxing authorities. In addition, if NiSource utilizes net operating losses or tax credits generated in years for which the statute of limitations has expired, such amounts are generally subject to examination.

16. Pension and Other Postemployment Benefits

We provide defined contribution plans and noncontributory defined benefit retirement plans that cover certain of our employees. Benefits under the defined benefit retirement plans reflect the employees' compensation, years of service and age at retirement. Additionally, we provide health care and life insurance benefits for certain retired employees. Certain employees may become eligible for these benefits if they reach retirement age while working for us. The expected cost of such benefits is accrued during the employees' years of service. Current rates of rate-regulated companies include postretirement benefit costs, including amortization of the regulatory assets that arose prior to inclusion of these costs in rates. For most plans, cash contributions are remitted to grantor trusts.

Our Pension and Other Postretirement Benefit Plans' Asset Management. The Board has delegated oversight of the pension and other postretirement benefit plans' assets to the NiSource Benefits Committee (the "Committee"). The Committee has adopted investment policy statements for the pension and other postretirement benefit plans' assets. For the pension plans, we employ a liability-driven investing strategy. A total return approach is utilized for some of the other postretirement benefit plans' assets. A mix of diversified investments are used to maximize the long-term return of plan assets and hedge the liabilities at a prudent level of risk. The investment portfolio includes U.S. and non-U.S. equities, real estate, long-term and intermediate-term fixed income and alternative investments. Risk tolerance is established through careful consideration of plan liabilities, funded status, and asset class volatility. Investment risk is measured and monitored on an ongoing basis through quarterly investment portfolio reviews, annual liability measurements, and periodic asset/liability studies.

In determining the expected long-term rate of return on plan assets, historical markets are studied, relationships between equities and fixed income are analyzed and current market factors, such as inflation and interest rates are evaluated with consideration of diversification and rebalancing. Our expected long-term rate of return on assets is based on assumptions regarding target asset allocations and corresponding long-term capital market assumptions for each asset class. The pension plans' investment policy calls for a gradual reduction in the allocation of return-seeking assets (equities, real estate and private equity) and a corresponding increase in the allocation of liability-hedging assets (fixed income) as the funded status of the plans' increase.

As of December 31, 2025 and December 31, 2024, the acceptable minimum and maximum ranges established by the policy for the pension and other postretirement benefit plans are as follows:

December 31, 2025 Asset Category	Defined Benefit Pension Plan		Postretirement Benefit Plan	
	Minimum	Maximum	Minimum	Maximum
Domestic Equities	10%	30%	0%	55%
International Equities	5%	15%	0%	25%
Fixed Income	65%	75%	20%	100%
Private Equity	0%	3%	0%	0%
Short-Term Investments	0%	10%	0%	10%

December 31, 2024 Asset Category	Defined Benefit Pension Plan		Postretirement Benefit Plan	
	Minimum	Maximum	Minimum	Maximum
Domestic Equities	10%	30%	0%	55%
International Equities	5%	15%	0%	25%
Fixed Income	65%	75%	20%	100%
Private Equity	0%	3%	0%	0%
Short-Term Investments	0%	10%	0%	10%

The actual Pension Plan and Postretirement Plan Asset Mix at December 31, 2025 and December 31, 2024 are as follows:

Asset Class (in millions)	Defined Benefit Pension Assets⁽¹⁾	December 31, 2025	Postretirement Benefit Plan Assets	December 31, 2025
	Asset Value	% of Total Assets	Asset Value	% of Total Assets
Domestic Equities	\$ 270.0	20.2 %	\$ 105.4	40.8 %
International Equities	137.5	10.3 %	48.8	18.9 %
Fixed Income	869.0	64.9 %	99.2	38.5 %
Cash/Other	61.9	4.6 %	4.6	1.8 %
Total	\$ 1,338.4	100.0 %	\$ 258.0	100.0 %

⁽¹⁾Total includes accrued dividends and pending trades with brokers.

Asset Class (in millions)	Defined Benefit Pension Assets⁽¹⁾	December 31, 2024	Postretirement Benefit Plan Assets⁽¹⁾	December 31, 2024
	Asset Value	% of Total Assets	Asset Value	% of Total Assets
Domestic Equities	\$ 258.9	19.4 %	\$ 99.6	40.9 %
International Equities	122.5	9.2 %	40.7	16.7 %
Fixed Income	891.2	66.7 %	96.5	39.6 %
Real Estate	4.0	0.3 %	—	—
Cash/Other	59.8	4.4 %	6.7	2.8 %
Total	\$ 1,336.4	100.0 %	\$ 243.5	100.0 %

⁽¹⁾Total includes accrued dividends and pending trades with brokers.

The categorization of investments into the asset classes in the tables above are based on definitions established by the Committee.

Fair Value Measurements. The following table sets forth, by level within the fair value hierarchy, the pension and other postretirement benefits investment assets at fair value as of December 31, 2025 and 2024. Assets are classified in their entirety based on the observability of inputs used in determining the fair value measurement. There were no material investment assets in the pension and other postretirement benefits trusts classified within Level 3 for the years ended December 31, 2025 and 2024.

We use the following valuation techniques to determine fair value. For the year ended December 31, 2025, there were no significant changes to valuation techniques to determine the fair value of our pension and other postretirement benefits' assets.

Level 1 Measurements

Most common and preferred stocks are traded in active markets on national and international securities exchanges and are valued at closing prices on the last business day of each period presented. Cash is stated at cost, which approximates fair value, with the exception of cash held in foreign currencies which fluctuates with changes in the exchange rates. Short-term bills and notes are priced based on quoted market values.

Level 2 Measurements

Most U.S. Government Agency obligations, mortgage/asset-backed securities, and corporate fixed income securities are generally valued by benchmarking model-derived prices to quoted market prices and trade data for identical or comparable securities. To the extent that quoted prices are not available, fair value is determined based on a valuation model that includes inputs such as interest rate yield curves and credit spreads. Securities traded in markets that are not considered active are valued based on quoted market prices, broker or dealer quotations, or alternative pricing sources with reasonable levels of price transparency. Other fixed income includes futures and options which are priced on bid valuation or settlement pricing.

Level 3 Measurements

Investments with unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities are classified as level 3 investments.

Not Classified

Commingled funds, private equity limited partnerships and real estate partnerships are not classified within the fair value hierarchy. Instead, these assets are measured at estimated fair value using the net asset value per share of the investments. Commingled funds' underlying assets are principally marketable equity and fixed income securities. Units held in commingled funds are valued at the unit value as reported by the investment managers. Private equity funds invest capital in non-public companies and real estate funds invest in commercial and distressed real estate directly or through related debt instruments. The fair value of these investments is determined by reference to the funds' underlying assets.

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NI SOURCE INC.
ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA (continued)
Notes to Consolidated Financial Statements

Fair Value Measurements at December 31, 2025:

<i>(in millions)</i>	December 31, 2025	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Pension plan assets:				
Cash	\$ 0.5	\$ 0.5	\$ —	\$ —
Fixed income securities				
Government	197.1	—	197.1	—
Corporate	471.5	—	471.5	—
Mortgages/ Asset Backed Securities	3.9	—	3.9	—
Other fixed income	0.1	—	0.1	—
Derivatives				
Assets	0.6	—	0.6	—
Mutual Funds				
U.S. multi-strategy	53.9	53.9	—	—
International equities	34.0	34.0	—	—
Private equity limited partnerships ⁽¹⁾				
U.S. multi-strategy ⁽²⁾	2.4	—	—	—
International multi-strategy ⁽³⁾	0.2	—	—	—
Distressed opportunities	0.1	—	—	—
Real estate ⁽¹⁾	—	—	—	—
Commingled funds ⁽¹⁾				
Short-term money markets	50.1	—	—	—
U.S. equities	216.1	—	—	—
International equities	103.6	—	—	—
Fixed income	196.5	—	—	—
Pension plan assets subtotal	\$ 1,330.6	\$ 88.4	\$ 673.2	\$ —
Other postretirement benefit plan assets:				
Mutual funds				
U.S. multi-strategy	92.4	92.4	—	—
International equities	16.8	16.8	—	—
Fixed income	99.2	99.2	—	—
Commingled funds ⁽¹⁾				
Short-term money markets	4.6	—	—	—
U.S. equities	13.0	—	—	—
International equities	32.1	—	—	—
Other postretirement benefit plan assets subtotal	\$ 258.1	\$ 208.4	\$ —	\$ —
Due to brokers, net ⁽⁴⁾	(0.6)	—	(0.6)	—
Accrued income/dividends	8.3	8.3	—	—
Total pension and other postretirement benefit plan assets	\$ 1,596.4	\$ 305.1	\$ 672.6	\$ —

⁽¹⁾This class of investments is measured at fair value using the net asset value per share and has not been classified in the fair value hierarchy.

⁽²⁾This class includes limited partnerships that invest in a diverse portfolio of private equity strategies, including buy-outs, growth capital, special situations and secondary markets, primarily inside the United States.

⁽³⁾This class includes limited partnerships that invest in a diverse portfolio of private equity strategies, including buy-outs, growth capital, special situations and secondary markets, primarily outside the United States.

⁽⁴⁾This class represents pending trades with brokers.

The table below sets forth a summary of unfunded commitments, redemption frequency and redemption notice periods for certain investments that are measured at fair value using the net asset value per share for the year ended December 31, 2025:

<i>(in millions)</i>	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Commingled Funds				
Short-term money markets	\$ 54.7	\$ —	Daily	1 day
U.S. equities	229.1	—	Daily	1 day - 10 days
International equities	135.7	—	Monthly	1 day-10 days
Fixed income	196.5	—	Daily	2 days
Private Equity and Real Estate Limited Partnerships ⁽¹⁾	2.7	9.3	N/A	N/A
Total	\$ 618.7	\$ 9.3		

⁽¹⁾Private equity and real estate limited partnerships typically call capital over a 3-5 year period and pay out distributions as the underlying investments are liquidated. The typical expected life of these limited partnerships is 0-15 years, and these investments typically cannot be redeemed prior to liquidation.

NI SOURCE INC.
ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA (continued)
Notes to Consolidated Financial Statements
Fair Value Measurements at December 31, 2024:

<i>(in millions)</i>	December 31, 2024	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Pension plan assets:				
Cash	\$ 1.2	\$ 1.1	\$ 0.1	\$ —
Fixed income securities				
Government	186.8	—	186.8	—
Corporate	486.6	—	486.6	—
Mortgages/Asset backed securities	3.6	—	3.6	—
Mutual Funds				
U.S. multi-strategy	56.1	56.1	—	—
International equities	57.2	57.2	—	—
Private equity limited partnerships⁽¹⁾				
U.S. multi-strategy ⁽²⁾	3.1	—	—	—
International multi-strategy ⁽³⁾	0.8	—	—	—
Distressed opportunities	0.1	—	—	—
Real estate ⁽¹⁾	4.0	—	—	—
Commingled funds⁽¹⁾				
Short-term money markets	45.9	—	—	—
U.S. equities	202.8	—	—	—
International equities	65.3	—	—	—
Fixed income	214.1	—	—	—
Pension plan assets subtotal	\$ 1,327.6	\$ 114.4	\$ 677.1	\$ —
Other postretirement benefit plan assets:				
Mutual funds				
U.S. multi-strategy	87.4	87.4	—	—
International equities	16.5	16.5	—	—
Fixed income	96.5	96.5	—	—
Commingled funds⁽¹⁾				
Short-term money markets	6.7	—	—	—
U.S. equities	12.2	—	—	—
International equities	24.2	—	—	—
Other postretirement benefit plan assets subtotal	\$ 243.5	\$ 200.4	\$ —	\$ —
Due to brokers, net ⁽⁴⁾	(0.1)	—	(0.1)	—
Accrued income/dividends	8.9	8.9	—	—
Total pension and other postretirement benefit plan assets	\$ 1,579.9	\$ 323.7	\$ 677.0	\$ —

⁽¹⁾This class of investments is measured at fair value using the net asset value per share and has not been classified in the fair value hierarchy.

⁽²⁾This class includes limited partnerships/fund of funds that invest in a diverse portfolio of private equity strategies, including buy-outs, growth capital, special situations and secondary markets, primarily inside the United States.

⁽³⁾This class includes limited partnerships/fund of funds that invest in diverse portfolio of private equity strategies, including buy-outs, growth capital, special situations and secondary markets, primarily outside the United States.

⁽⁴⁾This class represents pending trades with brokers.

The table below sets forth a summary of unfunded commitments, redemption frequency and redemption notice periods for certain investments that are measured at fair value using the net asset value per share for the year ended December 31, 2024:

<i>(in millions)</i>	Fair Value	Redemption Frequency	Redemption Notice Period
Commingled Funds			
Short-term money markets	\$ 52.6	Daily	1 day
U.S. equities	215.0	Daily	1 day -5 days
International equities	89.5	Monthly	10 days - 30 days
Fixed income	214.1	Daily	3 days
Private Equity and Real Estate Limited Partnerships ⁽¹⁾	8.0	N/A	N/A
Total	\$ 579.2		

⁽¹⁾Private equity and real estate limited partnerships typically call capital over a 3-5 year period and pay out distributions as the underlying investments are liquidated. The typical expected life of these limited partnerships is 0-15 years, and these investments typically cannot be redeemed prior to liquidation.

Our Pension and Other Postretirement Benefit Plans' Funded Status and Related Disclosure. The following table provides a reconciliation of the plans' funded status and amounts reflected in our Consolidated Balance Sheets at December 31 based on a December 31 measurement date:

(in millions)	Pension Benefits		Other Postretirement Benefits	
	2025	2024	2025	2024
Change in projected benefit obligation⁽¹⁾				
Benefit obligation at beginning of year	\$ 1,287.4	\$ 1,401.8	\$ 436.3	\$ 468.8
Service cost	19.7	21.9	4.0	5.0
Interest cost	64.1	64.9	21.6	22.0
Plan participants' contributions	—	—	4.0	3.6
Plan amendments	—	—	(30.3)	—
Actuarial loss (gain) ⁽²⁾	34.8	(64.8)	(1.8)	(22.5)
Benefits paid	(135.2)	(136.4)	(39.0)	(40.7)
Estimated benefits paid by incurred subsidy	—	—	0.1	0.1
Projected benefit obligation at end of year	\$ 1,270.8	\$ 1,287.4	\$ 394.9	\$ 436.3
Change in plan assets				
Fair value of plan assets at beginning of year	\$ 1,336.5	\$ 1,426.8	\$ 243.2	\$ 236.5
Actual return on plan assets	132.8	43.7	28.7	20.0
Employer contributions	2.0	2.4	20.7	23.6
Plan participants' contributions	—	—	4.0	3.8
Benefits paid	(135.2)	(136.4)	(39.0)	(40.7)
Fair value of plan assets at end of year	\$ 1,336.1	\$ 1,336.5	\$ 257.6	\$ 243.2
Funded Status at end of year	\$ 65.3	\$ 49.1	\$ (137.3)	\$ (193.1)
Amounts recognized in the statement of financial position consist of:				
Noncurrent assets	\$ 82.8	\$ 66.5	\$ 0.5	\$ —
Current liabilities	(2.6)	(2.3)	(1.0)	(1.0)
Noncurrent liabilities	(14.9)	(15.1)	(136.8)	(192.1)
Net amount recognized at end of year⁽³⁾	\$ 65.3	\$ 49.1	\$ (137.3)	\$ (193.1)
Amounts recognized in accumulated other comprehensive income or regulatory asset/liability⁽⁴⁾				
Unrecognized prior service credit	\$ 0.2	\$ 0.3	\$ (23.8)	\$ 3.8
Unrecognized actuarial loss	413.8	451.4	28.1	47.0
Net amount recognized at end of year	\$ 414.0	\$ 451.7	\$ 4.3	\$ 50.8

⁽¹⁾The change in benefit obligation for Pension Benefits represents the change in Projected Benefit Obligation while the change in benefit obligation for Other Postretirement Benefits represents the change in accumulated postretirement benefit obligation.

⁽²⁾The pension actuarial loss (gain) as of December 31, 2025 and December 31, 2024 was primarily driven by the decrease in discount rates interest rate movements and the increase in discount rates interest rate movements, respectively. The postretirement benefit actuarial (gain) as of December 31, 2025 and December 31, 2024 was primarily driven by claims experience changes in trend rates.

⁽³⁾We recognize our Consolidated Balance Sheets underfunded and overfunded status of our various defined benefit postretirement plans, measured as the difference between the fair value of the plan assets and the benefit obligation.

⁽⁴⁾We determined that for certain rate-regulated subsidiaries the future recovery of pension and other postretirement benefits costs is probable. These rate-regulated subsidiaries recorded regulatory assets and liabilities of \$433.1 million and zero, respectively, as of December 31, 2025, and \$485.3 million and zero, respectively, as of December 31, 2024 that would otherwise have been recorded to accumulated other comprehensive loss.

Our accumulated benefit obligation for our pension plans was \$1,263.0 million and \$1,278.4 million as of December 31, 2025 and 2024, respectively. The accumulated benefit obligation at each date is the actuarial present value of benefits attributed by the pension benefit formula to employee service rendered prior to that date and based on current and past compensation levels. The accumulated benefit obligation differs from the projected benefit obligation disclosed in the table above in that it includes no assumptions about future compensation levels.

We are required to reflect the funded status of our pension and postretirement benefit plans on the Consolidated Balance Sheet. We present the noncurrent aggregate of all underfunded plans within "Accrued liability for postretirement and postemployment benefits." The portion of the amount by which the actuarial present value of benefits included in the projected benefit obligation exceeds the fair value of plan assets, payable in the next 12 months, is reflected in "Accrued compensation and other benefits." We present the aggregate of all overfunded plans within "Deferred charges and other."

For our pension plans as of December 31, 2025 and 2024, only our nonqualified plans were underfunded. These plans have no assets as they are not funded until benefits are paid. The following table sets forth the year end accumulated benefit obligation and projected benefit obligation for pension plans with a projected benefit obligation in excess of plan assets:

<i>(in millions)</i>	December 31,	
	2025	2024
Accumulated Benefit Obligation	\$ 17.5	\$ 17.4
Funded Status		
Projected Benefit Obligation	\$ 17.5	\$ 17.4
Funded Status of Underfunded Pension Plans at End of Year	\$ (17.5)	\$ (17.4)

The following table sets forth the year end accumulated benefit obligation, projected benefit obligation and fair value of plan assets for pension plans with plan assets in excess of the projected benefit obligation:

<i>(in millions)</i>	December 31,	
	2025	2024
Accumulated Benefit Obligation	\$ 1,245.5	\$ 1,261.0
Funded Status		
Fair Value of Plan Assets	\$ 1,336.1	\$ 1,336.4
Projected Benefit Obligation	1,253.3	1,269.9
Funded Status of Overfunded Pension Plans at End of Year	\$ 82.8	\$ 66.5

Our pension plans were overfunded, in aggregate, by \$65.3 million at December 31, 2025 compared to being overfunded by \$49.1 million at December 31, 2024. The improvement in the funded status was primarily due to actual return on assets exceeding the expected return on assets, partially offset by a decrease in discount rates. We contributed \$2.0 million and \$2.4 million to our pension plans in 2025 and 2024, respectively.

Our other postretirement benefit plans were underfunded, in aggregate by \$137.3 million and \$193.1 million at December 31, 2025 and 2024, respectively. The change in funded status was primarily due to actual return on assets exceeding the expected return on assets, partially offset by a decrease in discount rates. We contributed \$20.7 million and \$23.6 million to our other postretirement benefit plans in 2025 and 2024, respectively.

In 2025 and 2024, our Columbia Energy Group pension plan paid lump sum payouts in excess of the respective plan's service cost plus interest cost, thereby meeting the requirement for settlement accounting. We recorded settlement charges of \$6.5 million and \$7.2 million in 2025 and 2024, respectively. In 2025 and 2024, no remeasurement occurred related to lump sum payouts.

The following table provides the key assumptions that were used to calculate the pension and other postretirement benefits obligations for our various plans as of December 31:

	Pension Benefits		Other Postretirement Benefits	
	2025	2024	2025	2024
Weighted-average assumptions to Determine Benefit Obligation				
Discount Rate	5.28 %	5.58 %	5.45 %	5.66 %
Rate of Compensation Increases	4.00 %	4.00 %	N/A	N/A
Interest Crediting Rates	4.00 %	4.00 %	N/A	N/A
Health Care Trend Rates				
Trend for Next Year	N/A	N/A	9.52 %	9.77 %
Ultimate Trend	N/A	N/A	4.75 %	4.75 %
Year Ultimate Trend Reached	N/A	N/A	2034	2033

We expect to make contributions of approximately \$2.7 million to our pension plans and approximately \$18.3 million to our postretirement medical and life plans in 2026.

The following table provides benefits expected to be paid in each of the next five fiscal years, and in the aggregate for the five fiscal years thereafter. The expected benefits are estimated based on the same assumptions used to measure our benefit obligation at the end of the year and include benefits attributable to the estimated future service of employees:

(in millions)	Pension Benefits	Other Postretirement Benefits
Year(s)		
2026	\$ 151.9	\$ 31.4
2027	130.3	31.3
2028	126.6	31.1
2029	119.4	31.0
2030	115.7	31.2
2031-2035	510.7	152.9

The following table provides the components of the plans' actuarially determined net periodic benefits cost for each of the three years ended December 31, 2025, 2024 and 2023:

(in millions)	Pension Benefits			Other Postretirement Benefits		
	2025	2024	2023	2025	2024	2023
Components of Net Periodic Benefit (Income) Cost⁽¹⁾						
Service cost	\$ 19.7	\$ 21.9	\$ 20.5	\$ 4.0	\$ 5.0	\$ 5.1
Interest cost	64.1	64.9	68.4	21.6	22.0	21.8
Expected return on assets	(92.4)	(95.3)	(94.5)	(16.8)	(16.1)	(15.1)
Amortization of prior service cost (credit)	0.1	0.1	0.1	(2.6)	(1.8)	(2.1)
Recognized actuarial loss	25.5	28.6	33.7	1.7	3.2	3.3
One-time charge	6.5	7.2	9.2	3.5	—	—
Total Net Periodic Benefits Cost	\$ 23.5	\$ 27.4	\$ 37.4	\$ 11.4	\$ 12.3	\$ 13.0

⁽¹⁾Service cost is presented in "Operation and maintenance" on the Statements of Consolidated Income. Non-service cost components are presented within "Other, net."

The following table provides the key assumptions that were used to calculate the net periodic benefits cost for our various plans:

	Pension Benefits			Other Postretirement Benefits		
	2025	2024	2023	2025	2024	2023
Weighted-average Assumptions to Determine Net Periodic Benefit Cost						
Discount rate - service cost	5.74 %	5.06 %	5.25 %	5.89 %	5.14 %	5.30 %
Discount rate - interest cost	5.28 %	4.88 %	5.06 %	5.35 %	4.89 %	5.07 %
Expected long-term rate of return on plan assets	7.30 %	7.02 %	7.00 %	7.09 %	7.06 %	6.96 %
Rate of compensation increases	4.00 %	4.00 %	4.00 %	N/A	N/A	N/A
Interest crediting rates	4.00 %	4.00 %	4.00 %	N/A	N/A	N/A

We assumed a 7.30% and 7.09% rate of return on pension and other postretirement plan assets, respectively, for our calculation of 2025 pension benefits and other postretirement benefits costs. These rates were primarily based on asset mix and historical rates of return and were adjusted in 2025 due to changes in asset allocation and projected market returns.

The following table provides other changes in plan assets and projected benefit obligations recognized in other comprehensive income or regulatory asset or liability:

	Pension Benefits		Other Postretirement Benefits	
	2025	2024	2025	2024
<i>(in millions)</i>				
Other Changes in Plan Assets and Projected Benefit Obligations Recognized in Other Comprehensive Income or Regulatory Asset or Liability				
Net prior service (credit) cost	\$ —	\$ —	\$ (30.3)	\$ —
Net actuarial (gain) loss	(5.6)	(13.1)	(13.7)	(26.4)
One time charge	(6.5)	(7.2)	(3.4)	—
Less: amortization of prior service cost	(0.1)	(0.1)	2.6	1.8
Less: amortization of net actuarial loss	(25.5)	(28.6)	(1.7)	(3.2)
Total Recognized in Other Comprehensive Income or Regulatory Asset or Liability	\$ (37.7)	\$ (49.0)	\$ (46.5)	\$ (27.8)
Amount Recognized in Net Periodic Benefits Cost and Other Comprehensive Income or Regulatory Asset or Liability	\$ (14.2)	\$ (21.6)	\$ (35.1)	\$ (15.5)

In August 2025, we communicated to plan participants of one of our OPEB plans the intention to move from a group self insured Medicare supplemental health plan to a Sponsored Health Reimbursement Account, with eligible retirees electing coverage through a Healthcare Exchange, effective on January 1, 2026. Given the intention of the plan and communication to participants, this was considered a plan amendment at the time of communication. This plan amendment triggered remeasurement of this plan, resulting in a decrease to the OPEB regulatory asset of \$5.7 million, a decrease to OPEB liability of \$23.3 million, and an increase to accumulated other comprehensive loss of \$17.6 million. Net periodic OPEB benefit cost for 2025 decreased by \$1.7 million as a result of the interim remeasurement. Additionally, this change resulted in the Net prior service (credit) cost of \$30.3 million in the table above.

In line with the remeasurement, key inputs, economic assumptions, and demographic assumptions changed to calculate the updated OPEB benefit obligation and the net periodic benefit cost at the interim remeasurement date for the plan that triggered settlement accounting. For remeasurement, we used a weighted-average discount rate of 5.53%, a weighted-average health care trend rate of 9.97% for next year and ultimate trend rate of 4.75% to be reached in 2034, and weighted-average expected return on assets of 6.88%.

17. Share-Based Compensation

Prior to May 19, 2020, we issued share-based compensation to employees and non-employee directors under the NiSource Inc. 2010 Omnibus Plan ("2010 Omnibus Plan"), which was most recently approved by stockholders at the Annual Meeting of Stockholders held on May 12, 2015. The 2010 Omnibus Plan provided for awards to employees and non-employee directors of incentive and nonqualified stock options, stock appreciation rights, restricted stock, restricted stock units, performance shares, performance units, cash-based awards and other stock-based awards and superseded the Director Stock Incentive Plan ("Director Plan") with respect to grants made after the effective date of the 2010 Omnibus Plan.

The stockholders approved and adopted the NiSource Inc. 2020 Omnibus Incentive Plan ("2020 Omnibus Plan") at the Annual Meeting of Stockholders held on May 19, 2020. The 2020 Omnibus Plan provides for awards to employees and non-employee directors of incentive and nonqualified stock options, stock appreciation rights, restricted stock, restricted stock units, performance shares, performance units, cash-based awards and other stock-based awards and supersedes the 2010 Omnibus Plan with respect to grants made after the effective date of the 2020 Omnibus Plan.

The 2020 Omnibus Plan provides that the number of shares of common stock of NiSource available for awards is 10,000,000 plus the number of shares subject to outstanding awards that expire or terminate for any reason that were granted under the 2020 Omnibus Plan, the 2010 Omnibus Plan or any other equity plan under which awards were outstanding as of May 19, 2020. At December 31, 2025, there were 6,537,216 shares available for future awards under the 2020 Omnibus Plan.

We recognized stock-based employee compensation expense of \$40.9 million, \$32.1 million and \$23.9 million, during 2025, 2024 and 2023, respectively, as well as capitalized stock-based compensation cost of \$5.1 million, \$4.1 million, and zero during the same periods. We recognized related tax benefits of \$11.1 million, \$7.0 million and \$7.7 million, during 2025, 2024 and 2023, respectively. We recognized related excess tax benefits from the distribution of vested share-based employee compensation of \$5.1 million, \$2.0 million, and \$2.9 million in 2025, 2024 and 2023, respectively.

As of December 31, 2025, the total remaining unrecognized compensation cost related to non-vested awards amounted to \$59.2 million, which will be amortized over the weighted-average remaining requisite service period of 1.8 years.

Restricted Stock Units and Restricted Stock. We granted 550,614, 655,713, and 500,968 restricted stock units and shares of restricted stock to employees, subject to service conditions in 2025, 2024, and 2023, respectively. The total grant date fair value of the restricted stock units and shares of restricted stock during 2025, 2024, and 2023, respectively, was \$21.2 million, \$17.1 million, and \$13.7 million. The grant date fair value for the 2025, 2024 and 2023 awards is based on the average market price of our common stock at the date of each grant. The awards are expensed over the vesting period which is generally three years. As of December 31, 2025, 521,157, 508,444, and 316,439 non-vested restricted stock units and shares of restricted stock granted in 2025, 2024, and 2023, respectively, were outstanding. Our non-vested restricted stock units have a non-forfeitable right to dividend equivalents, with immaterial amounts paid in the periods ending December 31, 2025 and 2023. See Note 5, "Earnings Per Share," for further discussion.

In general, if an employee terminates employment before the service conditions lapse under the 2023, 2024 or 2025 awards due to (i) retirement or disability (as defined in the 2020 Omnibus Plan), or (ii) death, the service conditions will lapse on the date of such termination with respect to a pro rata portion of the restricted stock units and shares of restricted stock based upon the percentage of the service period satisfied between the grant date and the date of the termination of employment. In the event of a change in control (as defined in the 2020 Omnibus Plan), all unvested shares of restricted stock and restricted stock units awarded will immediately vest upon termination of employment occurring in connection with a change in control. Termination due to any other reason, in general, will result in all unvested shares of restricted stock and restricted stock units awarded being forfeited effective on the employee's date of termination.

A summary of our restricted stock unit award transactions for the year ended December 31, 2025 is as follows:

<i>(shares)</i>	Restricted Stock Units	Weighted Average Award Date Fair Value Per Unit (\$)
Non-vested at December 31, 2024	1,328,120	26.49
Granted	550,614	38.59
Forfeited	(92,759)	29.98
Vested	(368,139)	26.57
Non-vested at December 31, 2025	1,417,836	31.19

Employee Performance Shares. We granted 643,683 performance shares subject to service, performance and/or market-based vesting conditions in 2025. The performance conditions for these shares are based on the achievement of one non-GAAP financial measure, achievement of relative total shareholder return, and other operational metrics, which make up 50%, 30%, and 20% of the issued awards respectively.

The non-GAAP financial measure is cumulative adjusted earnings per share, which we define as diluted earnings per share adjusted for certain items. Relative total shareholder return, a market-based vesting condition, which we define as the annualized growth in dividends and share price of a share of our common stock (calculated using a 20 trading day average of our closing price over the performance period, approximately) compared to the total shareholder return of a predetermined peer group of companies. A Monte Carlo analysis was used to value the portion of these awards dependent on the market-based vesting condition. The grant date fair value of the non-GAAP financial measure shares is based on the closing stock price of our common stock at the date of each grant, which will be expensed over the requisite service period of three years. The conditions for the remaining performance-based awards are based on operational goals of Annual Operational Index Scorecard (10%), Employee Engagement Index Score (5%), and Environmental Greenhouse Gas Reduction (5%).

In 2024, we granted 896,363 performance shares subject to service, performance and/or market-based vesting conditions. The performance conditions for these shares are based on the achievement of one non-GAAP financial measure, achievement of relative total shareholder return, and other operational metrics, which make up 55%, 25%, and 20% of the issued awards respectively. The conditions for the remaining performance-based awards are based on operational goals of Annual Operational Index Scorecard (10%), Employee Engagement Index Score (5%), and Environmental Greenhouse Gas Reduction (5%).

In 2023, we granted 649,088 performance shares subject to service, performance and/or market-based vesting conditions. The performance conditions for these shares are based on the achievement of one non-GAAP financial measure, achievement of relative total shareholder return, and other operational metrics, which make up 50%, 25%, and 25% of the issued awards respectively. The operational metrics consist of goals of economic inclusion (5%), OPEX ("Operating Expenses") Index (10%), Employee Engagement Index Score (5%), and Environmental GHG Reduction (5%). The OPEX Index is further defined by goals related to risk mitigation and modernization of our infrastructure.

The following table presents details of the performance awards described above.

Award Year	Service Conditions Lapse date	Performance Period	Award Conditions	Shares outstanding at 12/31/2025 (shares)	Grant Date Fair Value (in millions)
2025	2/29/2028	01/01/2025-12/31/2027	Non-GAAP Financial and Operational Measures	449,007	\$ 11.5
			Relative Total Shareholder Return	190,095	\$ 4.7
2024	2/26/2027	01/01/2024-12/31/2026	Non-GAAP Financial and Operational Measures	610,945	\$ 15.7
			Relative Total Shareholder Return	203,614	\$ 6.2
2023	2/28/2026	01/01/2023-12/31/2025	Non-GAAP Financial and Operational Measures	421,980	\$ 17.1
			Relative Total Shareholder Return	140,647	\$ 9.3

A summary of our performance award transactions for the year ended December 31, 2025 is as follows:

(shares)	Performance Awards	Weighted Average Grant Date Fair Value Per Unit (\$)
Non-vested at December 31, 2024	1,719,223	24.96
Granted	643,683	41.26
Forfeited	(83,879)	31.36
Vested	(334,843)	32.91
Non-vested at December 31, 2025	1,944,184	18.93

Non-employee Director Awards. As of May 19, 2020, awards to non-employee directors may be made only under the 2020 Omnibus Plan. Currently, restricted stock units are granted annually to non-employee directors, subject to a non-employee director's election to defer receipt of such restricted stock unit award. The non-employee director's annual award of restricted stock units vest on the first anniversary of the grant date subject to special pro-rata vesting rules in the event of retirement or disability (as defined in the award agreement), or death. The vested restricted stock units are payable as soon as practicable following vesting except as otherwise provided pursuant to the non-employee director's deferral election. Certain restricted stock units remain outstanding from the 2010 Omnibus Plan and the Director Plan. All such awards are fully vested and shall be distributed to the directors upon their separation from the Board.

As of December 31, 2025, 292,441 restricted stock units are outstanding to non-employee directors under either the 2020 Omnibus Plan, the 2010 Omnibus Plan or the Director Plan. Of this amount, 50,612 restricted stock units are unvested and expected to vest.

401(k) Match, Profit Sharing and Company Contribution. Eligible salaried employees hired after January 1, 2010 and hourly and union employees hired after January 1, 2013 receive a non-elective company contribution of 4.5% of eligible pay payable in cash or shares of NiSource common stock. We also have a voluntary 401(k) savings plan covering eligible union and nonunion employees that allows for periodic discretionary matches as a percentage of each participant's contributions payable in cash or shares. Further, we have a retirement savings plan that provides for discretionary profit sharing contributions to eligible employees. For the years ended December 31, 2025, 2024 and 2023, we recognized 401(k) match, profit sharing and non-elective contribution expense of \$59.0 million, \$56.9 million and \$50.7 million, respectively.

18. Leases

Lease Descriptions. We are the lessee for substantially all of our leasing activity, which includes operating and finance leases for corporate and field offices, railcars, land, and fleet vehicles. Our corporate and field office leases and certain land leases have remaining terms between 1 and 38 years with options to renew the leases for up to 35 years. We lease railcars to transport coal to and from our electric generation facilities in Indiana. Our railcars are specifically identified in the lease agreements which have remaining lease terms between 1 and 3 years with options to renew for 1 year. Our fleet vehicles include trucks, trailers and equipment that have been customized specifically for use in the utility industry. We lease fleet vehicles for 1 year terms, after which we have the option to extend on a month-to-month basis or terminate with written notice. We elected the short-term lease practical expedient, allowing us to not recognize ROU assets or lease liabilities for all leases with a term of 12 months or less. ROU assets and liabilities on our Consolidated Balance Sheets do not include obligations for possible fleet vehicle lease renewals beyond the initial lease term. While we have the ability to renew these leases beyond the initial term, we are not reasonably certain to do so.

We have not provided material residual value guarantees for our leases, nor do our leases contain material restrictions or covenants. Lease contracts containing renewal and termination options are mostly exercisable at our sole discretion. Certain of our real estate and railcar leases include renewal periods in the measurement of the lease obligation if we have deemed the renewals reasonably certain to be exercised.

With respect to service contracts involving the use of assets, if we have the right to direct the use of the asset and obtain substantially all economic benefits from the use of an asset, we account for the service contract as a lease. Unless specifically provided to us by the lessor, we utilize NiSource's collateralized incremental borrowing rate commensurate to the lease term as the discount rate for all of our leases. ASC 842 permits a lessee, by class of underlying asset, not to separate nonlease components from lease components. Our policy is to apply this expedient for our leases of fleet vehicles, IT assets and railcars when calculating their respective lease liabilities.

Lease costs for the years ended December 31, 2025 and December 31, 2024 are presented in the table below. These costs include both amounts recognized in expense and amounts capitalized as part of the cost of another asset. Income statement presentation for these costs (when ultimately recognized on the income statement) is also included:

Year Ended December 31, <i>(in millions)</i>	Income Statement Classification	2025	2024
Finance lease cost			
Amortization of right-of-use assets	Depreciation and amortization	\$ 20.5	\$ 27.1
Interest on lease liabilities	Interest expense, net	12.9	13.5
Total finance lease cost		33.4	40.6
Operating lease cost	Operation and maintenance	14.3	14.7
Total lease cost		\$ 47.7	\$ 55.3

Our right-of-use assets and liabilities are presented in the following lines on the Consolidated Balance Sheets:

At December 31, <i>(in millions)</i>	Balance Sheet Classification	2025	2024
Assets			
Finance leases	Net Property, Plant and Equipment	\$ 249.8	\$ 222.9
Operating leases	Deferred charges and other	25.8	26.4
Total leased assets		\$ 275.6	\$ 249.3
Liabilities			
Current			
Finance leases	Current portion of long-term debt	\$ 19.7	\$ 22.9
Operating leases	Other accruals	9.7	9.1
Noncurrent			
Finance leases	Long-term debt, excluding amounts due within one year	254.3	223.3
Operating leases	Other noncurrent liabilities and deferred credits	17.2	18.2
Total lease liabilities		\$ 300.9	\$ 273.5

Other pertinent information related to leases was as follows:

Year Ended December 31, <i>(in millions)</i>	2025	2024
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows used for finance leases	\$ 14.5	\$ 11.2
Operating cash flows used for operating leases	15.7	14.5
Financing cash flows used for finance leases	22.0	26.9
Right-of-use assets obtained in exchange for lease obligations		
Finance leases	50.2	65.9
Operating leases	\$ 13.9	\$ 12.2

	December 31, 2025	December 31, 2024
Weighted-average remaining lease term (years)		
Finance leases	21.8	20.5
Operating leases	5.3	5.6
Weighted-average discount rate		
Finance leases	5.7 %	5.6 %
Operating leases	4.5 %	4.5 %

Maturities of our lease liabilities as of December 31, 2025 were as follows:

As of December 31, 2025, <i>(in millions)</i>	Total	Finance Leases	Operating Leases
2026	\$ 43.3	\$ 32.6	\$ 10.7
2027	32.5	27.4	5.1
2028	30.0	26.2	3.8
2029	24.5	21.3	3.2
2030	24.4	22.3	2.1
Thereafter	373.7	368.1	5.6
Total lease payments	528.4	497.9	30.5
Less: Imputed interest	(227.5)	(223.9)	(3.6)
Total	\$ 300.9	\$ 274.0	\$ 26.9
Reported as of December 31, 2025			
Short-term lease liabilities	29.4	19.7	9.7
Long-term lease liabilities	271.5	254.3	17.2
Total lease liabilities	\$ 300.9	\$ 274.0	\$ 26.9

19. Other Commitments and Contingencies

A. Contractual Obligations. We have certain contractual obligations requiring payments at specified periods. The obligations include long-term debt, lease obligations, energy commodity contracts and obligations for various services including pipeline capacity and outsourcing of IT services. The total contractual obligations in existence at December 31, 2025 and their maturities were:

<i>(in millions)</i>	Total	2026	2027	2028	2029	2030	After
Long-term debt ⁽¹⁾	\$ 15,345.0	\$ —	\$ 1,090.0	\$ 1,055.0	\$ 1,350.0	\$ 1,000.0	\$ 10,850.0
Interest payments on long-term debt	12,361.2	729.1	725.1	675.0	647.3	575.9	9,008.8
Finance leases ⁽²⁾	497.9	32.6	27.4	26.2	21.3	22.3	368.1
Operating leases ⁽³⁾	30.5	10.7	5.1	3.8	3.2	2.1	5.6
Energy commodity and capacity contracts	476.9	315.9	116.7	9.3	7.6	4.6	22.8
Service obligations:							
Pipeline service obligations	2,829.1	809.5	879.3	482.3	326.5	156.6	174.9
IT service obligations	322.1	98.3	81.8	61.7	43.0	37.3	—
Plant equipment purchase obligations	103.3	87.6	10.4	5.3	—	—	—
Other liabilities ⁽⁴⁾	120.3	74.0	10.1	9.5	8.4	8.0	10.3
Total contractual obligations	\$ 32,086.3	\$ 2,157.7	\$ 2,945.9	\$ 2,328.1	\$ 2,407.3	\$ 1,806.8	\$ 20,440.5

⁽¹⁾ Long-term debt balance excludes unamortized issuance costs and discounts of \$141.5 million and finance leases of \$274.0 million.

⁽²⁾ Finance lease payments shown above are inclusive of interest totaling \$223.9 million.

⁽³⁾ Operating lease payments shown above are inclusive of interest totaling \$3.6 million. Operating lease balances do not include obligations for possible fleet vehicle lease renewals beyond the initial lease term. While we have the ability to renew these leases beyond the initial term, we are not reasonably certain to do so as they are renewed month-to-month after the first year.

⁽⁴⁾ Other liabilities shown above are primarily related to the current EPC contract and ongoing maintenance service agreements for our renewable joint ventures.

Purchase and Service Obligations. We have entered into various purchase and service agreements whereby we are contractually obligated to make certain minimum payments in future periods. Our energy commodity contracts are for the purchase of physical quantities of natural gas, electricity, coal and purchases of electric capacity. Our service obligations, consisting of pipeline service obligations and IT service obligations, encompass a broad range of business support and maintenance functions which are generally described below. Our plant equipment purchase obligations are for plant equipment, typically for generation assets, with long lead times that require payments made over time.

Our subsidiaries have entered into various energy commodity contracts to purchase physical quantities of natural gas, electricity, coal and purchases of electric capacity. These amounts represent the minimum quantity of these commodities we are obligated to purchase at both fixed and variable prices. To the extent contractual purchase prices are variable, obligations disclosed in the table above are valued at market prices as of December 31, 2025.

NIPSCO has PPAs representing approximately 1,200 MW of capacity, with contracts expiring between 2038 and 2045. No minimum quantities are specified within these agreements due to the variability of electricity generation, so no amounts related to these contracts are included in the table above. Upon early termination of one of these agreements by NIPSCO for any reason (other than material breach by the counterparties), NIPSCO may be required to pay a termination charge that could be material depending on the events giving rise to termination and the timing of the termination.

We have pipeline service agreements that provide for pipeline capacity, transportation and storage services. These agreements, which have expiration dates ranging from 2030 to 2044, require us to pay fixed monthly charges.

NIPSCO has contracts with three rail operators providing coal transportation services for which there are certain minimum payments. These service contracts extend for various periods from 2026 through 2028.

We have executed agreements with multiple IT service providers. The agreements extend for various periods through 2030.

B. Guarantees and Indemnities. We and certain of our subsidiaries enter into various agreements providing financial or performance assurance to third parties on behalf of certain subsidiaries as part of normal business. Such agreements include guarantees and stand-by letters of credit. These agreements are entered into primarily to support or enhance the creditworthiness otherwise attributed to a subsidiary on a stand-alone basis, thereby facilitating the extension of sufficient credit to accomplish

the subsidiaries' intended commercial purposes. At December 31, 2025 and 2024, we issued letters of credit of \$119.0 million and \$9.4 million, respectively, for the benefit of third parties.

We provide guarantees related to our future performance under BTAs for our renewable generation projects. At December 31, 2025 and 2024, our guarantees for multiple BTAs totaled \$27.2 million and \$1,127.5 million, respectively. The amount of each guaranty will decrease upon the substantial completion of the construction of the facilities. See "- E. Other Matters - Generation Transition," below for more information.

We provide guarantees related to some of our rail and pipeline service agreements. If we do not meet our contractual obligations under the terms of these agreements we would be required to pay up to a maximum of \$52.0 million.

C. Legal Proceedings. From time to time, various legal and regulatory claims and proceedings are pending or threatened against the Company and its subsidiaries. While the amounts claimed may be substantial, the Company is unable to predict with certainty the ultimate outcome of such claims and proceedings. The Company establishes reserves whenever it believes it to be appropriate for pending litigation matters. However, the actual results of resolving the pending litigation matters may be substantially higher than the amounts reserved. If one or more other matters were decided against us, the effects could be material to our results of operations in the period in which we would be required to record or adjust the related liability and could also be material to our cash flows in the periods that we would be required to pay such liability. Due to the inherent uncertainty of litigation, there can be no assurance that the resolution of any particular claim, proceeding or investigation would not have a material adverse effect on our results of operations, financial position or liquidity.

Other Claims and Proceedings. We are also party to certain other claims, regulatory and legal proceedings arising in the ordinary course of business in each state in which we have operations, and based upon an investigation of these matters and discussion with legal counsel, we believe the ultimate outcome of such other legal proceedings to be individually, or in aggregate, not material at this time.

D. Environmental Matters. Our operations are subject to environmental statutes and regulations related to air quality, water quality, hazardous waste and solid waste. We believe that we are in substantial compliance with the environmental regulations currently applicable to our operations.

It is management's continued intent to address environmental issues in cooperation with regulatory authorities in such a manner as to achieve mutually acceptable compliance plans. However, there can be no assurance that fines and penalties will not be incurred. Management expects the majority of environmental assessment and remediation costs and asset retirement costs, further described below, to be recoverable through rates. See Note 11, "Asset Retirement Obligations" and Note 12, "Regulatory Matters," for additional detail.

As of December 31, 2025 and 2024, we had recorded a liability of \$82.6 million and \$91.8 million, respectively, to cover environmental remediation at various sites. This liability is included in "Other accruals" and "Other noncurrent liabilities and deferred credits" in the Consolidated Balance Sheets. We recognize costs associated with environmental remediation obligations when the incurrence of such costs is probable and the amounts can be reasonably estimated. The original estimates for remediation activities may differ materially from the amount ultimately expended. The actual future expenditures depend on many factors, including laws and regulations, the nature and extent of impact and the method of remediation. These expenditures are not currently estimable at some sites. We periodically adjust our liability as information is collected and estimates become more refined.

CERCLA. Our subsidiaries are potentially responsible parties at waste disposal sites under the CERCLA and similar state laws. Under CERCLA, each potentially responsible party can be held jointly, severally and strictly liable for the remediation costs as the EPA, or state, can allow the parties to pay for remedial action or perform remedial action themselves and request reimbursement from the potentially responsible parties. Our affiliates have retained CERCLA environmental liabilities, including remediation liabilities, associated with certain current and former operations. At this time, we cannot estimate the full cost of remediating properties that have not yet been investigated, but it is possible that the future costs could be material to the Consolidated Financial Statements.

MGP. We maintain a program to identify and investigate former MGP sites where gas distribution subsidiaries or predecessors may have liability. The program has identified 41 such sites where liability is probable. Remedial actions at many of these sites are being overseen by state or federal environmental agencies through consent agreements or voluntary remediation agreements.

We utilize a probabilistic model to estimate our future remediation costs related to MGP sites. The model was prepared with the assistance of a third party and incorporates our experience and general industry experience with remediating MGP sites. We complete an annual refresh of the model in the second quarter of each fiscal year. No material changes to the estimated future remediation costs were identified during the update completed as of June 30, 2025. Our total estimated liability related to the facilities subject to remediation was \$75.5 million and \$86.4 million at December 31, 2025 and 2024, respectively. The liability represents our best estimate of the probable cost to remediate the MGP sites. Our model indicates that it is reasonably possible that remediation costs could vary by as much as \$16.5 million in addition to the costs noted above. Remediation costs are estimated based on the best available information, applicable remediation standards at the balance sheet date, and experience with similar facilities.

CCRs. NIPSCO continues to meet the compliance requirements established by the EPA for the regulation of CCRs. The CCR rule requirements currently in effect required revisions to previously recorded legal obligations associated with the retirement of certain NIPSCO facilities. The actual asset retirement costs related to the CCR rule may vary substantially from the estimates used to record the increased asset retirement obligation due to the uncertainty about the requirements that will be established by environmental authorities, compliance strategies that will be used and the preliminary nature of available data used to estimate costs. As allowed by the rule, NIPSCO will continue to collect data over time to determine the specific compliance solutions and associated costs and, as a result, the actual costs may vary.

On May 8, 2024, the EPA finalized changes to the current CCR regulations ("Legacy CCR Rule") which address inactive surface impoundments at inactive facilities, referred to as legacy impoundments, and CCR management units ("CCRMUs") at inactive and active facilities. The rule largely requires these newly regulated units to conform to existing requirements, such as groundwater monitoring, closure requirements, and post-closure care. During 2025, we accrued an additional \$48.9 million to cover probable and estimable compliance activities associated with the Legacy CCR Rule. NIPSCO continues to assess whether existing legal obligations associated with the retirement of certain facilities must be revised and to estimate probable additional required asset retirement costs. NIPSCO expects to receive recovery of any such costs through existing and future depreciation rates.

E. Other Matters

Generation Transition. In October 2024, NIPSCO contracted with a developer to convert the previously approved Templeton PPA to a BTA and in February 2025 filed a CPCN with the IURC seeking approval of the full ownership BTA structure. In September 2025, the IURC granted NIPSCO a CPCN to acquire Templeton through the full ownership BTA structure. NIPSCO's purchase obligation under Templeton is dependent on timely completion of construction. Certain agreements require NIPSCO to make partial payments upon the developer's completion of significant construction milestones.

In January 2025, the Fairbanks project achieved mechanical completion, resulting in NIPSCO making a \$336.6 million payment to the developer. In May 2025, the Fairbanks project achieved substantial completion, resulting in NIPSCO making a \$141.4 million payment to the developer in June 2025. In December 2025, the Fairbanks project achieved final completion, resulting in NIPSCO making a \$3.6 million payment to the developer.

In January 2025, the Dunns Bridge II project achieved substantial completion, resulting in NIPSCO making a \$217.6 million payment to the developer in February 2025. In October 2025, the Dunns Bridge II project achieved final completion resulting in a NIPSCO making a \$4.2 million payment to the developer.

In June 2025, the Gibson project achieved mechanical completion, resulting in NIPSCO making a \$262.4 million payment to the developer. In August 2025, the Gibson project achieved substantial completion, resulting in NIPSCO making a \$133.7 million payment to the developer in September 2025.

NIPSCO Minority Interest Transaction. In December 2023, pursuant to the terms of the BIP Purchase Agreement and simultaneously with the closing of the NIPSCO Minority Interest Transaction, Blackstone, NIPSCO Holdings I, NIPSCO Holdings II and NiSource entered into an Amended and Restated Limited Liability Company Agreement of NIPSCO Holdings II. In January 2024, BIP transferred a 4.5% portion of its equity interest to one of its affiliates and the members of NIPSCO Holdings II entered into a Second Amended and Restated Limited Liability Company Operating Agreement of NIPSCO Holdings II. In October 2025, the members of NIPSCO Holdings II entered into a Third Amended and Restated LLC Agreement of NIPSCO Holdings II (the "Amended LLC Agreement"), which, among other changes, increased the amount and time period for additional mandatory capital contributions required to be contributed by the members affiliated with Blackstone by \$175 million and seven years, which obligation is backed by an Equity Commitment Letter from Blackstone or an affiliate thereof, and amended certain provisions to facilitate NIPSCO Holdings II and its subsidiaries' provision of electric service to

data center customers (and related activities) and their related contracts and arrangements with Generation Holdings II and its subsidiaries. The members of NIPSCO Holdings II that are affiliates of Blackstone must vote their equity holdings under the Amended LLC Agreement as one investor. Refer to Note 4, "Noncontrolling Interests," in the Notes to the Consolidated Financial Statements for more information on this transition.

GenCo Minority Interest Transaction. In October 2025, NiSource issued a 19.9% indirect equity interest in NiSource's wholly-owned subsidiary GenCo to BIP Orion Holdco L.P. and BIP Orion Holdco II L.P., affiliates of Blackstone (collectively, "Blackstone Investor"), in exchange for \$35.2 million in cash contributions to Generation Holdings II through the Generation Holdings II LLC Agreement. We analyzed the Generation Holdings II LLC Agreement and determined that we maintain the decision-making activities over Generation Holdings II and its wholly owned subsidiary GenCo, making Generation Holdings II a consolidated VIE. Generation Holding II is considered a VIE as it passes the variability of its operating results through to its shareholders (Generation Holdings I and Blackstone Investor) and has insufficient equity to finance its activities without additional subordinated financial support.

Refer to Note 4, "Noncontrolling Interest," for detailed discussion of accounting for the GenCo Minority Interest Transaction.

The foregoing descriptions of the Generation Holdings II LLC Agreement and the Amended LLC Agreement do not purport to be complete and are qualified in their entirety by reference to the terms and conditions of the Generation Holdings II LLC Agreement and Amended LLC Agreement, which are filed as Exhibits 10.17 and 10.16, respectively, and are incorporated by reference herein.

EPC Agreements. GenCo has entered into certain EPC contracts to construct generation capacity assets to support the ADS Contract, requiring payments at specified periods. The assets contemplated by these contracts are subject to IURC approval. We may terminate for convenience the EPC Contracts and pay certain incurred project costs and termination fees if the ADS Contract is terminated or IURC approval of the underlying assets is not obtained. Amounts that will be owed in the event of termination are included in the table above.

20. Accumulated Other Comprehensive Loss

The following table displays the activity of Accumulated Other Comprehensive Loss, net of tax:

<i>(in millions)</i>	Gains and Losses on Securities ⁽¹⁾	Gains and Losses on Cash Flow Hedges ⁽¹⁾	Pension and OPEB Items ⁽¹⁾	Accumulated Other Comprehensive Loss ⁽¹⁾
Balance as of December 31, 2022	\$ (11.2)	\$ (12.6)	\$ (13.3)	\$ (37.1)
Other comprehensive (loss) income before reclassifications	3.1	(0.5)	(1.4)	1.2
Amounts reclassified from accumulated other comprehensive loss	0.8	0.3	1.2	2.3
Net current-period other comprehensive (loss) income	3.9	(0.2)	(0.2)	3.5
Balance as of December 31, 2023	\$ (7.3)	\$ (12.8)	\$ (13.5)	\$ (33.6)
Other comprehensive (loss) income before reclassifications	1.5	—	(1.2)	0.3
Amounts reclassified from accumulated other comprehensive loss	1.8	(0.4)	1.5	2.9
Net current-period other comprehensive (loss) income	3.3	(0.4)	0.3	3.2
Balance as of December 31, 2024	\$ (4.0)	\$ (13.2)	\$ (13.2)	\$ (30.4)
Other comprehensive income before reclassifications	5.0	—	19.5	24.5
Amounts reclassified from accumulated other comprehensive loss	(0.9)	(0.4)	1.0	(0.3)
Net current-period other comprehensive income (loss)	4.1	(0.4)	20.5	24.2
Balance as of December 31, 2025	\$ 0.1	\$ (13.6)	\$ 7.3	\$ (6.2)

⁽¹⁾All amounts are net of tax. Amounts in parentheses indicate debits.

21. Business Segment Information

Our reportable segments reflect the manner in which our business is managed and our resources are allocated. Following the consummation of the NIPSCO Minority Interest Transaction, we revised how we evaluate results and allocate resources across our business with an increased focus on operating performance at the state level. Refer to Note 4, "Noncontrolling Interests," for additional information on the NIPSCO Minority Interest Transaction. At December 31, 2025, our operations are divided into two primary reportable segments, the Columbia Operations and the NIPSCO Operations segments. Columbia Operations aggregates the results of the fully regulated and wholly owned subsidiaries of NiSource Gas Distribution Group, Inc. (a holding company that owns Columbia of Kentucky, Columbia of Maryland, Columbia of Ohio, Columbia of Pennsylvania, and Columbia of Virginia). Each Columbia distribution company is an operating segment which we aggregate to form the Columbia Operations reportable segment. NIPSCO Operations includes the results of NIPSCO Holdings I and its majority-owned subsidiaries, including NIPSCO, which has fully regulated gas and electric operations in northern Indiana. Our historical segment disclosures have been recast to be consistent with the current presentation.

The remainder of our operations, which are not significant enough on a stand-alone basis to warrant treatment as an operating segment, are presented as "Corporate and Other" in the subsequent reconciliation table and primarily are comprised of interest expense on holding company debt and unallocated corporate costs and activities, as well as new business development costs associated with GenCo. Refer to Note 3, "Revenue Recognition," for additional information on our segments and their sources of revenues. The following table provides information about our reportable segments. We use operating income as our primary measurement for each of the reported segments and make decisions on financing, dividends and taxes at the corporate level on a consolidated basis. We provide this measure to our Chief Operating Decision Maker, the CEO, who utilizes this measure to make operating segment level strategy decisions based on budget-to-actual variances and against prior periods to allocate resources accordingly. Segment revenues include intersegment sales to affiliated subsidiaries, which are eliminated in consolidation. Affiliated sales are recognized on the basis of prevailing market, regulated prices or at levels provided for under contractual agreements. Operating income is derived from revenues and expenses directly associated with each segment.

Year Ended December 31, 2025 (in millions)

	Columbia Operations		NIPSCO Operations		Total of Reportable Segments
Operating Revenues					
External revenue	\$	3,330.0	\$	3,307.4	\$ 6,637.4
Intersegment revenue		13.3		1.1	14.4
Total Operating Revenue	\$	3,343.3	\$	3,308.5	\$ 6,651.8
Cost of energy		819.8		764.7	1,584.5
O&M		923.7		848.9	1,772.6
Depreciation		451.2		680.6	1,131.8
Total other taxes		253.2		75.5	328.7
Other segment items ⁽¹⁾		0.3		0.7	1.0
Operating Income	\$	895.1	\$	938.1	\$ 1,833.2
Capital Expenditures⁽²⁾	\$	1,213.0	\$	2,508.9	\$ 3,721.9
Assets	\$	15,903.7	\$	18,126.7	\$ 34,030.4

⁽¹⁾Other segment items consists of Loss (gain) on Sale or Impairment of Assets and other segment income or expenses deemed insignificant which are used to reach our measurement of segment profit or loss, Operating Income.

⁽²⁾Amounts differ from those presented on the Statements of Consolidated Cash Flows primarily due to the inclusion of capital expenditures in current liabilities, the capitalized portion of the Corporate Incentive Plan payout, and AFUDC Equity.

Year Ended December 31, 2024 (in millions)

	Columbia Operations	NIPSCO Operations	Total of Reportable Segments
Operating Revenues			
External revenue	\$ 2,703.2	\$ 2,751.0	\$ 5,454.2
Intersegment revenue	12.8	1.0	13.8
Total Operating Revenue	\$ 2,716.0	\$ 2,752.0	\$ 5,468.0
Cost of energy	514.7	617.5	1,132.2
O&M	837.5	761.4	1,598.9
Depreciation	409.1	590.3	999.4
Total other taxes	218.6	64.3	282.9
Other segment items⁽¹⁾	7.4	(1.3)	6.1
Operating Income	\$ 728.7	\$ 719.8	\$ 1,448.5
Capital Expenditures⁽²⁾	\$ 1,209.0	\$ 2,252.4	\$ 3,461.4
Assets	\$ 14,769.5	\$ 15,823.5	\$ 30,593.0

⁽¹⁾Other segment items consists of Loss(gain) on Sale or Impairment of Assets and other segment income or expenses deemed insignificant which are used to reach our measurement of segment profit or loss, Operating Income.

⁽²⁾Amounts differ from those presented on the Statements of Consolidated Cash Flows primarily due to the inclusion of capital expenditures in current liabilities, the capitalized portion of the Corporate Incentive Plan payout, and AFUDC Equity.

Year Ended December 31, 2023 (in millions)

	Columbia Operations	NIPSCO Operations	Total of Reportable Segments
Operating Revenues			
External revenue	\$ 2,733.9	\$ 2,770.7	\$ 5,504.6
Intersegment revenue	12.2	0.9	13.1
Total Operating Revenue	\$ 2,746.1	\$ 2,771.6	\$ 5,517.7
Cost of energy	645.0	888.3	1,533.3
O&M	792.3	787.7	1,580.0
Depreciation	371.7	493.8	865.5
Total other taxes	198.8	57.9	256.7
Other segment items⁽¹⁾	—	2.2	2.2
Operating Income	\$ 738.3	\$ 541.7	\$ 1,280.0
Capital Expenditures⁽²⁾	\$ 1,159.6	\$ 1,294.8	\$ 2,454.4
Assets	\$ 13,664.5	\$ 13,962.6	\$ 27,627.1

⁽¹⁾Other segment items consists of proceeds from a property insurance settlement related to the Greater Lawrence Incident and other segment income or expenses deemed insignificant which are used to reach our measurement of segment profit or loss, Operating Income.

⁽²⁾Amounts differ from those presented on the Statements of Consolidated Cash Flows primarily due to the inclusion of capital expenditures in current liabilities, the capitalized portion of the Corporate Incentive Plan payout, and AFUDC Equity.

To reconcile the segment tables above to consolidated NiSource:

Year Ended December 31, 2025 (in millions)

	Total Reportable Segments	Corporate and Other	Eliminations	Consolidated NiSource
Total Operating Revenue	\$ 6,651.8	\$ 600.1	\$ (609.7)	\$ 6,642.2
Operating Income	1,833.2	2.1	—	1,835.3
Capital Expenditures	3,721.9	329.7	—	4,051.6
Assets	34,030.4	1,828.3	—	35,858.7

Year Ended December 31, 2024 (in millions)

	Total Reportable Segments	Corporate and Other	Eliminations	Consolidated NiSource
Total Operating Revenue	\$ 5,468.0	\$ 581.9	\$ (594.8)	\$ 5,455.1
Operating Income	1,448.5	7.0	—	1,455.5
Capital Expenditures	3,461.4	231.1	—	3,692.5
Assets	30,593.0	1,195.1	—	31,788.1

Year Ended December 31, 2023 (in millions)

	Total Reportable Segments	Corporate and Other	Eliminations	Consolidated NiSource
Total Operating Revenue	\$ 5,517.7	\$ 504.6	\$ (516.9)	\$ 5,505.4
Operating Income	1,280.0	15.5	—	1,295.5
Capital Expenditures	2,454.4	236.3	—	2,690.7
Assets	27,627.1	3,450.1	—	31,077.2

22. Other, Net

The following table displays the components of Other, Net included on the Statements of Consolidated Income:

Year Ended December 31, (in millions)	2025	2024	2023
Interest income	\$ 10.2	\$ 10.4	\$ 9.0
AFUDC equity	32.7	75.1	25.2
Charitable contributions	(4.8)	(5.4)	(1.8)
Pension and other postretirement non-service cost ⁽¹⁾	(13.0)	(13.5)	(24.0)
Tax penalty	(4.0)	(0.7)	—
Heating assistance	(2.1)	(0.5)	(0.8)
Miscellaneous	1.1	(0.9)	0.4
Total Other, net	\$ 20.1	\$ 64.5	\$ 8.0

⁽¹⁾ See Note 16, "Pension and Other Postemployment Benefits," for additional information.

23. Interest Expense, Net

The following table displays the components of Interest Expense, Net included on the Statements of Consolidated Income:

Year Ended December 31, <i>(in millions)</i>	2025	2024	2023
Interest on long-term debt	\$ 647.8	\$ 506.2	\$ 404.1
Interest on short-term borrowings	36.7	43.2	108.9
Debt discount/cost amortization	15.2	13.8	13.5
Accounts receivable securitization fees	1.4	1.5	2.7
Allowance for borrowed funds used and interest capitalized during construction	(37.8)	(40.1)	(25.3)
Debt-based post-in-service carrying charges	(47.4)	(26.4)	(30.7)
Other	23.1	19.0	16.4
Total Interest Expense, net	\$ 639.0	\$ 517.2	\$ 489.6

24. Supplemental Cash Flow Information

The following table provides additional information regarding our Consolidated Statements of Cash Flows for the years ended December 31, 2025, 2024 and 2023:

Year Ended December 31, <i>(in millions)</i>	2025	2024	2023
Supplemental Disclosures of Cash Flow Information			
Non-cash transactions:			
Capital expenditures included in current liabilities	\$ 479.9	\$ 367.0	\$ 315.0
Assets acquired under a finance lease	50.2	65.9	64.5
Assets acquired under an operating lease	13.9	12.2	5.6
Assets recorded for asset retirement obligations ⁽¹⁾	88.7	277.4	61.1
Schedule of interest and income taxes paid:			
Cash paid for interest on debt, net of interest capitalized amounts	\$ 557.1	\$ 468.2	\$ 433.9
Cash paid for interest on finance leases	14.5	11.2	8.6
Cash paid for income taxes, net of refunds	3.3	4.3	9.4

⁽¹⁾See Note 11, "Asset Retirement Obligations," for additional information.

NISOURCE INC.
SCHEDULE II – VALUATION AND QUALIFYING ACCOUNTS

Twelve months ended December 31, 2025

(\$ in millions)	Balance Jan. 1, 2025	Additions		Deductions for Purposes for which Reserves were Created	Balance Dec. 31, 2025
		Charged to Costs and Expenses	Charged to Other Account ⁽¹⁾		
Reserves Deducted in Consolidated Balance Sheet from Assets to Which They Apply:					
Reserve for accounts receivable	\$ 23.7	\$ 40.8	\$ 40.9	\$ 64.8	\$ 40.6
Reserve for deferred charges and other	1.1	—	0.2	—	1.3

Twelve months ended December 31, 2024

(\$ in millions)	Balance Jan. 1, 2024	Additions		Deductions for Purposes for which Reserves were Created	Balance Dec. 31, 2024
		Charged to Costs and Expenses	Charged to Other Account ⁽¹⁾		
Reserves Deducted in Consolidated Balance Sheet from Assets to Which They Apply:					
Reserve for accounts receivable	\$ 22.9	\$ 23.2	\$ 32.3	\$ 54.7	\$ 23.7
Reserve for deferred charges and other	1.3	—	(0.2)	—	1.1

Twelve months ended December 31, 2023

		Additions			
	Balance Jan. 1, 2023	Charged to Costs and Expenses	Charged to Other Account ⁽¹⁾	Deductions for Purposes for which Reserves were Created	Balance Dec. 31, 2023
(\$ in millions)					
Reserves Deducted in Consolidated Balance Sheet from Assets to Which They Apply:					
Reserve for accounts receivable	\$ 23.9	\$ 23.4	\$ 36.6	\$ 61.0	\$ 22.9
Reserve for deferred charges and other	1.0	—	0.3	—	1.3

⁽¹⁾ Charged to Other Accounts reflects the deferral of bad debt expense to a regulatory asset or the movement of the reserve between short term and long term.

None.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our CEO and CFO are responsible for evaluating the effectiveness of disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)). Our disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed in reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure and is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. Based upon that evaluation, our CEO and CFO concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were effective at a reasonable assurance level.

Management's Annual Report on Internal Control over Financial Reporting

Our management, including our CEO and CFO, are responsible for establishing and maintaining internal control over financial reporting, as such term is defined under Rule 13a-15(f) or Rule 15d-15(f) promulgated under the Exchange Act. However, management would note that a control system can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Our management has adopted the 2013 framework set forth in the Committee of Sponsoring Organizations of the Treadway Commission report, Internal Control - Integrated Framework, the most commonly used and understood framework for evaluating internal control over financial reporting, as its framework for evaluating the reliability and effectiveness of internal control over financial reporting. We conducted an evaluation of our internal control over financial reporting. Based on this evaluation, management concluded that our internal control over financial reporting was effective as of the end of the period covered by this Annual Report on Form 10-K.

Deloitte & Touche LLP, our independent registered public accounting firm, issued an attestation report on our internal controls over financial reporting which is included herein.

Changes in Internal Controls

There have been no changes during the last fiscal quarter in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of NiSource Inc.

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of NiSource Inc. and subsidiaries (the “Company”) as of December 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2025, of the Company and our report dated February 11, 2026, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management’s Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ DELOITTE & TOUCHE LLP
Columbus, Ohio
February 11, 2026

NiSOURCE INC.**ITEM 9B. OTHER INFORMATION****Director and Officer Trading Arrangements**

The following table describes any contracts, instructions or written plans for the sale or purchase of NiSource securities and intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) of the Exchange Act that were adopted by our directors and executive officers during the quarter ended December 31, 2025:

Name and Title	Date of Adoption of Rule 10b5-1 Trading Plan	Scheduled Expiration Date of Rule 10b5-1 Trading Plan⁽¹⁾	Aggregate Number of Securities to Be Purchased or Sold
Shawn Anderson Executive Vice President, Chief Financial Officer	11/10/2025	5/29/2026	Sale of up to 12,500 shares of common stock

⁽¹⁾A trading plan may also expire on such earlier date that all transactions under the trading plan are completed.

During the quarter ended December 31, 2025, none of our directors or executive officers terminated a Rule 10b5-1 trading plan or adopted or terminated a non-Rule 10b5-1 trading arrangement (as defined in Item 408(c) of Regulation S-K).

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Except for the information required by this item with respect to our executive officers included at the end of Part I of this report on Form 10-K and the information with respect to our insider trading policy set forth below, the information required by this Item 10 is incorporated herein by reference to the discussion in "Proposal 1 Election of Directors," "Corporate Governance - Board Committee Composition," "Corporate Governance - Code of Business Conduct," and "Delinquent Section 16(a) Reports" of the Proxy Statement for the Annual Meeting of Stockholders to be held on May 11, 2026.

Insider Trading Policy

The Company has adopted an Insider Trading Policy, our "Securities Transaction Compliance Policy", governing the purchase, sale, and/or other dispositions of the Company's securities by our directors and all employees, including officers as defined under Rule 16a-1(f) of the Securities Exchange Act of 1934 and certain designated employees as well as their immediate family and members of their households, that we believe is reasonably designed to promote compliance with insider trading laws, rules and regulations and the exchange listing standards applicable to us. A copy of our policy is filed as Exhibit 19.1 to this Annual Report on Form 10-K.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this Item 11 is incorporated herein by reference to the discussion in "Compensation and Human Capital Committee Interlocks and Insider Participation," "2025 Director Compensation," "2025 Executive Compensation," "Compensation Discussion and Analysis (CD&A)," "Assessment of Risk," "2025 Pay Versus Performance," and "Compensation and Human Capital Committee Report" of the Proxy Statement for the Annual Meeting of Stockholders to be held on May 11, 2026.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by this Item 12 is incorporated herein by reference to the discussion in "Security Ownership of Certain Beneficial Owners and Management," and "Equity Compensation Plan Information" of the Proxy Statement for the Annual Meeting of Stockholders to be held on May 11, 2026.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required by this Item 13 is incorporated herein by reference to the discussion in "Corporate Governance - Policies and Procedures with Respect to Transactions with Related Persons" and "Corporate Governance - Director Independence" of the Proxy Statement for the Annual Meeting of Stockholders to be held on May 11, 2026.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The information required by this Item 14 is incorporated herein by reference to the discussion in "Independent Registered Public Accounting Firm Fees" of the Proxy Statement for the Annual Meeting of Stockholders to be held on May 11, 2026.

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES**Financial Statements and Financial Statement Schedules**

The following financial statements and financial statement schedules filed as a part of the Annual Report on Form 10-K are included in Item 8, "Financial Statements and Supplementary Data."

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Exhibits

The exhibits filed herewith as a part of this report on Form 10-K are listed on the Exhibit Index below. Each management contract or compensatory plan or arrangement of ours, listed on the Exhibit Index, is separately identified by an asterisk.

Pursuant to Item 601(b), paragraph (4)(iii)(A) of Regulation S-K, certain instruments representing long-term debt of our subsidiaries have not been included as Exhibits because such debt does not exceed 10% of the total assets of ours and our subsidiaries on a consolidated basis. We agree to furnish a copy of any such instrument to the SEC upon request.

EXHIBIT NUMBER	DESCRIPTION OF ITEM
(1.1)	Form of Equity Distribution Agreement (incorporated by reference to Exhibit 1.1 of the NiSource Inc. Form 8-K filed on October 31, 2025).
(1.2)	Form of Master Forward Sale Confirmation (incorporated by reference to Exhibit 1.2 of the NiSource Inc. Form 8-K filed on October 31, 2025).
(2.1)	Separation and Distribution Agreement, dated as of June 30, 2015, by and between NiSource Inc. and Columbia Pipeline Group, Inc. (incorporated by reference to Exhibit 2.1 to the NiSource Inc. Form 8-K filed on July 2, 2015).
(3.1)	Articles of Incorporation of NiSource Inc., as amended and restated through October 21, 2024 (incorporated by reference to Exhibit 3.3 to the NiSource Inc. Form 8-K filed on October 22, 2024).
(3.2)	Bylaws of NiSource Inc., as amended and restated through October 21, 2024 (incorporated by reference to Exhibit 3.4 to the NiSource Inc. Form 8-K filed on October 22, 2024).
(4.1)	Indenture, dated as of March 1, 1988, by and between Northern Indiana Public Service Company ("NIPSCO") and Manufacturers Hanover Trust Company, as Trustee (incorporated by reference to Exhibit 4 to the NIPSCO Registration Statement (Registration No. 33-44193)).
(4.2)	First Supplemental Indenture, dated as of December 1, 1991, by and between Northern Indiana Public Service Company and Manufacturers Hanover Trust Company, as Trustee (incorporated by reference to Exhibit 4.1 to the NIPSCO Registration Statement (Registration No. 33-63870)).
(4.3)	Indenture Agreement, dated as of February 14, 1997, by and between NIPSCO Industries, Inc., NIPSCO Capital Markets, Inc. and Chase Manhattan Bank as trustee (incorporated by reference to Exhibit 4.1 to the NIPSCO Industries, Inc. Registration Statement (Registration No. 333-22347)).
(4.4)	Second Supplemental Indenture, dated as of November 1, 2000, by and among NiSource Capital Markets, Inc., NiSource Inc., New NiSource Inc., and The Chase Manhattan Bank, as trustee (incorporated by reference to Exhibit 4.45 to the NiSource Inc. Form 10-K for the period ended December 31, 2000).
(4.5)	Indenture, dated November 14, 2000, among NiSource Finance Corp., NiSource Inc., as guarantor, and The Chase Manhattan Bank, as Trustee (incorporated by reference to Exhibit 4.1 to the NiSource Inc. Form S-3, dated November 17, 2000 (Registration No. 333-49330)).
(4.6)	Form of 3.490% Notes due 2027 (incorporated by reference to Exhibit 4.1 to the NiSource Inc. Form 8-K filed on May 17, 2017).

NiSOURCE INC.

- (4.7) Form of 4.375% Notes due 2047 (incorporated by reference to [Exhibit 4.2 to the NiSource Inc. Form 8-K](#) filed on May 17, 2017).
- (4.8) Form of 3.950% Notes due 2048 (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on September 8, 2017).
- (4.9) Second Supplemental Indenture, dated as of November 30, 2017, between NiSource Inc. and The Bank of New York Mellon, as trustee (incorporated by reference to [Exhibit 4.4 to Post-Effective Amendment No. 1 to Form S-3](#) filed November 30, 2017 (Registration No. 333-214360)).
- (4.10) Third Supplemental Indenture, dated as of November 30, 2017, between NiSource Inc. and The Bank of New York Mellon, as trustee (incorporated by reference to [Exhibit 4.2 to the NiSource Inc. Form 8-K](#) filed on December 1, 2017).
- (4.11) Second Supplemental Indenture, dated as of February 12, 2018, between Northern Indiana Public Service Company and The Bank of New York Mellon, solely as successor trustee under the Indenture dated as of March 1, 1988 between the Company and Manufacturers Hanover Trust Company, as original trustee. (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 10-Q](#) filed on May 2, 2018).
- (4.12) Fourth Supplemental Indenture, dated as of December 18, 2023, between NiSource, Inc. and The Bank of New York Mellon, as trustee, relating to the 7.99% Medium-Term Notes due 2027 and the 6.78% Senior Notes due 2027 (incorporated by reference to [Exhibit 10.1 to the NiSource Inc. Form 8-K](#) filed on December 18, 2023).
- (4.13) Subordinated Indenture, dated as of May 16, 2024, between NiSource Inc. and The Bank of New York Mellon, as trustee (incorporated by reference to [Exhibit 4.2 to the NiSource Form 8-K](#) filed on May 16, 2024).
- (4.14) First Supplemental Indenture, dated as of May 16, 2024, between NiSource Inc. and The Bank of New York Mellon, as trustee (incorporated by reference to [Exhibit 4.3 to the NiSource Form 8-K](#) filed on May 16, 2024).
- (4.15) Second Supplemental Indenture, dated as of September 09, 2024, between NiSource Inc. and The Bank of New York Mellon, as trustee (incorporated by reference to [Exhibit 4.2 to the NiSource Form 8-K](#) filed on September 09, 2024).
- (4.16) Form of 2.950% Notes due 2029 (incorporated by reference to [Exhibit 4.1 to NiSource Inc. Form 8-K](#) filed on August 12, 2019).
- (4.17) Form of 3.600% Notes due 2030 (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on April 8, 2020).
- (4.18) Form of 0.950% Notes due 2025 (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on August 18, 2020).
- (4.19) Form of 1.700% Notes due 2031 (incorporated by reference to [Exhibit 4.2 to the NiSource Inc. Form 8-K](#) filed on August 18, 2020).
- (4.20) Form of 5.000% Notes due 2052 (incorporated by reference to [Exhibit 4.1 of the NiSource Inc. Form 8-K](#) filed on June 10, 2022).
- (4.21) Form of 5.250% Notes due 2028 (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on March 24, 2023).
- (4.22) Form of 5.400% Notes due 2033 (incorporated by reference to [Exhibit 4.2 to the NiSource Inc. Form 8-K](#) filed on June 9, 2023).
- (4.23) Form of 5.350% Notes due 2034 (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on March 14, 2024).
- (4.24) Form of 6.950% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2054 (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on May 16, 2024).
- (4.25) Form of 5.200% Notes due 2029 (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on June 24, 2024).
- (4.26) Form of 6.375% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2055 (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on September 09, 2024).
- (4.27) Form of 6.25% Notes due 2040 (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on December 6, 2010).

NiSOURCE INC.

- (4.28) Form of 5.95% Notes due 2041 (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on June 10, 2011).
- (4.29) Form of 5.80% Notes due 2042 (incorporated by reference to [Exhibit 4.2 to the NiSource Inc. Form 8-K](#) filed on November 17, 2011).
- (4.30) Form of 5.25% Notes due 2043 (incorporated by reference to [Exhibit 4.2 to the NiSource Inc. Form 8-K](#) filed on June 14, 2012).
- (4.31) Form of 4.80% Notes due 2044 (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on April 12, 2013).
- (4.32) Form of 5.65% Notes due 2045 (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on October 7, 2013).
- (4.33) Form of 5.850% Notes due 2055 (incorporated by reference to [Exhibit 4.1 to the NiSource. Form 8-K](#) filed on March 27, 2025).
- (4.34) Form 5.350% Notes due 2035 (incorporated by reference to [Exhibit 4.1 to the NiSource. Form 8-K](#) filed on June 27, 2025).
- (4.35) Third Supplemental Indenture, dated as of November 7, 2025 between NiSource Inc. and The Bank of New York Mellon, as trustee (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on November 7, 2025).
- (4.36) Form of 5.750% Fixed-to-Fixed Reset Rate Junior Subordinated Note due 2056 (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on November 7, 2025).
- (4.37) Description of NiSource Inc.'s Securities Registered Under Section 12 of the Exchange Act (incorporated by reference to [Exhibit 4.32 to the NiSource Inc. Form 10-K](#) filed on February 12, 2025).
- (10.1) Supplemental Life Insurance Plan effective January 1, 1991, as amended, (incorporated by reference to Exhibit 2 to the NIPSCO Industries, Inc. Form 8-K filed on March 25, 1992).*
- (10.2) Amended and Restated NiSource Inc. Executive Deferred Compensation Plan effective November 1, 2012 (incorporated by reference to [Exhibit 10.21 to the NiSource Inc. Form 10-K](#) filed on February 19, 2013).*
- (10.3) Amended and Restated Executive Deferred Compensation Plan, dated August 12, 2024 (incorporated by reference to [Exhibit 10.1 of the NiSource Inc. Form 10-Q](#) filed on October 30, 2024).*
- (10.4) Note Purchase Agreement, dated as of August 23, 2005, by and among NiSource Finance Corp., as issuer, NiSource Inc., as guarantor, and the purchasers named therein (incorporated by reference to [Exhibit 10.1 to the NiSource Inc. Current Report on Form 8-K](#) filed on August 26, 2005).
- (10.5) Amendment No. 1, dated as of November 10, 2008, to the Note Purchase Agreement by and among NiSource Finance Corp., as issuer, NiSource Inc., as guarantor, and the purchasers whose names appear on the signature page thereto (incorporated by reference to [Exhibit 10.30 to the NiSource Inc. Form 10-K](#) filed on February 27, 2009).
- (10.6) Form of Change in Control and Termination Agreement (incorporated by reference to [Exhibit 10.1 to the NiSource Inc. Form 10-Q](#) filed on August 2, 2017).*
- (10.7) Amended and Restated NiSource Inc. Employee Stock Purchase Plan adopted as of February 1, 2019 (incorporated by reference to [Exhibit C to the NiSource Inc. Definitive Proxy Statement](#) to Stockholders for the Annual Meeting to be held on May 7, 2019, filed on April 1, 2019).
- (10.8) Amended and Restated NiSource Inc. Employee Stock Purchase Plan adopted as of January 25, 2024 (incorporated by reference to [Appendix B to the NiSource Inc. Definitive Proxy Statement](#) to Stockholders for the Annual Meeting to be held on May 13, 2024, filed on April 1, 2024).
- (10.9) NiSource Inc. Supplemental Executive Retirement Plan, as amended and restated effective November 1, 2020 (incorporated by reference to [Exhibit 10.4 to the NiSource Inc. Form 10-Q](#) filed on November 2, 2020).*
- (10.10) Pension Restoration Plan for NiSource Inc. and Affiliates, as amended and restated effective November 1, 2020 (incorporated by reference to [Exhibit 10.5 to the NiSource Inc. Form 10-Q](#) filed on November 2, 2020).
- (10.11) Savings Restoration Plan for NiSource Inc. and Affiliates, as amended and restated effective November 1, 2020 (incorporated by reference to [Exhibit 10.6 to the NiSource Inc. Form 10-Q](#) filed on November 2, 2020).*

NiSOURCE INC.

- (10.12) First Amendment to the Savings Restoration Plan for NiSource Inc. and Affiliates dated October 12, 2023 and effective November 1, 2020 (incorporated by reference to [Exhibit 10.24 to the NiSource Inc. Form 10-K](#) filed on February 21, 2024).*
- (10.13) [NiSource Inc. Executive Severance Policy, as amended and restated effective January 1, 2026](#).* **
- (10.14) NiSource Next Voluntary Separation Program, effective as of August 5, 2020 (incorporated by reference to [Exhibit 10.8 to the NiSource Inc. Form 10-Q](#) filed on November 2, 2020).*
- (10.15) Seventh Amended and Restated Revolving Credit Agreement, dated as of December 11, 2025, among NiSource Inc., as Borrower, the Lenders party thereto, Barclays Bank PLC, as Administrative Agent, JPMorgan Chase Bank, N.A., MUFG Bank, Ltd., and Wells Fargo Bank, National Association, as Co-Syndication Agents, Credit Suisse AG, New York Branch, Wells Fargo Bank, National Association, and Bank of America, National Association, as Co-Documentation Agents, Barclays Bank PLC and MUFG Bank, Ltd., as Co-Sustainability Structuring Agents, and Barclays Bank PLC, JPMorgan Chase Bank, N.A. MUFG Bank, Ltd., Credit Suisse Loan Funding LLC, Wells Fargo Securities, LLC, BofA Securities, Inc., BMO Capital Markets Corp. and Mizuho Bank Ltd., as Joint Lead Arrangers and Joint Bookrunners (incorporated by reference to [Exhibit 10.1 of the NiSource Inc. Form 8-K](#) filed on December 11, 2025).
- (10.16) Third Amended and Restated Limited Liability Company Agreement of NIPSCO Holdings II LLC, dated October 28, 2025 (incorporated by reference to [Exhibit 10.2 to the NiSource Inc. Form 10-Q](#) filed on October 29, 2025).***
- (10.17) [Amended and Restated Limited Liability Company Agreement of Generation Holdings II LLC, dated October 28, 2025](#).** ***
- (10.18) 2010 Omnibus Incentive Plan (incorporated by reference to [Exhibit B to the NiSource Inc. Definitive Proxy Statement to Stockholders](#) for the Annual Meeting held on May 11, 2010, filed on April 2, 2010).*
- (10.19) First Amendment to the 2010 Omnibus Incentive Plan (incorporated by reference to [Exhibit 10.2 to the NiSource Inc. Form 10-K](#) filed on February 18, 2014).*
- (10.20) 2010 Omnibus Incentive Plan (incorporated by reference to [Exhibit C to the NiSource Inc. Definitive Proxy Statement to Stockholders](#) for the Annual Meeting held on May 12, 2015, filed on April 7, 2015).*
- (10.21) Second Amendment to the NiSource Inc. 2010 Omnibus Incentive Plan (incorporated by reference to [Exhibit 10.1 to the NiSource Inc. Form 8-K](#) filed October 23, 2015).*
- (10.22) Form of Restricted Stock Unit Award Agreement for Nonemployee Directors under the 2010 Omnibus Incentive Plan (incorporated by reference to [Exhibit 10.1 to NiSource Inc. Form 10-Q](#) filed on August 2, 2011).*
- (10.23) Form of Amendment to Restricted Stock Unit Award Agreement related to Vested but Unpaid NiSource Restricted Stock Unit Awards for Nonemployee Directors of NiSource entered into as of July 13, 2015 (incorporated by reference to [Exhibit 10.3 to the NiSource Inc. Form 10-Q](#) filed on November 3, 2015).*
- (10.24) Form of Restricted Stock Unit Award Agreement for Nonemployee Directors under the 2010 Omnibus Incentive Plan (incorporated by reference to [Exhibit 10.18 to the NiSource Inc. Form 10-K](#) filed on February 22, 2017). *
- (10.25) Form of Cash-Based Award Agreement (incorporated by reference to [Exhibit 10.41 of the NiSource Form 10-K](#) filed on February 28, 2020).*
- (10.26) 2020 Omnibus Incentive Plan (incorporated by reference to [Exhibit A to the NiSource Inc. Definitive Proxy Statement to Stockholders for the Annual Meeting held on May 19, 2020](#), filed on April 13, 2020).*
- (10.27) First Amendment to the NiSource Inc. 2020 Omnibus Incentive Plan (incorporated by reference to [Exhibit 10.1 of the NiSource Inc. Form 10-Q](#) filed on May 4, 2022).*
- (10.28) Form of Restricted Stock Unit Award Agreement for Nonemployee Directors under the 2020 Omnibus Incentive Plan (incorporated by reference to [Exhibit 10.2 of the NiSource Inc. Form 10-Q](#) filed on August 5, 2020).*
- (10.29) Form of Restricted Stock Unit Award Agreement. (incorporated by reference to [Exhibit 10.53 to the NiSource Inc. Form 10-K](#) filed on February 17, 2021).*
- (10.30) Form of Performance Share Unit Award Agreement. (incorporated by reference to [Exhibit 10.54 to the NiSource Inc. Form 10-K](#) filed on February 17, 2021).*
- (10.31) Form of Special Performance Share Unit Award Agreement. (incorporated by reference to [Exhibit 10.55 to the NiSource Inc. Form 10-K](#) filed on February 17, 2021).*

NiSOURCE INC.

(10.32)	Form of Restricted Stock Unit Award Agreement.(incorporated by reference to Exhibit 10.57 to the NiSource Inc. Form 10-K filed on February 22, 2023).*
(10.33)	Form of Performance Share Unit Award Agreement (incorporated by reference to Exhibit 10.58 to the NiSource Inc. Form 10-K filed on February 22, 2023).*
(10.34)	Form of Restricted Stock Unit Award Agreement. (incorporated by reference to Exhibit 10.59 to the NiSource Inc. Form 10-K filed on February 22, 2023).*
(10.35)	Form of Performance Share Unit Award Agreement. (incorporated by reference to Exhibit 10.60 to the NiSource Inc. Form 10-K filed on February 22, 2023).*
(10.36)	Form of 2024 CEO RSU Award Agreement (incorporated by reference to Exhibit 10.1 of the NiSource Inc. Form 8-K filed on January 26, 2024).*
(10.37)	Form of 2024 CEO PSU Award Agreement (incorporated by reference to Exhibit 10.2 of the NiSource Inc. Form 8-K filed on January 26, 2024).*
(10.38)	Form of RSU Award Agreement (for awards on or after 2024) (incorporated by reference to Exhibit 10.3 of the NiSource Inc. Form 8-K filed on January 26, 2024).*
(10.39)	Form of PSU Award Agreement (for awards on or after 2024) (incorporated by reference to Exhibit 10.48 to the NiSource Inc. Form 10-K filed on February 22, 2023).*
(10.40)	Form of 2025 CEO RSU Award Agreement. * **
(10.41)	Form 2025 CEO PSU Award Agreement. * **
(10.42)	Form of CEO RSU Award Agreement (for awards on or after 2026). * **
(10.43)	Form of CEO PSU Award Agreement (for awards on or after 2026). * **
(19.1)	Securities Transaction Compliance Policy (incorporated by reference to Exhibit 19.1 to the NiSource Inc. Form 10-K filed on February 12, 2025).*
(21)	List of Subsidiaries. **
(23)	Consent of Deloitte & Touche LLP. **
(31.1)	Certification of Chief Executive Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. **
(31.2)	Certification of Chief Financial Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. **
(32.1)	Certification of Chief Executive Officer, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith). **
(32.2)	Certification of Chief Financial Officer, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith). **
(97.1)	NiSource Inc. Compensation Recoupment Policy (incorporated by reference to Exhibit 97.1 to the NiSource Inc. Form 10-K filed on February 12, 2025).*
(101.INS)	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document. **
(101.SCH)	Inline XBRL Schema Document.**
(101.CAL)	Inline XBRL Calculation Linkbase Document.**
(101.LAB)	Inline XBRL Labels Linkbase Document.**
(101.PRE)	Inline XBRL Presentation Linkbase Document.**
(101.DEF)	Inline XBRL Definition Linkbase Document.**
(104)	Cover page Interactive Data File (formatted as inline XBRL, and contained in Exhibit 101.)

* Management contract or compensatory plan or arrangement of NiSource Inc.

** Exhibit filed herewith.

NiSOURCE INC.

*** Schedules and similar attachments to this Exhibit have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company agrees to furnish supplementally a copy of any omitted schedule or exhibit to the U.S. Securities and Exchange Commission (the “SEC”) upon request.

References made to NIPSCO filings can be found at Commission File Number 001-04125. References made to NiSource Inc. filings made prior to November 1, 2000 can be found at Commission File Number 001-09779.

ITEM 16. FORM 10-K SUMMARY

None.

NiSOURCE INC.**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

	_____ NiSource Inc. (Registrant)
Date: <u>February 11, 2026</u>	By: <u>/s/ LLOYD M. YATES</u> _____ Lloyd M. Yates President, Chief Executive Officer and Director (Principal Executive Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<u>/s/ LLOYD M. YATES</u> Lloyd M. Yates	President, Chief Executive Officer, and Director (Principal Executive Officer)	_____ Date: February 11, 2026
<u>/s/ SHAWN ANDERSON</u> Shawn Anderson	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	_____ Date: February 11, 2026
<u>/s/ GUNNAR J. GODE</u> Gunnar J. Gode	Senior Vice President, Chief Accounting & Tax Officer (Principal Accounting Officer)	_____ Date: February 11, 2026
<u>/s/ KEVIN T. KABAT</u> Kevin T. Kabat	Chairman of the Board	_____ Date: February 11, 2026
<u>/s/ PETER A. ALTABEF</u> Peter A. Altabef	Director	_____ Date: February 11, 2026
<u>/s/ SONDRA L. BARBOUR</u> Sondra L. Barbour	Director	_____ Date: February 11, 2026
<u>/s/ THEODORE H. BUNTING, JR.</u> Theodore H. Bunting, Jr.	Director	_____ Date: February 11, 2026
<u>/s/ ERIC L. BUTLER</u> Eric L. Butler	Director	_____ Date: February 11, 2026
<u>/s/ DEBORAH A. HENRETTA</u> Deborah A. Henretta	Director	_____ Date: February 11, 2026
<u>/s/ DEBORAH A.P. HERSMAN</u> Deborah A. P. Hersman	Director	_____ Date: February 11, 2026
<u>/s/ WILLIAM D. JOHNSON</u> William D. Johnson	Director	_____ Date: February 11, 2026
<u>/s/ MICHAEL E. JESANIS</u> Michael E. Jesanis	Director	_____ Date: February 11, 2026
<u>/s/ CASSANDRA S. LEE</u> Cassandra S. Lee	Director	_____ Date: February 11, 2026
<u>/s/ JOHN MCAVOY</u> John McAvoy	Director	_____ Date: February 11, 2026

NiSource

POLICY SUBJECT: Executive Severance Policy

EFFECTIVE DATE: January 1, 2026

REVISED: January 1, 2026

1. Purpose. NiSource Inc. (“NiSource”) originally established this policy in June 2002 to provide severance benefits to certain terminated employees of NiSource and its subsidiaries or affiliate entities (the “Company”) (as amended and restated, hereinafter referred to as the “Policy”). Benefits under this Policy shall be in lieu of any benefits available under the NiSource General Severance Policy or any other severance plan, program or policy maintained by the Company, (e.g., a Voluntary Separation Program). For employees that have a Change in Control and Termination Agreement with NiSource (“CIC Agreement”), no benefit will be payable under the Policy if the relevant termination of employment results in eligibility for a payment under the CIC agreement. The Policy was amended and restated effective October 19, 2020, and amended January 1, 2026.
 2. Administration. The Policy is administered by the Compensation and Human Capital Committee of the Board of Directors of NiSource or its successor (“Committee”). The Committee has complete discretion and authority with respect to the Policy and its application. The Committee reserves the right to interpret, prescribe, amend, and rescind rules and regulations relating to the Policy, determine the terms and provisions of severance benefits and make all other determinations it deems necessary or advisable for the administration of the Policy. The determination of the Committee in all matters regarding the Policy shall be conclusive and binding on all persons. The Committee hereby delegates to the Chief Human Resources Officer (the “CHRO”), or his or her delegate, the authority to develop and implement administrative guidelines regarding the operation of the Policy and render decisions on initial claims for benefits under the Policy.
 3. Scope. The Policy will apply to all full-time or part-time regular, non-union employees of the Company whose job level, as established by the Company, is level B2 (or its equivalent) or above (“Participants”), which includes employees of each of its subsidiaries or affiliated entities (collectively, “Affiliates” and each an “Affiliate”). For the purposes of this Policy, the determination of whether an individual is a full-time or part-time employee of an Affiliate shall be made pursuant to the normal practices and policies of such Affiliate. The job level B2 generally equates to a short-term incentive
-

target of 40% or more. For purposes of this policy, the job level, and not the short-term incentive target, will control.

4. Eligibility for Severance Pay. A Participant becomes eligible to receive severance pay (“Severance Pay”) only if he or she is terminated by the Company for any of the following reasons, provided that such termination event constitutes a “separation from service” as defined under Section 409A of the Internal Revenue Code of 1986, as amended, and applicable guidance thereunder (“Code Section 409A”), and further provided the conditions described in Section 5 below are met:
 - (a) The Participant’s position is eliminated due to a reduction in force or other restructuring.
 - (b) The Participant’s position is moved to a principal employment location outside of a 50-mile radius from the Participant’s principal employment location on the date of termination of employment and such move would result in the Participant having a commute more than 20 miles longer, and provided that the Participant chooses not to relocate to the new location for such position, and such events are considered a “good reason” termination under Code Section 409A.
 - (c) The Participant’s employment is constructively terminated. Constructive termination shall be defined in a manner consistent with the guidance for a “good reason” termination under Code Section 409A, and means (1) the scope of the Participant’s position is changed materially (other than in the case of a rotational assignment or its equivalent) or (2) the Participant’s base pay is reduced by a material amount or (3) the Participant’s opportunity to earn a bonus under any Company short-term cash incentive compensation plan is materially reduced or is eliminated, and, in any such event, the Participant chooses not to remain employed in such position. If a Participant does not assert constructive termination within 14 days of being informed of a change described in (1), (2) or (3) above, in a written instrument delivered to the CHRO, such change will not be deemed a constructive termination. Following any such notice from the Participant, the Company shall have 30 days to cure the change that gives rise to constructive termination and, if uncured during such 30-day period, the Participant must terminate his or her employment within 30 days following the expiration of the 30-day cure period. The decision as to whether such a change constitutes constructive termination shall be made by the Committee or its delegate, not the Participant. If the Participant disagrees, the Participant must follow the claims procedure set forth in Section 15.
5. Conditions to Receipt of Benefits.
 - (a) Severance Pay is not available to a Participant otherwise eligible for Severance Pay who transfers to another position within the Company.

- (b) Severance Pay is not available to a Participant whose position is eliminated due to (1) the sale of the Affiliate or assets of the Affiliate which employs the Participant on the date of termination or (2) the outsourcing of work, where in either such event the purchaser of the Affiliate or assets of the Affiliate or the outsourcing service provider makes an offer of employment to the Participant that, if it were the Company, would not constitute “constructive termination” as described in Section 4(c).
 - (c) Severance Pay is not available to a Participant whose position is eliminated due to the spin-off of any Affiliate, if the spun-off entity makes an offer of employment to the Participant that, if it were an Affiliate making such an offer, would not constitute “constructive termination” as described in Section 4(c).
 - (d) A Participant must execute and not revoke the release described in Section 6 below.
 - (e) During the statutory consideration period under any severance agreement or release described in Section 6, or during such other period as is otherwise agreed to by the Company and the Participant, he or she may be required to complete unfinished business projects and be available for discussions regarding matters relative to the Participant’s duties.
 - (f) A Participant must return all Company property and information.
 - (g) A Participant must agree to pay all outstanding amounts owed to the Company and authorize the withholding of any outstanding amounts owed from his or her final paycheck and/or Severance Pay.
6. Amount of Severance Pay. The amount of Severance Pay to which a Participant is eligible to receive under the Policy is 52 weeks of base salary at the rate in effect on the date of termination but excluding the impact of any reduction in base salary giving rise to a constructive termination event under clause (2) of Section 4(c).

Subject to Code Section 409A, a Participant who is receiving benefits under a short term disability plan will be eligible for Severance Pay at the end of the period of payment of short term disability if, and only if, (1) he or she is not then eligible for benefits under a long term disability plan, (2) he or she has been given medical release or approval to work again, and (3) he or she is not offered employment with the Company that, in the discretion of the Committee, is comparable to that held by the Participant at the time the applicable period of short term disability commenced. A Participant will not be eligible for Severance Pay at the end of the period of payment of long-term disability.

Severance Pay will be paid to a Participant in one lump sum cash payment as soon as practicable after the date of the Participant’s termination of employment, but in no event later than the 15th day of the 3rd month after such date, provided that the Participant has

executed a valid release of the Company and its respective officers, directors and employees, from any and all actions, suits, proceedings, claims and demands relating to the Participant's employment and the termination thereof, and the applicable revocation period has expired within this period, with such release becoming effective during the time period specified in the release but not no later than 60 days following the Participant's employment termination date. Severance Pay shall be reduced by applicable amounts necessary to comply with federal, state and local income tax withholding requirements.

A Participant eligible for Severance Pay pursuant to this Policy may seek other employment with the Company. The time period to seek other employment will run concurrently with any statutory period of consideration to execute a severance agreement or a release and will not exceed 45 days. If a Participant accepts other employment with the Company, such Participant shall not receive Severance Pay as provided by Section 5(a).

7. Benefits.

- (a) Welfare Benefits. A Participant eligible for Severance Pay shall be eligible to receive, at the time of payment of Severance Pay, a lump sum payment equivalent to 130% of 52-weeks of COBRA (as defined in Section 4980B of the Internal Revenue Code of 1986, as amended, and Sections 601-609 of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), or any successor sections) continuation coverage premiums for the medical, dental, and vision coverage in which the Participant was enrolled immediately before his or her employment end date. Receipt of this lump sum payment does not constitute election of, or enrollment in, COBRA continuation coverage. To elect COBRA continuation coverage, a Participant must follow the enrollment instructions included in the COBRA election notice that such Participant receives shortly after the date of the Participant's termination of employment.
 - (b) Outplacement Services. A Participant eligible for Severance Pay shall be eligible to receive outplacement services as selected by the Company at its expense, for a period commencing on the date of termination of employment and continuing until the earlier to occur of the Participant accepting other employment or 12 months thereafter.
8. No Re-employment. A Participant who receives benefits pursuant to the Policy shall not be eligible for re-employment, unless the Committee or its delegate provides the Participant with a written waiver of this Section.
9. Independent Contractor Status. A Participant who receives benefits pursuant to the Policy shall not be eligible at any time after termination of employment to enter into a

consulting or independent contractor relationship with the Company pursuant to which relationship he or she shall perform the same or similar services, upon the same or similar terms and conditions, as were applicable to such Participant on the date of termination of employment, unless the Committee or its delegate provides the Participant with a written waiver of this Section.

10. Death of Participant. If a Participant dies prior to receiving Severance Pay and the benefits set forth in Section 7(a) to which he or she is eligible under the Policy, payment will be made to the representative of his or her estate.

11. Amendment or Termination.

- (a) The Policy may be amended or terminated by the Committee at any time during its term when, in its judgment, such amendment or termination is necessary or desirable. No such termination or amendment will affect the rights of any Participant who has terminated employment prior to such termination or amendment and who, based on such termination, is then eligible for Severance Pay or other benefits under the Policy at the time of such amendment or termination. No agent or other employee, other than an officer of the Company acting on behalf of the Committee, has the authority to change or waive any provision of the Policy.
- (b) Any duties delegated by the Committee to a particular officer are hereby delegated to any successor officer who assumes the duties of that officer as part of a corporate function or business realignment.
- (c) Severance benefits under the Policy are not intended to be a vested right.

12. Governing Law and Venue. The terms of the Policy shall, to the extent not preempted by applicable federal law, be governed by, and construed and enforced in accordance with, the laws of the State of Indiana, including all matters of construction, validity and performance. In order to benefit Participants under this Policy by establishing a uniform application of law with respect to the administration of the Plan, the provisions of this Section 12 shall apply. Any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Policy shall be brought in any court of the State of Indiana and of the United States for the Northern District of Indiana. The Company, each Participant, and any related parties irrevocably and unconditionally consent to the exclusive jurisdiction of such courts in any such litigation related to this Policy and any transactions contemplated hereby. Such parties irrevocably and unconditionally waive any objection that venue is improper or that such litigation has been brought in an inconvenient forum.

13. Miscellaneous Provisions.

- (a) Severance Pay and other benefits pursuant to the Policy shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge,

encumbrance or charge prior to actual receipt by a Participant, and any attempt to so anticipate, alienate, sell, transfer, assign, pledge, encumber or charge prior to such receipt shall be void and the Company shall not be liable in any manner for, or subject to, the debts, contracts, liabilities, engagements or torts, of any person eligible for any Severance Pay or other benefits under the Policy.

- (b) Nothing contained in the Policy shall confer upon any individual the right to be retained in the service of the Company, nor limit the Company's right to discharge or otherwise deal with any individual without regard to the existence of the Policy.
- (c) The Policy shall at all times be entirely unfunded. No provision shall at any time be made with respect to segregating assets of the Company for payment of any Severance Pay or other benefits hereunder. No employee or any other person shall have any interest in any particular assets of the Company by reason of the right to receive Severance Pay or other benefits under the Policy, and any such employee or any other person shall have only the rights of a general unsecured creditor with respect to any rights under the Policy.

14. Claims Procedure. A claim for benefits under the Policy shall be submitted in writing to the CHRO, or his or her delegate at the address provided in Section 16. If a claim for benefits under the Policy by a Participant or his or her beneficiary is denied, either in whole or in part, the CHRO or his or her delegate, will let the claimant know in writing within 90 days. If the claimant does not hear within 90 days, the claimant may treat the claim as if it had been denied. A notice of a denial of a claim will refer to a specific reason or reasons for the denial of the claim; will have specific references to the Policy provisions upon which the denial is based; will describe any additional material or information necessary for the claimant to perfect the claim and explain why such material information is necessary; and will have an explanation of the Policy's review procedure.

The claimant will have 60 days after the date of the denial to ask for a review and a hearing. The claimant must file a written request with the Committee for a review. During this time the claimant may review pertinent documents and may submit issues and comments in writing. The Participant will be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to his or her claim for benefits. The Committee will have another 60 days in which to consider the claimant's request for review. If special circumstances require an extension of time for processing, the Committee may have an additional 60 days to answer the claimant. The claimant will receive a written notice if the extra days are needed. The claimant may submit in writing any document, issues and comments he or she may wish. The decision of the Committee will tell the claimant the specific reasons for its actions, and refer the claimant to the specific Policy provisions upon which its decision is based. If the decision on review is not furnished within the time period set forth above, the claim shall be deemed denied on review.

If such determination is favorable to the claimant, it shall be binding and conclusive. If such determination is adverse to such claimant, it shall be binding and conclusive unless the claimant or his or her duly authorized representative notifies the Committee within 90 days after the mailing or delivery to the claimant by the Committee of its determination that claimant intends to institute legal proceedings challenging the determination of the Committee and actually institutes such legal proceedings within 180 days after such mailing or delivery

15. Rights Under ERISA. Each Participant in the Policy is entitled to certain rights and protection under the ERISA. ERISA provides that all Participants shall be entitled to:

- (a) Examine, without charge, at the Company's office all documents governing the Policy, and a copy of the latest annual report (Form 5500 Series) filed with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- (b) Obtain copies of all documents governing the operation of the Policy and copies of the latest annual report (Form 5500 Series) upon written request to the Committee. The Company may make a reasonable charge for the copies.
- (c) Receive a summary of the Policy's annual financial report. The Committee is required by law to furnish each Participant with a copy of the summary annual report.

In addition to creating rights for Participants, ERISA imposes duties upon the people who are responsible for the operation of an employee benefit plan. The people who operate the Policy, called "fiduciaries" of the Policy, have a duty to do so prudently and in the interest of the Participants and beneficiaries. No one, including the Company, may fire a Participant or otherwise discriminate against a Participant in any way to prevent him or her from obtaining a benefit or exercising his or her rights under ERISA, if a Participant's claim for a benefit is denied in whole or in part, he or she must receive a written explanation of the reason for the denial. A Participant has the right to have the Committee review and reconsider his or her claim. Under ERISA, there are steps a Participant can take to enforce the above rights. For instance, if a Participant requests from the Committee a copy of the Policy or the latest annual report and does not receive either within thirty (30) days, he or she may file suit in a federal court. In such a case the court may require the Committee to provide the materials and pay the Participant up to \$110 a day until the Participant receives the materials, unless the materials were not sent because of reasons beyond the control of the Committee. If a Participant has a claim for benefits, which is denied or ignored, in whole or in part, and if the claims procedures under the Policy have been exhausted, he or she may file suit in a state or federal court. If a Participant is discriminated against for asserting his or her rights, he or she may ask assistance from the United States Department of Labor, or he or she may file suit in a federal court. The court will decide who should pay the court costs and legal fees. If the Participant is successful, the court may order the person he or she has sued to pay these

costs and fees. If the Participant loses, the court may order him or her to pay these costs and fees, for example, if it finds his or her claim to be frivolous. If a Participant has questions about the Policy, he or she should contact the Committee. If a Participant has any questions about this statement or about his or her rights under ERISA, he or she should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor (listed in your telephone directory), or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. A Participant may also obtain certain publications about his or her rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

17. Policy Facts.

Plan Sponsor: Address:		NiSource Inc. 801 E, 86th Avenue Merrillville, Indiana 46410	
Plan Name:		NiSource Executive Severance Policy (for Employee Job Level B2 and above)	
Plan Number	537	537	537
Type of Plan:		Severance Policy-Welfare Benefits Plan	
Type of Administration		Self-Administered	
Policy Year:		Calendar year	
Employer Identification Number (EIN):		35-2108964	
Policy Administrator:		Compensation and Human Capital Committee of the Board of Directors of NiSource Inc.	
Business Address and Phone Number:		801 E. 86th Avenue Merrillville, Indiana 46410 877-647-5990	
Agent for Service of Legal Process:		Chief Human Resource Officer	
(Address)		801 E. 86th Avenue Merrillville, Indiana 46410	
Service of legal process may also be made upon the Compensation and Human Capital Committee of the Board of Directors of NiSource Inc.			

18. Code Section 409A.

The payments to the Participants pursuant to this Policy are intended to be exempt from Code Section 409A to the maximum extent possible, under either the separation pay exemption pursuant to Treasury regulation §1.409A-1(b)(9)(iii) or as short-term deferrals pursuant to Treasury regulation §1.409A-1(b)(4), and each payment hereunder shall be considered a separate payment.

AMENDED AND RESTATED
LIMITED LIABILITY COMPANY AGREEMENT
OF
GENERATION
HOLDINGS II LLC

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Appendix A – Prohibited Competitors

AMENDED & RESTATED
LIMITED LIABILITY COMPANY AGREEMENT

This AMENDED & RESTATED LIMITED LIABILITY COMPANY AGREEMENT (this “Agreement”) of Generation Holdings II LLC, a Delaware limited liability company (the “Company”) is made and entered into as of October 28, 2025 (the “Effective Date”), by and among the Company, Generation Holdings I LLC, an Indiana limited liability company (the “NiSource Member”), BIP Orion Holdco L.P., a Delaware limited partnership (the “BIP Investor Member”), BIP Orion Holdco II L.P., a Delaware limited partnership (the “VCOC Investor Member” and together with the BIP Investor Member, the “Investor Members”), and solely for the purposes of Article VI, NiSource Inc., a Delaware corporation (the “Parent”). The Company, the NiSource Member, the BIP Investor Member, and the VCOC Investor Member are each sometimes referred to herein as a “Party” and, together, as the “Parties”.

RECITALS

1. On September 3, 2025, the NiSource Member formed the Company as a wholly-owned subsidiary of the NiSource Member.
2. On December 24, 2024, NIPSCO Holdings II LLC, a Delaware limited liability company and an indirect Subsidiary of the Parent (“NHII”) formed NIPSCO Generation LLC, an Indiana limited liability company (“GenCo”).
3. On September 17, 2025, the NiSource Member, the Parent, NHII, and certain Subsidiaries of the Parent completed an internal restructuring resulting in GenCo becoming a wholly-owned, direct Subsidiary of the Company.
4. On or prior to the Effective Date, the NiSource Member contributed assets to the Company with a Gross Asset Value equal to \$176,640,114.11.
5. Substantially concurrently with the Effective Date, but in no event later than two (2) Business Days from the date hereof, (a) (i) the BIP Investor Member contributed that certain cash contribution in an amount equal to \$27,192,862.37 (the “BIP Investor Initial Contribution”) and (ii) the VCOC Investor Member contributed that certain cash contribution in an amount equal to \$7,958,520.34 (the “VCOC Investor Initial Contribution”, and collectively, the “Investor Initial Contribution”) and (b) the Company distributed an amount equal to 100% of the Investor Initial Contribution to the NiSource Member.
6. In exchange for the BIP Investor Initial Contribution, the Company issued to the BIP Investor Member Membership Interests constituting a 15.3945% Percentage Interest.
7. In exchange for the VCOC Investor Initial Contribution, the Company issued to the VCOC Investor Member Membership Interests constituting a 4.5055% Percentage Interest.
8. Upon the execution and delivery of this Agreement, the NiSource Member will own Membership Interests constituting an 80.1% Percentage Interest, and the Investor Members will own, in the aggregate, a 19.9% Percentage Interest. The Parties collectively will own 100% of the Membership Interests.
9. The Parties desire to, and by the execution and delivery of this Agreement hereby do, amend and restate in its entirety the Limited Liability Company Agreement of the Company, dated as of the date hereof, in order to provide for, among other things, the admission of the Investor Members, the rights and responsibilities of the Parties with respect to the governance, financing and operation of the Company, and certain other matters relating to the business arrangements between the Parties with respect to the Company.

Therefore, in consideration of the mutual covenants and agreements contained in this Agreement and other good and valid consideration the receipt of which is hereby acknowledged by each Party, and intending to be legally bound hereby, the Parties hereby agree as follows:

Article I GENERAL MATTERS

Section 1.1 Formation. The Parent formed the Company as a limited liability company pursuant to the Act. The Members ratify the organization and formation of the Company and continue the Company, pursuant to the terms and conditions of this Agreement.

Section 1.2 Name. The name of the Company is "Generation Holdings II LLC".

Section 1.3 Purpose.

(a) The purpose of the Company is to, either on its own behalf or through its Subsidiaries, engage in all lawful business for which limited liability companies may be formed under the Act in furtherance of the following activities as permitted by or in support of the GenCo Declination and/or otherwise consistent with applicable Law at such time, including any applicable IURC rules and regulations (the "Company Business"):

(i) owning and operating a public utility engaged in the generation, marketing and sale of electricity, storage, capacity and other ancillary products thereto;

(ii) making direct or indirect investments in, or purchasing, developing, financing, constructing, commercializing, owning, operating or maintaining assets and facilities relating to the generation and sale of electricity, storage, capacity and other ancillary products thereto;

(iii) undertaking any business activities conducted as of the Effective Date by the Company or its Subsidiaries;

(iv) engaging in such other activities that (A) support any GenCo Offtake Agreement or (B) are permitted by or are in support of the the GenCo Declination; or

(v) engaging in such other activities that the Board deems necessary, convenient or incidental to the conduct, promotion or attainment of the activities described in the foregoing subclauses (i), (ii), (iii) and (iv).

(b) The Company shall not engage in any activity or conduct inconsistent with the Company Business or any reasonable extensions thereof.

Section 1.4 Registered Office. The address of the registered office of the Company in the State of Delaware is 251 Little Falls Drive, Wilmington Delaware, 19808.

Section 1.5 Registered Agent. The name of the registered agent of the Company for service of process on the Company in the State of Delaware is Corporation Service Company.

Section 1.6 Members.

(a) The NiSource Member and each Investor Member is hereby or was heretofore admitted to the Company as a Member, and hereby continues as such. Unless admitted to the Company as a Member as provided in this Agreement, no Person shall be, in fact or for any other purpose, a Member.

(b) No Member shall have any right to withdraw from the Company except as expressly set forth herein. No Membership Interest is redeemable or repurchasable by the Company at the option of a Member. Except as expressly set forth in this Agreement, no event affecting a Member (including dissolution, bankruptcy or insolvency) shall affect its obligations under this Agreement or affect the Company.

(c) The Members' names, addresses and Percentage Interests are set forth on the Schedule of Members attached to this Agreement as Schedule 1.

(d) No Member, acting in its capacity as a Member, shall be entitled to vote on any matter relating to the Company other than as specifically required by the Act or as expressly set forth in this Agreement.

(e) Except as otherwise expressly set forth in this Agreement, any matter requiring the action, consent, vote or other approval of the Members hereunder shall require action, consent, vote or approval of the Members owning at least a majority of the Membership Interests. Except as otherwise expressly set forth in this Agreement, the VCOC Investor Member hereby irrevocably makes, constitutes and appoints the BIP Investor Member as the VCOC Investor Member's true and lawful attorney-in-fact, with full power of substitution, to act, consent or otherwise approve any matter requiring action, consent or other approval by the VCOC Investor Member in such forms and on such terms and conditions as the BIP Investor Member may deem necessary or desirable. In addition, except as otherwise expressly set forth in this Agreement, the BIP Investor Member shall have the right and power to vote, and VCOC Investor Member grants to the BIP Investor Member its irrevocable proxy to vote, Membership Interests owned by the VCOC Investor Member, together with the Membership Interests owned by BIP Investor Member, with respect to, any matter requiring the consent, vote or other approval of the 19.9% Membership Interest held by the Investor Members, collectively. The execution of any documents by the BIP Investor Member on behalf of the VCOC Investor Member shall be conclusive evidence of its authority as attorney-in-fact or as the holder of the irrevocable proxy for the VCOC Investor Member and generally to act, consent, vote or otherwise approve any matter requiring the action, consent, vote or other approval of the Members under this Agreement. The VCOC Investor Member acknowledges the appointment of the BIP Investor Member as its attorney-in-fact and agrees that the appointment of the BIP Investor Member as its attorney-in-fact and the grant of the irrevocable proxy to the BIP Investor Member under this Section 1.6(e) is coupled with an interest and may not be revoked and will survive insolvency or bankruptcy of the VCOC Investor Member. The BIP Investor Member accepts its appointment and authorization to act as attorney-in-fact and as proxy holder for the VCOC Investor Member. Except as otherwise expressly set forth in this Agreement, the power and authority granted under this Section 1.6(e) will be exclusive.

(f) A Member shall automatically cease to be a Member upon Transfer of all of such Member's Membership Interests made pursuant to and in accordance with the terms of this Agreement. Immediately upon any such permissible Transfer, the Company shall cause such Member to be removed from Schedule 1 to this Agreement and to be substituted by the transferee or transferees in such Transfer, and, except as otherwise expressly provided for herein, such transferee or transferees shall be deemed to be a "Party" for all purposes hereunder and all references to the NiSource Member, the BIP Investor Member, or the VCOC Investor Member, as the case may be, shall be deemed to be references to such transferee or transferees (notwithstanding, in the case that more than one Person is a transferee of such Membership Interests, that such defined terms as used herein are singular in number).

Section 1.7 Powers. The Company shall have the power and authority to do any and all acts necessary or convenient to or in furtherance of the purposes described in Section 1.3, including all power and authority, statutory or otherwise, possessed by, or which may be conferred upon, limited liability companies under the Laws of the State of Delaware.

Section 1.8 Limited Liability Company Agreement. This Agreement shall constitute the "limited liability company agreement" of the Company for the purposes of the Act. The rights, powers, duties, obligations and liabilities of the Members shall be determined pursuant to the Act and this Agreement. To the extent that the rights, powers, duties, obligations and liabilities of any Member are different by reason of any provision of this Agreement than they would be under the Act in the absence of such provision, this Agreement shall control to the fullest extent permitted by the Act and other applicable Law.

Section 1.9 Issuance of Additional Membership Interests. Except for (a) the issuance of any Excluded Membership Interests or (b) the issuance of Membership Interests made pursuant to and in accordance with Section 5.1(c), Article VII, or as otherwise permitted herein, the Company shall not issue any new Membership Interests, or any securities convertible into Membership Interests or other Equity Interests of the Company, to any Third Party or to the Members other than in accordance with their respective Percentage Interests.

Section 1.10 No State Law Partnership. The Members intend that the Company not be a partnership (including a limited partnership) or joint venture, and that no Member be a partner or joint

venturer of any other Member by virtue of this Agreement, for any purposes, and neither this Agreement nor any other document entered into by the Company or any Member relating to the subject matter hereof shall be construed to suggest otherwise. Nothing in this Section 1.10 shall control with respect to income tax treatment of the Company.

Article II MANAGEMENT

Section 2.1 Directors. Subject to the provisions of the Act and any limitations in this Agreement as to action required to be authorized or approved by the Members, the business and affairs of the Company shall be managed and all its powers shall be exercised by or under the direction of a board of directors (the “Board” and each duly appointed and continuing member thereof from time to time, a “Director”), and no Member, by virtue of having the status of a Member, shall have any management power over the business and affairs of the Company or any actual or apparent authority to enter into Contracts on behalf of, or to otherwise bind, the Company. Without prejudice to such general powers, but subject to the same limitations, the Board shall be empowered to conduct, manage and control the business and affairs of the Company and to make such rules and regulations therefor not inconsistent with applicable Law or this Agreement, as the Board shall deem to be in the best interest of the Company. Each Director is hereby designated as a “manager” of the Company within the meaning of Section 18-101 of the Act.

Section 2.2 Number of Directors; Proportional Appointment Rights.

(a) The authorized number of Directors constituting the Board shall be seven (7) Directors (the “Total Number of Directors”).

(b) The BIP Investor Member shall, as of the Effective Date, be entitled to appoint two (2) Directors, and the BIP Investor Member shall retain the right to appoint at least two (2) Directors for so long as the Investor Members collectively hold at least a 17.5% Percentage Interest in the aggregate. In the event that the Investor Members’ aggregate Percentage Interest is reduced below 17.5% but remains at or above a 9.9% Percentage Interest, the BIP Investor Member shall retain the right to appoint one (1) Director. In the event that the Investor Members’ aggregate Percentage Interest is reduced below 9.9%, the BIP Investor Member shall cease to be entitled to appoint a Director. Any Directors appointed by the BIP Investor Member are referred to herein as “Investor Directors”. The appointment of any particular proposed Investor Director shall be subject to the NiSource Member’s prior written consent of the identity of such individual prior to his or her appointment to the Board; provided however, that the NiSource Member shall not have any consent right over the appointment of a proposed Investor Director that is a Qualified Designee.

(c) In the event that the Investor Members’ aggregate Percentage Interest decreases below 17.5% or 9.9%, as applicable, if the BIP Investor Member fails to remove an Investor Director concurrently with such decrease in the Investor Members’ aggregate Percentage Interest to be in compliance with the BIP Investor Member’s Director appointment rights set forth in Section 2.2(b), then the NiSource Member may remove such appropriate number of Investor Directors from the Board such that the BIP Investor Member is in compliance with its Director appointment rights set forth in Section 2.2(b), such removal being effective immediately.

(d) The NiSource Member shall be entitled to appoint all of the remaining Total Number of Directors that the Investor Member is not entitled to appoint pursuant to Section 2.2(b). Directors appointed by the NiSource Member are referred to herein as “NiSource Directors”; provided, that any NiSource Director must be a Qualified Designee. The NiSource Member shall further be entitled to designate a NiSource Director to serve as the chairperson of the Board.

(e) For so long as the BIP Investor Member is entitled to appoint an Investor Director, the BIP Investor Member shall be further entitled to designate the Board Observer or any other individual (provided, that such designee is a Qualified Designee) (the “Designated Alternate”) in its place and stead in the event that the Investor Director is unable to attend such meeting (or meetings of Board committees, if any pursuant to Section 2.12). The Designated Alternate will be entitled to exercise the powers of the Investor Director at such meetings, and will be subject to all of the responsibilities of an Investor Director hereunder at such meeting as if they were an Investor Director. The appointment of such Designated Alternate shall be subject to the same approval right of the NiSource Member applicable to the Investor

Director under Section 2.2(b). If the Designated Alternate is serving in lieu of the Investor Director at any Board or committee meeting, the BIP Investor Member shall provide written notice to the NiSource Member of this fact prior to the commencement of such meeting (which notice may be by way of an email to the NiSource Directors), and such notice shall be recorded in the minutes of such meeting. For the avoidance of doubt, any references to approval or notice by the Investor Director in this Agreement will be deemed to refer to the Investor Director, and not the Designated Alternate, except in respect of the voting on matters presented at the meeting at which the Designated Alternate is attending. In the event that the Designated Alternate is also a Board Observer, at any Board or committee meeting in which he or she is serving as the Investor Director pursuant to this Section 2.2(e), he or she shall be deemed to be serving only as an Investor Director and not as a Board Observer at such meeting.

Section 2.3 Removal of Directors. Any one or more Directors may be removed at any time, with or without cause, by the Member that appointed such Director, and except as provided in Section 2.2(c), may not be removed by any other means. If a Director is convicted by a court or equivalent tribunal of any felony (or equivalent crime in the applicable jurisdiction), or of any misdemeanor (or equivalent crime in the applicable jurisdiction) that involves financial dishonesty or moral turpitude, then the Member that appointed such Director shall, unless consented to by the NiSource Member in the case of an Investor Director and by the BIP Investor Member in the case of a NiSource Director, promptly remove such Director. Delivery of a written notice to the Company by a Member designating for removal of a Director appointed by such Member shall conclusively and with immediate effect constitute the removal of such Director, without the necessity of further action by the Company, the Board, or by the applicable removed Director. Each Director duly appointed by a Member pursuant to and in accordance with the provisions of Section 2.2 shall hold office until his or her resignation, death, permanent disability, removal pursuant to and in accordance with Section 2.2 or with this Section 2.3, or until a successor Director is duly appointed by the Member that appointed (and continues to be entitled to appoint) such Director.

Section 2.4 Vacancies. A vacancy shall be deemed to exist in case of the resignation, death, permanent disability or removal of any Director. The Member entitled to appoint a Director to the vacant directorship may appoint or elect a Director thereto to take office (a) immediately, (b) effective upon the departure of the vacating Director, in the case of a resignation, or (c) at such other later time as may be determined by such Member.

Section 2.5 Acts of the Board; Voting. Except as otherwise expressly set forth in this Agreement (including Section 8.1), a vote of a majority of the Directors present at a duly called and noticed meeting of the Board at which a quorum is present shall be required to authorize or approve any action of the Board. Every act of or decision taken or made by the Directors pursuant to the vote required by this Section 2.5 shall be conclusively regarded as an act of the Board.

Section 2.6 Compensation of Directors. The Board shall have the authority to fix the compensation of Directors for their service to the Company, if any. The Board shall reimburse the Directors for their respective reasonable, documented out-of-pocket expenses incurred for attendance at meetings of the Board consistent with the Company's then-applicable policies related to travel and expenses for directors or executive officers (or, if none exists, such travel and expense policies of Parent). Nothing herein shall be construed to preclude any Director from serving the Company or any of its Affiliates in any other capacity and receiving compensation therefor.

Section 2.7 Meetings of Directors; Monthly Meetings; Notice.

(a) **Board Meetings.** Except as provided pursuant to Section 2.10, meetings of the Board, both regular and special, for any purpose or purposes may be called at any time by the Board or by the Company at the request of any Director, by providing at least seven (7) calendar days' written notice to each Director unless the chairperson of the Board determines, acting reasonably, that there is a significant and time sensitive matter that requires shorter notice to be given, in which case a meeting of the Board may be called by giving at least forty-eight (48) hours' written notice to each Director. Regular Board meetings will be held quarterly. Each notice shall state the purpose(s) of and agenda (including any relevant presentation materials relating thereto) for the meeting and include all required information, including dial-in numbers or other applicable access information, in order to participate in the meeting by telephonic means, over the internet or by means of any other customary electronic communications equipment. Unless otherwise agreed by unanimous consent of the Board, no proposal shall be put to a vote of the Board unless it has been listed on the agenda for such meeting. Notice of the time and place of meetings shall be delivered personally or by telephone to each Director, or sent by e-mail or other electronic communication to any Director. Any notice given personally or by telephone shall be

communicated to the applicable Director. A Director may waive the notice requirement set forth in this Section 2.7 by any means reasonable in the circumstances, including by communication to one or more other Directors, and the presence of a Director at a meeting or the approval by a Director of the minutes thereof shall conclusively constitute a waiver by such Director of such notice requirement.

(b) Management Update Meetings. The Company shall have regular management meetings to update the Members (each, a “Management Update Meeting”) in such cadence and covering such matters as the officers shall determine in good faith, consistent with past practices of the other public utility Affiliates of the NiSource Member (including NHII); provided that such cadence and matters covered and manner thereof shall be adjusted to take into account the general nature of the Company Business. The management team shall circulate in advance of each such meeting (i) a presentation or other written materials reasonably detailing (a) financial results and operational key performance indicators for the prior period and (b) material developments since the prior meeting (as applicable to the Company’s stage of development, including providing any material progress reports provided to the Company by any engineering, procurement and construction contractors) and (ii), certain third-party reports (including for the avoidance of doubt, all such material third-party reports) prepared in connection with the Company Business in preparation for such Management Update Meeting. For so long as the Investor Members’ aggregate Percentage Interest is equal to or greater than the Investor Consent Threshold, and no Investor Member is a Defaulting Member, Representative(s) of the BIP Investor Member may attend, in an observational capacity, each Management Update Meeting, and the number of such attendees at such meetings may be reasonably restricted by the Company’s management team, consistent with past practices of the other public utility Affiliates of the NiSource Member (including NHII); provided, that all attendees shall be subject to customary confidentiality obligations and the terms with respect to sensitive materials set forth in Section 2.13 which are hereby incorporated by reference *mutatis mutandis*. The agenda and presentation materials for each Management Update Meeting shall be provided to attendees reasonably in advance of such Management Update Meeting. For the avoidance of doubt, this Section 2.7(b) shall not (i) confer any additional rights on any Investor Member with respect to the governance or operations of the Company and its Subsidiaries, other than the right to attend such Management Update Meeting in an observational capacity only, or (ii) restrict the officers or other members of the Company’s management team from meeting with the NiSource Member or its Affiliates outside of the context of the Management Update Meetings.

Section 2.8 Quorum.

(a) Except as otherwise expressly set forth herein, the presence (whether physical, telephonic, over the internet or by means of other customary electronic communications equipment) of a majority of the number of Directors then serving on the Board (without regard to the Total Number of Directors), including at least one Investor Director, at a meeting of the Board shall constitute a quorum of the Board for the transaction of all business thereat; provided, that if quorum fails at two (2) consecutive attempted meetings that are called pertaining to the same subject matter with proper notice due to the failure of the Investor Director(s) to attend, then at the third attempted meeting only a majority of the number of Directors then serving on the Board (without regard to the Total Number of Directors or the attendance of the Investor Director(s)) must be present in person, by telephone or other electronic means or by proxy in order to constitute a quorum for the transaction of business for purposes of conducting only those matters that were included on the agenda for the attempted meetings immediately preceding such third attempted meeting; provided, that, at least twenty-four (24) hours prior written notice of any rescheduled meeting is required to be provided to the other Directors.

(b) If a quorum is not present at any meeting of the Board, the Directors present at such meeting may adjourn the meeting, without notice other than announcement at the meeting.

Section 2.9 Place and Method of Meetings.

(a) Meetings of the Board may be held at any place, whether within or outside the State of Delaware or the State of Indiana, and meetings may be held, in whole or in part, by telephonic means, over the internet or by means of any other customary electronic communications equipment. The place at which (or, if applicable, the electronic communication methods by which) a meeting will be held may be specified in the applicable notice of the meeting.

(b) The Directors may participate in meetings of the Board by telephonic means, over the internet or by means of any other customary electronic communications equipment, and, to the fullest extent permitted by applicable Law, shall be deemed to be present at such meeting for all purposes, including for purposes of determining quorum and of voting.

Section 2.10 Action by the Board Without a Meeting. Any action required or permitted to be taken by the Board may be taken without a meeting if a number of Directors the vote of whom would be minimally necessary to approve such action at a meeting of the Board shall individually or collectively consent in writing to such action; provided, that in order for such consent to be effective it shall have been provided to all Directors at least forty-eight (48) hours prior to its stated effectiveness, unless such prior notice is waived in writing by the Directors taking any such written action which includes at least one (1) Investor Director. Notwithstanding the foregoing, no action set forth in Section 8.1 that requires the consent of the BIP Investor Member shall be effected by written action entered into pursuant to this Section 2.10 without the BIP Investor Member's written consent. Any written actions of the Board may be in counterparts and transmitted by e-mail and shall be filed with the minutes of the proceedings of the Board. Such written actions shall have the same force and effect as a vote of the Board.

Section 2.11 Duties of Directors. Other than as set forth in Section 9.3, each member of the Board shall have fiduciary duties identical to those of directors of a business corporation organized under the General Corporation Law of the State of Delaware and except to the extent not permitted by applicable Law, no member of the Board shall be personally liable to the Company or its Members for monetary damages for breach of its fiduciary duties in such capacity. The provisions of this Agreement, to the extent that they expand or restrict the duties and liabilities of the Board, otherwise existing at law or in equity, are agreed by the Members to replace such other duties and liabilities of the Board.

Section 2.12 Committees. The Board may create one or more committees of the Board, delegate responsibilities, duties and powers to such one or more committees, and appoint Directors to serve thereon. Each Director appointed to serve on any such committee shall serve at the pleasure of the Board, or otherwise in accordance with the terms of the resolution designating the applicable committee. Section 2.4, Section 2.7, Section 2.8, Section 2.9 and Section 2.10 shall each apply to any committee of the Board with the same terms applicable to the Board, *mutatis mutandis*. For each committee of the Board, the Board shall designate one Investor Director to serve on each such committee so long as the BIP Investor Member is entitled to appoint a Director pursuant to Section 2.2.

Section 2.13 Investor Member Board Observer. The BIP Investor Member shall be entitled to appoint one (1) Person (which shall be an individual) to serve as an observer of the Board (the "Board Observer") for so long (i) the BIP Investor Member is entitled to appoint only one (1) Investor Director, but in no event when the BIP Investor Member is entitled to appoint two (2) Investor Directors or (ii) the Investor Members' aggregate Percentage Interest is greater than or equal to 4.9% but in no event if the BIP Investor Member is entitled to appoint two (2) Directors, the identity of whom shall be subject to the prior written consent of the NiSource Member. The Board Observer shall have the right to receive notice of, attend and participate in all meetings of the Board (and any committee thereof) and to receive all information provided to Directors at the same time and in the same manner as provided to such Directors; provided, however, that the Company and the Board will be entitled to withhold access to any portion of the information and to exclude the Board Observer from any portion of any meeting of the Board (or any committee thereof) if the Company or the Board determines in good faith in reliance upon the advice of counsel that access to such information or attendance at such meeting (i) is reasonably necessary to preserve an attorney-client privilege of the Company or the Board or (ii) otherwise implicates any conflict of interest between any Investor Member, on the one hand, and a particular matter or transaction under consideration by the Board, on the other hand; provided, however, that the BIP Investor Member shall be notified of any intent to exclude the Board Observer in reliance on clause (ii) above in advance of any meeting from which the Board Observer is to be excluded to the extent reasonably practicable; provided, further, that, any Board Observer that is excluded shall only be excluded for such portion of the meeting during which such conflicted matter or transaction is being discussed. For the avoidance of doubt, the Board Observer shall not have any voting rights with respect to any matter brought before the Board and shall not be counted in any manner with respect to whether a quorum is present at a meeting of the Board, and (without limiting the Company's obligations to provide the Board Observer with notice of meetings of the Board and any committee thereof as set forth in this Section 2.13) no defect in the provision of notice to the Board Observer of any meeting of the Board shall be construed to constitute a defect in the provision of notice to Directors. The Board Observer shall be bound by the same confidentiality obligations as the Directors as set forth in Section 9.6. The BIP Investor Member may cause the Board

Observer to resign or appoint a replacement Board Observer from time to time by giving written notice to the Company. In the event that the Investor Members' aggregate Percentage Interest becomes less than 4.9%, the BIP Investor Member's rights under this Section 2.13 shall immediately cease. For the avoidance of doubt, the sole purpose of this Section 2.13 is to provide observation rights (subject to the limitations and conditions set forth in this Section 2.13) to an individual Representative of the BIP Investor Member, and in no event will any Board Observer be construed to be a third-party beneficiary of this Agreement, an agent of the Company of any kind or for any purpose, or have any other claim against the Company or the Members in relation to any matter whatsoever.

Section 2.14 Related Party Matters.

(a) The Parties acknowledge that certain Affiliates of the Company provide various services to the Company and its Subsidiaries and that all of such services shall continue in the ordinary course of business. All agreements between any member of the Outside Group, on the one hand, and the Company Group, on the other hand, (such transactions, "Affiliate Agreements"), shall be (i) entered into and carried out in a manner that, except as may be required by any applicable Law or Order, is (A) consistent with past practices and the corporate allocation and affiliate transaction policies of the Outside Group in effect at such time and (B) on terms and conditions that are pursuant to the corporate allocation policies and affiliate transaction policies of the Outside Group as of such time to the extent that they are non-discriminatory against the Company and its Subsidiaries and are generally consistent with the corporate allocation policies and affiliate transaction policies of the Outside Group, (ii) entered into and carried out in accordance with the requirements of any applicable Law or Order (including, for the avoidance of doubt, on such terms and conditions as may be required to obtain the approval of the applicable Governmental Body in respect of such transaction) and (iii) if applicable pursuant to Section 8.1, approved by the Board. Notwithstanding anything to the contrary in this Agreement, except as required by applicable Law, the NiSource Member shall ensure during the term of this Agreement that any methodologies used to allocate costs to the Company Group (i) are and will be consistently applied to other members of the Outside Group in a manner that does not have a disproportionate adverse impact on the Company or any of its Subsidiaries as compared to any member of the Outside Group and (ii) would not result in any fines or penalties that are imposed on any member of the Outside Group being allocated to the Company or any of its Subsidiaries. The NiSource Member shall also use commercially reasonable efforts to ensure corporate separateness from the NiSource Member and the other members of the Outside Group in a manner and consistent with the Company Group's and the Outside Group's respective past practices and applicable Law and Orders. The NiSource Member shall continue to audit its corporate services annually by its then current auditor in the ordinary course and shall share such audit with the BIP Investor Member (including any work papers and other supporting documentation reasonably requested by the BIP Investor Member (subject to its prior execution of a customary non-reliance letter agreement to the extent requested by such auditor)). Notwithstanding the foregoing, the Company will provide a copy of any Affiliate Agreement that is required to be filed with the IURC, to be entered into by the Company Group prior to such filing and will use commercially reasonable efforts to provide the BIP Investor with any material Affiliate Agreements to be entered into prior to such entry.

(b) Each Investor Member acknowledges and agrees that (i) the Company Group and the Outside Group prior to the Effective Date engaged in Affiliate Agreements, and continues to and will, pursuant to and in accordance with the provisions of Section 2.14(a), from and after the Effective Date engage in new Affiliate Agreements (including Genco Offtake Agreements), subject to the BIP Investor Member's approval rights under Section 8.1 (if applicable) and (ii) all services provided by any member of the Outside Group to any member of the Company Group as of the Effective Date shall or will remain outstanding and be payable in accordance with their terms or sooner as the Board determines in good faith is appropriate.

(c) In the event the Company and/or the NiSource Member becomes aware of any material breach or material default (it being understood that, for purposes of this clause (c), a breach or default will be deemed to be "material" if the reasonably expected amount of damages that would be sustained by the Company and its Affiliates as a result of such breach or default, or series of related breaches or defaults, would exceed \$100,000,000.00 in the aggregate, subject to an annual increase by the CPI Escalator) by any member of the Company Group or Outside Group under any Affiliate Agreement (an "Affiliate Agreement Default"), the Company and/or the NiSource Member, as applicable, shall promptly, but in any event within ten (10) Business Days after becoming aware of such Affiliate Agreement Default, send a written notice (an "Affiliate Agreement Default Notice") to the Company and the BIP Investor Member

setting forth in reasonable detail the nature of such Affiliate Agreement Default and the reasonable estimate of the current and future anticipated losses associated with such Affiliate Agreement Default (to the extent feasible to make a reasonable estimate at such time). After delivery of such Affiliate Agreement Default Notice to the BIP Investor Member, the Company (and, if the Company did not provide the Affiliate Agreement Default Notice, the NiSource Member) shall promptly provide the BIP Investor Member with any additional information reasonably requested by the BIP Investor Member and available to the NiSource Member relating to such Affiliate Agreement Default. The defaulting party under such Affiliate Agreement shall have (i) twenty (20) Business Days following the expiration of the applicable cure period in respect of such Affiliate Agreement, to fully cure any monetary Affiliate Agreement Default, and (ii) sixty (60) days following the expiration of the applicable cure period in respect of such Affiliate Agreement, to fully cure any non-monetary Affiliate Agreement Default, subject to and consistent with applicable Law and Orders, if capable of being cured. In the event that any material alleged Affiliate Agreement Default is not timely cured in accordance with the preceding sentence, the BIP Investor Member shall have the sole right to cause the Company and its Subsidiaries to take, or refrain from taking, any actions in connection with the enforcement of or compliance with the rights or obligations of the Company or any of its Subsidiaries under the terms of the applicable Affiliate Agreement. In addition to, and not in limitation of, the foregoing provisions of this Section 2.14(c), the Company shall notify the BIP Investor Member prior to, or within ten (10) days following, its execution of any new Affiliate Agreement or any material amendment to any Affiliate Agreement setting forth in reasonable detail the nature of such new Affiliate Agreement or such amendment and, upon request from the BIP Investor Member, shall provide copies of all Contracts relating to such new Affiliate Agreement or such amendment within five (5) Business Days of such request.

Article III OFFICERS

Section 3.1 Appointment and Tenure.

- (a) The Board may, from time to time, designate officers of the Company to carry out the day-to-day business of the Company.
- (b) The officers of the Company shall be comprised of one or more individuals designated from time to time by the Board. Each officer shall hold his or her office for such term and shall have such authority and exercise such powers and perform such duties as shall be determined from time to time by the Board. Any number of offices may be held by the same individual. The salaries or other compensation, if any, of the officers shall be fixed from time to time by the Directors.
- (c) The officers of the Company may consist of a president, a secretary and a treasurer. The Board may also designate one or more vice presidents, assistant secretaries and assistant treasurers. The Board may designate such other officers and assistant officers and agents as the Board may deem necessary or appropriate.

Section 3.2 Removal. Any officer may be removed as such at any time by the Board, either with or without cause, in its discretion, subject to the consultation right of the BIP Investor Member set forth in Section 8.2.

Section 3.3 President. The president, if one is designated, shall be the chief executive officer of the Company, shall have general and active management of the day-to-day business and affairs of the Company as authorized from time to time by the Board, and shall be authorized and directed to implement all actions, resolutions, initiatives and business plans adopted by the Board.

Section 3.4 Vice Presidents. The vice presidents, if any are designated, in the order of their election, unless otherwise determined by the Board, shall, in the absence or disability of the president, perform the duties and have the authority and exercise the powers of the president. They shall perform such other duties and have such other authority and powers as the Board may from time to time prescribe.

Section 3.5 Secretary; Assistant Secretaries. The secretary, if one is designated, shall perform such duties and have such powers as the Board may from time to time prescribe. The assistant secretaries, if any are designated, and unless otherwise determined by the Board, shall, in the absence or disability of the secretary, perform the duties and exercise the powers of the Secretary. They shall perform such other duties and have such other powers as the Board may from time to time prescribe.

Section 3.6 Treasurer; Assistant Treasurers. The treasurer, if one is designated, shall have custody of the Company's funds and securities and shall keep full and accurate accounts and records of receipts, disbursements and other transactions in books belonging to the Company, and shall deposit all moneys and other valuable effects in the name and to the credit of the Company in such depositories as may be designated from time to time by the Board. The treasurer shall disburse the funds of the Company as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render the president and the Board, when so directed, an account of all of his or her transactions as treasurer and of the financial condition of the Company. The treasurer shall perform such other duties and have such other powers as the Board may from time to time prescribe. If required by the Board, the treasurer shall give the Company a bond of such type, character and amount as the Board may require. The assistant treasurers, if any are designated, unless otherwise determined by the Board, shall, in the absence or disability of the treasurer, perform the duties and exercise the powers of the treasurer. They shall perform such other duties and have such other powers as the Board may from time to time prescribe.

Section 3.7 Duties of Officers. Other than as set forth in Section 9.3 with respect to any Representative of Parent or its Affiliates who is also an officer of the Company, each officer of the Company (in such individual's capacity as an officer) will owe the Company, its Subsidiaries and the Members such fiduciary duties that apply to officers of a Delaware corporation. No provision of this Agreement will be deemed to limit or eliminate such fiduciary duties.

Article IV DEFAULT; DISSOLUTION

Section 4.1 Events of Default. The following shall constitute events of default (each, an "Event of Default") by the applicable Member under this Agreement:

- (a) any material breach of this Agreement by such Member;
- (b) any failure by such Member to make any Mandatory Capital Contribution pursuant to and in accordance with a Capital Request Notice issued pursuant to Section 5.1 or, with respect to an Additional Funding Requirement (as defined in Section 5.1) (other than a Mandatory Capital Contribution), a duly authorized officer of each of the Investor Members has affirmed in writing that such Investor Member would make such Additional Funding Requirement in its Response to Capital Call but failed to do so within the time period set forth in Section 5.1, in any case any such failure to fund by any Investor Member shall be deemed to be a failure to fund by all of the Investor Members;
- (c) any purported Transfer by such Member made other than pursuant to and in accordance with the terms and conditions of this Agreement;
- (d) any Event of Default (as defined in the NHII Operating Agreement) under the NHII Operating Agreement by a NHII Member which is an Affiliated NHII Member (which remains uncured after any applicable notice or cure period as provided therein including, for the avoidance of doubt, pursuant to Section 4.2 thereof); or
- (e) the filing of a petition seeking relief, or the consent to the entry of a decree or Order for relief in an involuntary case, under the bankruptcy, rearrangement, reorganization or other debtor relief Laws of the United States or any state or any other competent jurisdiction or a general assignment for the benefit of its creditors by such Member or by any of its controlling Affiliates.

Section 4.2 Default Notice. If an Event of Default occurs, then any Member (other than the Defaulting Member) may deliver to the Company and to the Member subject to the Event of Default, including for the avoidance of doubt, any Event of Default (as defined in the NHII Operating Agreement) under the NHII Operating Agreement (the "Defaulting Member"; provided, that at any time the Defaulting Member is an Investor Member, then both Investor Members shall be deemed Defaulting Members until such Investor Member ceases to be a Defaulting Member according to the terms of this Agreement) a notice of the occurrence of such Event of Default, setting forth the circumstances of such Event of Default. If, within thirty (30) days following the delivery of such notice (or, with respect to an Event of Default set forth in Section 4.1(b), ten (10) days), the Defaulting Member has not cured the event giving rise to the Event of Default (if capable of being so cured), the provisions of this Agreement applicable to a "Defaulting Member" shall apply to such Defaulting Member and, in addition to any other rights and remedies provided under this Agreement, (i) if the Defaulting Member is an Investor Member,

the Defaulting Member's voting rights, including its approval rights in Section 8.1, shall be suspended and (ii) any net Available Cash required to be distributed to the Defaulting Member shall instead be distributed to the non-Defaulting Members, or the Company, as applicable, if such breach is capable of being cured by the payment of such amounts which such clauses (i) and (ii) shall apply as applicable (and such Member shall be considered a "Defaulting Member") until the applicable Event of Default and the material effects thereof have been cured (if capable of being so cured).

Section 4.3 Dissolution.

(a) Subject to obtaining the requisite authorization, approval or consent of any Governmental Body, the Company shall dissolve, and its affairs shall be wound up, upon either (i) the approval by the Board and the written consent of all of the Members or (ii) the entry of a decree of judicial dissolution under Section 18-802 of the Act (each, an "Event of Dissolution").

(b) Upon the occurrence of an Event of Dissolution, the Company will continue solely for the purposes of winding up its affairs in an orderly manner, liquidating its assets and satisfying the claims of its creditors and the Members. No Member, acting in its capacity as such, will take any action that is inconsistent with, or not necessary to or appropriate for, the winding up of the Company's business and affairs. All covenants contained and obligations provided for in this Agreement will continue to be fully binding upon the Members until such time as the property of the Company has been distributed pursuant to Section 5.3 and the certificate of formation of the Company has been canceled pursuant to the Act.

(c) After the occurrence of an Event of Dissolution, and after all of the Company's debts, liabilities and obligations have been paid and discharged or adequate reserves have been made therefor and all of the remaining assets of the Company have been distributed to the Members, the Company shall make necessary resolutions and filings to dissolve the Company under the Act.

Article V
CAPITAL CONTRIBUTIONS; DISTRIBUTIONS; ALLOCATIONS

Section 5.1 Capital Contributions.

(a) If the Board determines that it is in the best interests of the Company to obtain additional equity capital for purposes of (i) developing, acquiring or maintaining Qualifying Core Assets or funding ordinary course operations of the Company Business (including with respect to any GenCo Offtake Agreement), (ii) satisfying the Company's or any of its Subsidiary's obligations to Third Parties (including in respect of the Indebtedness of the Company Group or under any Contract), (iii) complying with applicable Law or Order, or (iv) funding any Emergency Expenditures (any such determination by the Board an "Additional Funding Requirement"), then the Board may direct the Company to submit to the Members a written capital funding request notice (a "Capital Request Notice"), which Capital Request Notice shall set forth (A) the anticipated amount of, and the reason for, such Additional Funding Requirement, (B) each Member's requested share of such Additional Funding Requirement, which with respect to each Member shall equal such Member's Percentage Interest multiplied by the aggregate amount of the Additional Funding Requirement (such share, the "Pro Rata Request Amount") and (C) the funding date for such Additional Funding Requirement (the "Capital Request Funding Date"), which Capital Request Funding Date shall not be earlier than twenty (20) days following the date on which such Capital Request Notice is delivered to the Members except for any Capital Request Notices pertaining to Emergency Expenditures in which case the Capital Request Funding Date shall not be earlier than twelve (12) days, provided, that such Capital Request Notices shall not occur more frequently than monthly (except for any Capital Request Notice pertaining to an Emergency Expenditure); provided, further, that, any Capital Request Notice shall only be made to the extent the Board reasonably determines the additional equity capital requested will be timely spent following its contribution by the Members. Any Additional Funding Requirements for the period from the Effective Date and including the date that is seven (7) years from the Effective Date and which do not exceed the Maximum Investor Commitment shall be a "Mandatory Capital Contribution". Any Additional Funding Requirement shall require each Member to contribute its Pro Rata Request Amount; provided, that any obligations of the Investor Members under this Section 5.1(a) to contribute their respective Pro Rata Request Amounts shall be joint and several. Requests for additional equity capital other than pursuant to a Mandatory Capital Contribution shall be determined by the Board and each Member may, but shall not be obligated to, contribute its Pro Rata Request Amount as called for in the applicable Capital Request Notices; provided, that in the event the BIP Investor Member elects to contribute its Pro Rata Request Amount as called for

in the applicable Capital Request Notice and the VCOC Investor Member elects not to contribute its Pro Rata Request Amount, then the BIP Investor Member shall be required to fund the total Pro Rata Request Amount for the Investor Members, including such Pro Rata Request Amount allocated to the VCOC Investor Member. For the avoidance of doubt, other than (i) a Mandatory Capital Contribution pursuant to this Section 5.1, (ii) the joint and several obligations of the Investor Members to contribute their respective Pro Rata Request Amounts as set forth in this Section 5.1 and (iii) any obligation of the BIP Investor Member to fund on any Pro Rata Request Amount allocated to the VCOC Investor Member pursuant to the immediately preceding sentence, no Member shall have any obligation to fund any such requests for additional equity capital unless such Member indicates it will do so in accordance with this Section 5.1. Upon the receipt of a Capital Request Notice, each Member shall, within twelve (12) days of such receipt, provide written notice to the Company and the other Members as to the extent to which such Member intends to fund its Pro Rata Request Amount, whether in whole, in part or not at all (a “Response To Capital Call”). If one Member indicates in its Response To Capital Call that it does not intend to fund its Pro Rata Request Amount in full, and any other Member had, prior thereto, submitted a Response To Capital Call indicating that it intends to fund a greater percentage than any such other Member of its Pro Rata Request Amount, then any such other Member will be entitled to amend its Response To Capital Call to reduce its percentage funding to an amount representing a percentage of its Pro Rata Request Amount not less than the lower percentage indicated in the other Member’s Response to Capital Call; provided, that no Investor Member shall be entitled to reduce its percentage funding pursuant to this sentence if the Member that indicated its intent not to fund its Pro Rata Request Amount in full is an Investor Member. If no Response to Capital Call is received within such twelve (12) days, the Member shall be deemed to have elected to not fund.

(b) If any Member refuses or fails to make all or any portion of its Pro Rata Request Amount pursuant to this Section 5.1 on or prior to the applicable Capital Request Funding Date (such Member, the “Non-Contributing Member”, and the unfunded amount, the “Unfunded Amount”), then the Company shall provide written notice thereof to the other Member(s) (the “Contribution Unfunded Amount Notice”); provided, that if the Non-Contributing Member is an Investor Member, the Investor Members jointly shall be deemed the Non-Contributing Member and all references in this Section 5.1(b) to the Pro Rata Request Amount of the Non-Contributing Member shall refer to the aggregate Pro Rata Request Amount of both Investor Members combined; and

(i) Excess Contribution. To the extent that the Non-Contributing Member contributes less than all of its Pro Rata Request Amount, and any other Member who is not a Non-Contributing Member (an “Over-Contributing Member”) has contributed a greater percentage of its Pro Rata Request Amount than the Non-Contributing Member, such Over-Contributing Member shall have the right to elect to (A) receive a special distribution of the amount of such excess (the “Excess Contribution”), such that the Excess Contribution is returned to such Over-Contributing Member (and the Company shall cause such special distribution to be made as promptly as practicable), (B) have such Excess Contribution be treated as a loan to the Company (consistent with the methodology in clause (ii)(A), below), (C) except in the event that the Non-Contributing Member is the NiSource Member, (1) have such Excess Contribution be treated as a contribution to capital of the Company (consistent with the methodology in clause (ii)(B), below) or (2) so long as the Non-Contributing Member is an Affiliated Member and solely if the Non-Contributing Member has an amount still outstanding under its Equity Commitment Letter under this Agreement, and only up to such amount, have such Excess Contribution be treated as a contribution to capital of NHII on behalf of a NHII Member designated by such Over-Contributing Member (consistent with the methodology in Section 5.1(b)(ii)(B) of the NHII Operating Agreement), which election shall be made by written notice to the Company and the other Members no later than ten (10) Business Days following the date of the Contribution Unfunded Amount Notice and may consist of any combination thereof. Further the Members hereby agree and acknowledge that any Excess Contribution (as defined in the NHII Operating Agreement) under the NHII Operating Agreement, which an Over-Contributing Member (as defined in the NHII Operating Agreement) under the NHII Operating Agreement has elected to be treated as a contribution to capital of the Company (i.e. Generation Holdings II LLC) pursuant to clause (C)(2) of Section 5.1(b)(i) of the NHII Operating Agreement, shall be deemed to be a capital contribution under this Agreement in respect of an Excess Contribution, in accordance with Section 5.1(b)(ii)(B), on behalf of the Member designated by such NHII Member.

(ii) Top-Up Right. A Member that has paid its full Pro Rata Request Amount (the “Contributing Member”; provided, that no Investor Member may be a Contributing Member if the other Investor Member has not paid its full Pro Rata Request Amount unless an Investor Member has funded the full Pro Rata Request Amount of any other Investor Member on behalf of such Investor Member) shall have the right (but not the obligation) to elect to contribute any portion of the Unfunded Amount in accordance with this Section 5.1(b) (X) as a loan to the Company or (Y) except in the event that the Non-Contributing Member is the NiSource Member, (1) as a capital contribution to the Company in accordance with the following procedures or (2) so long the Non-Contributing Member is an Affiliated Member and solely if the Non-Contributing Member has an amount still outstanding under its Equity Commitment Letter under this Agreement, and only up to such amount, as a capital contribution to NHII, in accordance with the procedures set forth below or in Section 5.1(b)(ii)(B) of the NHII Operating Agreement, as applicable, which election shall be made by written notice to the Company and the other Members no later than ten (10) Business Days following the date of the Contribution Unfunded Amount Notice and may consist of any combination thereof. Further the Members hereby agree and acknowledge that any Unfunded Amount (as defined in the NHII Operating Agreement) under the NHII Operating Agreement, which a Contributing Member (as defined in the NHII Operating Agreement) under the NHII Operating Agreement has contributed and elected to be treated as a contribution to capital to the Company (i.e. Generation Holdings II LLC) pursuant to clause (Y)(2) of Section 5.1(b)(ii) of the NHII Operating Agreement, shall be deemed to be a capital contribution in respect of an Unfunded Amount, in accordance with Section 5.1(b)(ii)(B), on behalf of the Member designated by such NHII Member.

(A) Loan. The Contributing Member may elect to advance all or a portion of the Unfunded Amount to the Company on behalf of the Non-Contributing Member, which advance shall be treated as a loan by the Contributing Member to the Company (an “Unfunded Amount Loan”) at an interest rate equal to a floating rate equal to the Wall Street Journal Prime Rate plus 0.75% per annum. Subject to the terms of this Agreement, each Unfunded Amount Loan shall be repaid out of any subsequent distributions made pursuant to Section 5.2 to which the Non-Contributing Member would otherwise be entitled under this Agreement, and such payments shall be applied first to the payment of accrued but unpaid interest on each such Unfunded Amount Loan and then to the payment of the outstanding principal, until such Unfunded Amount Loan is paid in full.

(B) Capital Contribution. Except in the event that the Non-Contributing Member is the NiSource Member, the Contributing Member may elect to contribute an amount equal to all or a portion of the Unfunded Amount to the Company. If the Contributing Member elects to contribute to the Company all or a portion of the Unfunded Amount, then, on or after the earlier of the date that the Non-Contributing Member indicates it will not cure the failure to fund its full Pro Rata Request Amount and the thirtieth (30th) day following the date of the Contribution Unfunded Amount Notice, the Company shall issue to the Contributing Member the amount of additional Membership Interests that can be purchased for such funded amount at a price per Membership Interest equal to ninety percent (90%) of the Fair Market Value of the Company (measured as of the date that such contribution is to be made) per Membership Interest until the NiSource Member has purchased up to \$1,325,000,000.00 of additional Membership Interests pursuant hereto in respect of any Unfunded Amount, and thereafter at Fair Market Value of the Company, and the Contributing Member’s and the Non-Contributing Member’s respective Percentage Interests will be adjusted accordingly. For the avoidance of doubt, this subsection shall in all respects not be subject to the rights and procedures set forth in Section 7.1.

(C) Cure Right. Notwithstanding anything to the contrary in this Section 5.1, on or before the thirtieth (30th) day following the date of the Contribution Unfunded Amount Notice, a Non-Contributing Member may make a contribution to the Company equal to the sum of the Unfunded Amount plus, if the Contributing Member already made an Unfunded Amount Loan in respect of such Unfunded Amount, any interest accrued on the Unfunded Amount Loan, following which (1) the Unfunded Amount advanced by the Contributing Member to the Company together with any such interest shall be paid to the Contributing Member, and (2) the former Non-Contributing Member shall be deemed to have cured its failure to pay the Pro Rata Request Amount prior to the Capital Request Funding Date with respect to the applicable Capital Request Notice.

For the avoidance of doubt, the remedies set forth in Section 5.1(b)(i)(B) shall not apply to an Event of Default by the NiSource Member.

(c) If the Non-Contributing Member is an Investor Member and it refuses or fails to make its full Pro Rata Request Amount pursuant to this Section 5.1 on or prior to the applicable Capital Request Funding Date and the Contributing Member has not fully funded the Unfunded Amount in accordance with Section 5.1(b), then on or after the thirtieth (30th) day following the date of the applicable Contribution Unfunded Amount Notice, the Board may authorize the Company to seek additional equity funds on commercially reasonable terms from a Third Party in an amount up to the difference between the total Additional Funding Requirement requested and the total funds received by the Company from the Non-Contributing Member and the Contributing Member (including any additional funds that the Contributing Member may have contributed pursuant to Section 5.1(b)), and to issue Membership Interests to Third Parties in connection therewith pursuant to this Section 5.1(c). The terms and rights of the Membership Interests issued pursuant to this Section 5.1 must be on terms no better than the Membership Interests that would have been issued to the applicable Member had they been a Contributing Member. If the Board determines to seek additional equity funds from and issue Membership Interests to a Third Party pursuant to this Section 5.1(c), then the Company must consummate such issuance within 180 days following the Capital Request Funding Date. If such issuance is not consummated within such 180-day period, then the Company's right to so issue Membership Interests to a Third Party in connection with the applicable Additional Funding Requirement shall be lapsed, and the Company shall not thereafter issue any Membership Interests to a Third Party in connection with such Additional Funding Requirement; provided, that, if a definitive agreement providing for such issuance is executed prior to the expiration of such 180-day period but the issuance has not been consummated at the expiration of such period solely as a result of a failure to receive the requisite authorization, approval or consent of any Governmental Body in respect of such issuance, then such period shall be extended solely to the extent necessary to permit the receipt of all such authorizations, approvals or consents which are in process but have not been received from the relevant Governmental Body as of such original expiration date and the consummation of the issuance provided for in such definitive agreement; provided, further, that the Company shall have used its reasonable best efforts in seeking such authorizations, approvals and consents. Upon the completion of such issuance of Membership Interests pursuant to this Section 5.1(c), the Company shall give written notice to the Members of such issuance, which notice shall specify (i) the total number of new Membership Interests issued, (ii) the price per Membership Interest at which the Company issued the Membership Interests, and (iii) any other material terms of the issuance. Upon the issuance of new Membership Interests pursuant to this Section 5.1(c), the Contributing Member's and Non-Contributing Member's respective Percentage Interest will be adjusted accordingly. In no event shall any such issuance be subject to Section 7.1 or 8.1.

(d) If a Member does not make a Mandatory Capital Contribution or indicates in its Response to Capital Call that it shall make its Pro Rata Request Amount but then does not fund such amounts, such Member shall be a Defaulting Member, provided, that at any time the Defaulting Member is an Investor Member, then both Investor Members shall be deemed Defaulting Members until such Investor Member ceases to be a Defaulting Member according to the terms of this Agreement.

(e) In the event that there is an Investor Call Trigger, the NiSource Member (or its Affiliate) may (but is not required to), at its option at any time, acquire all (but not less than all) of the Membership Interests held by the Investor Members (the "Call Right") by giving written notice (the "Call Notice") to the BIP Investor Member of its election to exercise the Call Right; provided, that, other than with respect to clause (ii) or (iii) of the definition of Investor Call Trigger, the applicable Investor Member shall have sixty (60) days following the Call Notice to cure the event giving rise to the Call Notice, if capable of being so cured (the "Cure Period"). The purchase price payable by the NiSource Member in connection with the exercise of the Call Right shall be equal to the product of (i) with respect to an Investor Call Trigger pursuant to clause (i) of the definition thereof, ninety percent (90%) of the Fair Market Value of the Company; (ii) with respect to an Investor Call Trigger pursuant to clause (ii) of the definition thereof, one hundred percent (100%) of the Fair Market Value of the Company; and (iii) with respect to an Investor Call Trigger pursuant to clause (iii) of the definition thereof, the greater of one hundred percent (100%) of the Fair Market Value of the Company or such amount which would satisfy the Spin Return Threshold (in each case, measured as of the date of the delivery of the Call Notice to the BIP Investor Member), multiplied (ii) by a fraction, (A) the numerator of which is the number of Membership Interests

that the Investor Members own in the aggregate at such time and (B) the denominator of which is the total number of Membership Interests then outstanding (the amount equal to such product, the “Call Exercise Price”). If the Call Right is exercised by the NiSource Member, each of the Parties shall take all actions as may be reasonably necessary to consummate the transactions contemplated by this Section 5.1(e) as promptly as practicable, but in any event not later than thirty (30) days after the end of the Cure Period, or so long as necessary to obtain all required authorizations, approvals, or consents (such period, the “Call Consummation Period”), including entering into agreements and delivering certificates and instruments and consents as may be deemed necessary; provided, that, with respect to an Investor Call Trigger pursuant to clause (iii) of the definition thereof, the closing of the Call Right shall occur concurrently with or immediately prior to the underlying spin-off, split-off or similar transaction giving rise to the Call Right. If either Investor Member fails to take all actions necessary to consummate the Transfer of the Membership Interests held by it in accordance with this Section 5.1(e) prior to the expiration of the Call Consummation Period, then the Investor Members jointly shall be deemed to be in material breach of this Agreement for purposes of Article IV and for all other purposes hereunder, shall be deemed a Defaulting Member, and shall be deemed to have granted (and hereby grants, contingent only on the occurrence of such failure) an irrevocable appointment of any Person nominated for the purpose by the NiSource Member to be the Investor Members’ agent and attorney to execute all necessary documentation and instruments on its behalf to Transfer the Investor Member’s Membership Interests to the Company as the holder thereof, in each case consistent with the provisions of this Section 5.1(e). At the consummation of any purchase and sale pursuant to this Section 5.1(e), the Investor Members shall sell to the NiSource Member all of the Membership Interests owned by the Investor Members in exchange for the Call Exercise Price. Contemporaneously with its receipt from the NiSource Member of the Call Exercise Price, the Investor Members shall Transfer to the NiSource Member all of the Membership Interests owned by the Investor Members, free and clear of all Liens. The Members and the Company acknowledge and agree that they shall cooperate reasonably to obtain any necessary authorization, approval or consent of any Governmental Body to consummate the transactions contemplated by this Section 5.1(e). For the avoidance of doubt, in the event the Call Right is exercised, the BIP Investor Member may request the Fair Market Value be determined in accordance with Section 13.15, regardless of the Investor Members’ aggregate Percentage Interest at such time.

(f) The BIP Investor Member has delivered to the Company on the Effective Date the Equity Commitment Letter. In the event that either Investor Member fails to make any Mandatory Capital Contribution from the Effective Date to and including the seventh (7th) anniversary of the Effective Date, and so long as the Maximum Investor Commitment has not been fully paid, the Company shall be entitled to enforce the Equity Commitment Letter for any portion of the Investor Members’ aggregate Pro Rata Request Amount, in addition to the other remedies provided herein (with the Directors appointed by the BIP Investor Member abstaining from determining any such enforcement).

Section 5.2 Distributions Generally.

(a) Except as otherwise provided herein and subject to Section 5.2(b), Section 5.2(c), and the Act, no later than seventy-five (75) days after the end of each fiscal quarter, the Company shall make distributions of the amount of Available Cash. The Company may make such other more frequent distributions (including interim distributions) at such times and in such amounts as the Board may determine.

(b) Except as otherwise provided herein (including the fourth Recital of this Agreement), all distributions shall be paid to the Members only in cash and in the same proportion as their respective Percentage Interest; provided, that, in the case of distributions to be paid in respect of any period during which the Percentage Interest of the Members changed, such distributions shall be prorated to reflect the Percentage Interest of the Members on each day of such measurement period, and the Company and the Members shall take such action as necessary to effectuate such proration.

(c) With respect to each taxable year, at such times necessary to allow the Members to timely satisfy all of their U.S. federal, state and local and non-U.S. tax liabilities, prior to any distributions pursuant to Section 5.2(a) and subject to Available Cash and any restrictions contained in any loan agreement or other contract to which the Company is a party or by which it is bound, the Company shall make cash distributions (“Tax Distributions”) to each Member equal to such Member’s quarterly Assumed Tax Liability determined based on the Board’s good faith estimate of the projected Profits for

such taxable year; provided, however, that to the extent a Member would otherwise be entitled to receive less than its Percentage Interest of the aggregate Tax Distributions to be paid pursuant to this Section 5.2(c) on any given date, then the Tax Distributions to such Member shall be increased, as necessary, to ensure that all such Tax Distributions made pursuant to this Section 5.2(c) are made pro rata in accordance with the Members' respective Percentage Interests. The Company and the Board shall not have any liability to any Member for penalties arising from non-payment or incorrect estimates of such Member's estimated tax payments. Any distributions made pursuant to this Section 5.2(c) shall be treated for purposes of this Agreement as having been distributed pursuant to Section 5.2(a) and shall reduce, dollar-for-dollar, the amount otherwise distributable to such Member pursuant to Section 5.2(a). To the extent the Company does not have sufficient funds and thereby is unable to pay to the Members the full amount of any Tax Distribution otherwise payable pursuant to this Section 5.2(c), the Company shall pay the amount of such shortfall to the Members (pro rata, in accordance with the amount of any such shortfall then owing to such Members) as promptly thereafter as such funds become available. If with respect to any taxable year, the aggregate amount of distributions made to a Member under this Section 5.2(c) is in excess of the amount that would result from the application of this Section 5.2(c) to the entire taxable year, then the amount of such excess shall be treated as an advance against, and shall reduce the amount of, any future distributions made with respect to such Member pursuant to this Section 5.2(c), but shall not reduce Tax Distributions made to a Member to provide such Member with its pro rata Percentage Interest of Tax Distributions.

(d) Notwithstanding the terms of this Section 5.2 and any other provision of this Agreement, (i) the Company shall not make any distribution to any Member on account of its Membership Interests to the extent such distribution would violate the Act, other applicable Law or an Order, and (ii) a Member may direct the payment of part or all of any distribution to another Person by providing written notice of such direction to the Company.

Section 5.3 Distributions upon the Occurrence of an Event of Dissolution. Upon the occurrence of an Event of Dissolution, the Board will proceed, subject to the provisions herein, to wind up the affairs of the Company, liquidate and distribute the remaining assets of the Company (provided, however, that all distributions shall be paid to the Members only in cash and in accordance with their Percentage Interests) and apply the proceeds of such liquidation in the order of priority in accordance with Section 18-804 of the Act or as may otherwise be agreed to by the Members. If the assets of the Company remaining after the payment or discharge of all debts and liabilities of the Company are insufficient to return capital contributions of each Member, such Member shall have no recourse against the Company or any other Member.

Section 5.4 Capital Accounts.

(a) A separate Capital Account for each Member shall be established on the books and records of the Company in compliance with Section 704(b) of the Code and the Treasury Regulations. The initial Capital Accounts, immediately following the contribution and distribution of the Initial Investor Contribution, of each Member are set forth on Schedule 1. This Section 5.4(a) and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Treasury Regulation Sections 1.704-1(b) and 1.704-2, and shall be interpreted and applied in a manner consistent with such Treasury Regulation, as determined by the Board in its reasonable discretion.

(b) No Member shall be required to pay to any other Member or the Company any deficit or negative balance which may exist from time to time in such Member's Capital Account (including upon and after dissolution of the Company).

Section 5.5 Withdrawal of Capital; Interest. Except as expressly provided in this Agreement, (a) no Member may withdraw capital or receive any distributions from the Company and (b) no interest shall be paid by the Company on any capital contribution or distribution.

Section 5.6 Allocation of Profits and Losses.

(a) Subject to Section 5.6(b), and after the application of the allocation rules in Section 5.7, Profits and Losses and, if the Board in its discretion determines it to be necessary, individual items thereof, for an Allocation Year (or other relevant period) shall be allocated among the Members for such Allocation Year (or other relevant period) in a manner determined by the Board so as to produce, as nearly as possible, the sum of (a) the Capital Account balance for each Member at the end of such Allocation Year (or other relevant period) and (b) such Member's share of Company Minimum Gain and

Member Nonrecourse Debt Minimum Gain, if any, equal to the hypothetical cash that would be distributed to such Member if (x) the Company were dissolved, its affairs wound up and its assets sold for an amount of hypothetical cash equal to the sum of the Gross Asset Values of the assets at the end of such Allocation Year (or other relevant period), (y) the Company paid all of its liabilities in accordance with their terms up to the amount of the hypothetical cash (limited with respect to each Nonrecourse Liability to the Gross Asset Value of the asset securing such liability), and (z) the remaining hypothetical cash from the deemed sale were immediately distributed to the Members in accordance with Section 5.3.

(b) Notwithstanding the foregoing provisions of Section 5.6(a), the Losses (or items of expense or deduction or loss) allocated pursuant to Section 5.6(a) shall not exceed the maximum amount that can be so allocated without causing any Member to have an Adjusted Capital Account Deficit at the end of any Allocation Year (or other relevant period). In the event some, but not all, of the Members would have an Adjusted Capital Account Deficit as a consequence of an allocation of Losses pursuant to Section 5.6(a), the limitation set forth in this Section 5.6(b) shall be applied on a Member-by-Member basis so as to allocate the maximum permissible Losses to each Member under Treasury Regulations Section 1.704-1(b)(2)(ii)(d). All Losses (or items of expense or deduction or loss) in excess of the limitation set forth in this Section 5.6(b) shall be allocated to other Members in accordance with the positive balances in such Members' Adjusted Capital Accounts so as to allocate the maximum permissible Losses to each Member under Treasury Regulations Section 1.704-1(b)(2)(ii)(d).

Section 5.7 Special Allocations. Any allocation of Profits and Losses (or items thereof) for purposes of maintaining Capital Accounts will, however, be subject to any adjustment required to comply with Treasury Regulations Sections 1.704-1 and 1.704-2, including the following adjustments and special allocations which shall be made in the following order of priority and prior to any allocation under Section 5.6(a):

(a) Except as otherwise provided in Treasury Regulations Section 1.704-2(f), notwithstanding any other provision of this Article V, if there is a net decrease in Company Minimum Gain during an Allocation Year (or other relevant period), then each Member shall be specially allocated items of Company income and gain for such Allocation Year (or other relevant period) (and, if necessary, for subsequent Allocation Years (or other relevant periods)) in an amount equal to such Member's share of the net decrease in Company Minimum Gain, determined in accordance with Treasury Regulations Section 1.704-2(g)(2). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member in accordance with Treasury Regulations Sections 1.704-2(f)(6) and 1.704-2(j)(2). This Section 5.7(a) is intended to comply with the minimum gain chargeback requirement of Treasury Regulations Section 1.704-2(f) and shall be interpreted consistently therewith.

(b) Except as otherwise provided in Treasury Regulations Section 1.704-2(i)(4), notwithstanding any other provision of this Article V, if there is a net decrease in Member Nonrecourse Debt Minimum Gain attributable to a Member Nonrecourse Debt during any Allocation Year (or other relevant period), then each Member who has a share of the Member Nonrecourse Debt Minimum Gain attributable to such Member Nonrecourse Debt, determined in accordance with Treasury Regulations Section 1.704-2(i)(5), shall be specially allocated items of Company income and gain for such Allocation Year (or other relevant period) (and, if necessary, for subsequent Allocation Years (or other relevant periods)) in an amount equal to such Member's share of the net decrease in Member Nonrecourse Debt Minimum Gain attributable to such Member Nonrecourse Debt, determined in a manner consistent with the provisions of Treasury Regulations Section 1.704-2(i)(4). The items to be allocated shall be determined in accordance with Treasury Regulations Sections 1.704-2(i)(4) and 1.704-2(j)(2). This Section 5.7(b) is intended to comply with the Member nonrecourse debt minimum gain chargeback requirement of Regulations Section 1.704-2(i)(4) and shall be interpreted consistently therewith.

(c) If any Member unexpectedly receives an adjustment, allocation, or distribution of the type contemplated by Treasury Regulations Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5) or 1.704-1(b)(2)(ii)(d)(6) resulting in, or increasing, an Adjusted Capital Account Deficit for such Member, then items of Company income and gain shall be specially allocated to all such Members in an amount and manner sufficient to eliminate, to the extent required by the Treasury Regulations, the Adjusted Capital Account Deficit of such Member as quickly as possible, provided that an allocation pursuant to this Section 5.7(c) shall be made only if and to the extent that such Member would have an Adjusted

Capital Account Deficit after all other allocations provided for in this Article V have been tentatively made as if this Section 5.7(c) were not in this Agreement. It is intended that this Section 5.7(c) qualify and be construed as a “qualified income offset” within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

(d) If any Member has an Adjusted Capital Account Deficit at the end of any Allocation Year (or other relevant period) in excess of the sum of (A) the amount such Member is required to restore pursuant to the provisions of this Agreement and (B) the amount such Member is deemed obligated to restore pursuant to Treasury Regulations Sections 1.704-2(g) and 1.704-2(i)(5), such Member shall be specially allocated items of Company income and gain in the amount of such deficit as quickly as possible; provided, however, that an allocation pursuant to this Section 5.7(d) shall be made only if and to the extent that such Member would have an Adjusted Capital Account Deficit after all other allocations provided for in this Section 5.7 have been tentatively made as if Section 5.7(c) and this Section 5.7(d) were not in this Agreement.

(e) To the extent that an adjustment to the adjusted tax basis of any Company asset pursuant to Code Section 734(b) is required, pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts as the result of a distribution to a Member in complete liquidation of its Membership Interest, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis), and such gain or loss shall be specially allocated to the Members in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m).

(f) The Nonrecourse Deductions for each Allocation Year (or other relevant period) shall be allocated to the Members in proportion to their relative Percentage Interests.

(g) The Member Nonrecourse Deductions shall be allocated each Allocation Year (or other relevant period) to the Member that bears the economic risk of loss (within the meaning of Treasury Regulations Section 1.752-2) for the Member Nonrecourse Debt to which such Member Nonrecourse Deductions are attributable.

(h) The allocations set forth in Section 5.7(a) through Section 5.7(g) (collectively, the “Regulatory Allocations”) are intended to comply with certain requirements of the Treasury Regulations. It is the intent of the parties to this Agreement that, to the extent possible, all Regulatory Allocations will be offset in the current Allocation Year or future Allocation Years either with other Regulatory Allocations or with special allocations of other items of Company income, gain, loss or deduction pursuant to this Article V. Therefore, notwithstanding any other provision of this Section 5.7(h) (other than the Regulatory Allocations), the Board shall make such offsetting special allocations of Company income, gain, loss, or deduction (to the extent permissible) among the Members so that, after such offsetting allocations are made, each Member’s Capital Account balance is, to the extent possible, equal to the Capital Account balance such Member would have had if the Regulatory Allocations were not part of the Agreement and all Company items were allocated pursuant to Section 5.6(a).

Section 5.8 Other Allocation Rules for Profits and Losses for Capital Accounts.

(a) In the event Members are admitted to the Company pursuant to this Agreement on different dates, the Company items of income, gain, loss, deduction, and credit allocated to the Members for each Allocation Year during which Members are so admitted shall be allocated among the Members in proportion to their respective interests during such Allocation Year using any reasonable convention permitted by Section 706 of the Code and selected by the Board (or its designee).

(b) In the event a Member transfers its Membership Interests during an Allocation Year, the allocation of Company items of income, gain, loss, deduction, and credit allocated to such Member and its transferee for such Allocation Year shall be made between such Member and its transferee in accordance with Section 706 of the Code using any reasonable convention permitted by Section 706 of the Code and selected by the Board (or its designee).

Section 5.9 Tax Allocations; Code Section 704(c) Allocations.

(a) Except as provided in this Section 5.9, for income tax purposes under the Code and the Treasury Regulations each Company item of income, gain, loss, deduction and credit shall be allocated among the Members in the same manner as its correlative item of Profit and Loss for the Allocation Year (or other relevant period).

(b) In accordance with Code Section 704(c) and the Treasury Regulations, items of income, gain, loss, and deduction with respect to any property of the Company shall, solely for income tax purposes, be allocated among the Members so as to take account of any variation between the adjusted tax basis of such property and its initial Gross Asset Value pursuant to any permissible method under the Treasury Regulations as may be determined by the Partnership Representative in its discretion; provided, however, with respect to any Company asset that is contributed to the Company with a Gross Asset Value that varies from its basis in the hands of the contributing Member immediately preceding the date of contribution shall be allocated among the Members for income tax purposes using the “traditional method,” with no “curative allocation” of income or gain to offset any “shortfall” in depreciation that results by reason of the use of the “traditional method,” as defined in Treasury Regulations Section 1.704-3(b), including upon sale of any property or upon the a subsequent issuance of additional membership interests, an in-kind contribution of property to the Company in exchange for membership interest, or a redemption of membership interests.

(c) If any portion of gain recognized from the disposition of assets by the Company represents the “recapture” of previously allocated deductions by virtue of the application of Code Section 1245 or 1250 (the “Recapture Gain”), such Recapture Gain shall be allocated, solely for income tax purposes, in accordance with Treasury Regulations Sections 1.1245-1(e)(2) and (3) and 1.1250-1(f).

(d) Tax credits and tax credit recapture shall be allocated among the Members in accordance with any reasonable method selected by the Board (or its designee) that is permitted by applicable tax laws.

(e) Unless otherwise provided in this Section 5.9, any material elections or other decisions relating to allocations for income tax purposes, including selecting any allocation method under Treasury Regulation Section 1.704-3, shall be made by the Board and shall reflect the economic intent of parties.

(f) Allocations pursuant to this Section 5.9 are solely for income tax purposes and shall not affect, or in any way be taken into account in computing, any Member’s Capital Account.

Section 5.10 Allocation of Liabilities. The liabilities of the Company shall be allocated to the Members in any manner permitted under Code Section 752 and Treasury Regulations promulgated thereunder and as selected by the Board (or its designee).

Section 5.11 Compliance with Tax Laws. The allocation rules set forth in Section 5.6 through Section 5.10 are intended to comply with the Code and Treasury Regulations and to ensure that all allocations under this Article V are respected for United States federal income tax purposes and shall be interpreted consistently with such intent. If, for any reason, the Board determines that any provision of Section 5.6 through Section 5.10 does not comply with the Code or Treasury Regulations or that the allocations under this Article V may not be respected for United States federal income tax purposes, the Board may, subject to the next sentence, take all reasonable actions, including amending this Article V or adjusting a Member’s Capital Account or how Capital Accounts are maintained, to ensure compliance with the Code and Treasury Regulations and that the allocations provided for in this Article V shall be respected for United States federal income tax purposes. Nothing in this Section 5.11 shall permit any changes to the provisions of Section 5.2 or Section 5.3.

Article VI TRANSFERS OF MEMBERSHIP INTERESTS

Section 6.1 General Restriction.

(a) No Member shall Transfer any of its Membership Interests except pursuant to and in accordance with this Article VI. Any purported Transfer by any Member of its Membership Interests in violation of this Section 6.1(a), or without compliance in all respects with the provisions of this Article VI pertaining to such purported Transfer, shall be invalid and void ab initio, and such purported Transfer by such Member shall constitute a material breach of this Agreement for purposes of Article VI.

(b) Subject to Section 6.2, neither Investor Member may Transfer any of its Membership Interests to any Person prior to the date that is the seventh (7th) anniversary of the Effective Date (the “Lock-Up Period”) other than with the prior written consent of the NiSource Member. After the expiration of the Lock-Up Period, each Investor Member, as applicable, may Transfer its Membership Interests in accordance with this Article VI. Notwithstanding the forgoing, each Investor Member may at any time Transfer Membership Interests in compliance with Section 6.2.

(c) Transfers by Members in accordance with and pursuant to this Article VI shall entitle each applicable transferee to the rights and obligations of the transferor under this Agreement.

(d) The Investor Members and the NiSource Member acknowledge any indirect Transfers of any Member’s Membership Interest shall be deemed a Transfer by such Member hereunder.

(e) The Parent has joined this Agreement solely for the purpose of acknowledging the obligations of the NiSource Member under this Article VI.

Section 6.2 Transfers to Permitted Transferees; Liens by Members.

(a) Notwithstanding Section 6.1, each Member may Transfer at any time all or any portion of the Membership Interests held by it to any one of its Permitted Transferees; provided, that, in connection with any such Transfer, (a) such Permitted Transferee shall, in writing, assume all of the rights and obligations of the transferring Member as a Member under this Agreement and as a Party hereto with respect to the Transferred Membership Interests, (b) such Permitted Transferee is as creditworthy as the transferring Member and provides evidence thereof to the non-transferring Members, (c) the transferring Member remains liable for all liabilities and obligations of the Permitted Transferee, and (d) effective provision shall be made whereby such Permitted Transferee shall be required, prior to the time when it shall cease to be a Permitted Transferee of the transferring Member, to Transfer such Membership Interests to the transferring Member or to another Person that would be a Permitted Transferee of the transferring Member as of such applicable time. In the event that a Member (including, as the case may be, a Permitted Transferee) intends to Transfer its Membership Interests to a Permitted Transferee, such transferring Member or the Permitted Transferee, as applicable, shall notify the other Members and the Company of the intended Transfer at least twenty (20) Business Days prior to the intended Transfer.

(b) Each Member shall be permitted to directly or indirectly Encumber its Membership Interests or any Equity Interests in such Member in connection with any debt financing, the proceeds of which have been or will be used by such Member to finance its purchase of such Membership Interests (whether in respect of an issuance of new Membership Interests by the Company or the purchase of existing Membership Interests from a Member or the refinancing of any such debt financing in the future), to fund the capital expenditure needs of the Company and its Subsidiaries or to fund its capital needs for any Mandatory Capital Contribution and neither such Lien nor any commencement or consummation of foreclosure proceedings or exercise of foreclosure remedies by a secured party on a Member’s Membership Interests Encumbered in connection with any such debt financing shall, in either case, be considered a “Transfer” for any purpose under this Agreement; provided, that (i) such Member shall be obligated to promptly notify the other Members and the Company in writing following the commencement of any such foreclosure remedies or proceedings, (ii) in the event of the consummation of such a foreclosure, such Member will automatically cease to be deemed the owner of the Membership Interests so foreclosed and will cease to have any rights in respect thereof (with the financing source foreclosing on such Membership Interests succeeding to the rights and responsibilities of the Member hereunder), and (iii) the consummation of any such foreclosure will be subject to the receipt of any required authorization, approval or consent of all applicable Governmental Bodies; provided, further, following exercise of any foreclosure or similar rights, such lender or similar Person may not further Transfer such Membership Interests without complying with this Article VI, including, Section 6.3.

Section 6.3 Right of First Offer.

(a) Prior to any Transfer by a Member (each, a “Transferring Member”) of all or any portion of its Membership Interests other than to a Permitted Transferee of such Transferring Member, the Transferring Member must first offer to sell to the other Members (the “Non-Transferring Member”; provided, that (x) if the Transferring Member is an Investor Member, the other Investor Member shall not be deemed a Non-Transferring Member for any purpose under this Section 6.3 and (y) if the Transferring

Member is the NiSource Member, the Investor Members jointly shall be deemed the Non-Transferring Member for all purposes under this Section 6.3) all of its Membership Interests that it desires to sell (such Membership Interests to be offered for sale to the Non-Transferring Member pursuant to this Section 6.3, the “Subject Membership Interests”), in each case, in accordance with the procedures set forth in the provisions of this Section 6.3.

(i)

(A) If the Investor Member is the Transferring Member, the Investor Member shall first deliver to the Non-Transferring Member a written notice which shall be a binding offer (an “Investor Sale Notice”) setting forth the cash price and all other material terms and conditions at which the Investor Member is willing to sell the Subject Membership Interests to the Non-Transferring Member, which notice shall constitute an offer to the Non-Transferring Member to effect such purchase and sale on the terms set forth therein. Any such Investor Sale Notice shall be firm, not subject to withdrawal, and prepared and delivered in good faith. Within ninety (90) days following its receipt of an Investor Sale Notice, the Non-Transferring Member may accept the Investor Member’s offer and purchase the Subject Membership Interests at the cash price and upon the other material terms and conditions set forth in the Investor Sale Notice, in which event the closing of the purchase and sale of the Subject Membership Interests will take place as promptly as practicable, subject to customary closing conditions, including the receipt of required regulatory approvals.

(B) If the NiSource Member is the Transferring Member, the NiSource Member shall first deliver to the Non-Transferring Member a written right of first offer notice (a “NiSource Sale Notice”) describing the Subject Membership Interests and setting forth all other material terms and conditions (other than the cash price) upon which the NiSource Member is willing to sell the Subject Membership Interests to the Non-Transferring Member. The NiSource Sale Notice shall not be a binding offer and need not include a price. Within ninety (90) days following its receipt of a NiSource Sale Notice, the Investor Member (as the Non-Transferring Member) may deliver to the NiSource Member a written response setting forth the cash price and confirming the other material terms and conditions specified in the NiSource Sale Notice (the “Investor Offer”). The Investor Offer shall be a binding offer by the Investor Member to purchase the Subject Membership Interests on the terms set forth therein, shall be firm, not subject to withdrawal, and prepared and delivered in good faith, and shall remain open for acceptance by the NiSource Member for a period of ninety (90) days following the NiSource Member’s receipt thereof. The NiSource Member may accept the Investor Offer within such ninety (90)-day period, in which event the closing of the purchase and sale of the Subject Membership Interests will take place as promptly as practicable, subject to customary closing conditions, including the receipt of required regulatory approvals. If the NiSource Member does not accept the Investor Offer within such ninety (90)-day period, the Investor Offer shall be deemed rejected and shall terminate without further action by any party.

(ii) If the NiSource Member does not accept the offer made pursuant to the Investor Sale Notice or the Investor Offer within such ninety (90)-day period (or if the Investor Member does not make an Investor Offer within ninety (90) days following receipt of a NiSource Sale Notice), then the Transferring Member will, for a period of one hundred eighty (180) days commencing on the earlier of (A) the expiration of such ninety (90)-day period (or ninety (90) -day period if the Investor Member does not make an Investor Offer) and (B) the delivery of a written notice by the NiSource Member to the Investor Member rejecting the offer set forth in the Investor Sale Notice or Investor Offer, as applicable, (if any) (such one hundred eighty (180)-day period, the “Sale Period”), be entitled to sell the Subject Membership Interests to any one Third Party for (x) in the case of the NiSource Member being the Transferring Member, at any higher price than the price set forth in the Investor Offer (or at any price if the Investor Member does not make an Investor Offer) and (y) in the case of the Investor Member being the Transferring Member, at a price greater than one hundred and seven and a half percent (107.5%) of the price set forth in the Investor Sale Notice (the “Threshold Price”) and upon other terms and conditions (excluding price) that are not more favorable to the acquiror than those specified in the Investor Sale Notice or Investor Offer, as applicable, subject to the other terms of this Section 6.3 (including Section

6.3(e)); provided, that, to the extent the Investor Member receives a price lower than the Threshold Price, the Investor Member will offer to sell such Subject Membership Interests at the offered price to the NiSource Member and the NiSource Member shall have thirty (30) days to accept such offer; provided, if the NiSource Member does not accept such offer or respond in that period, then the Investor Member may sell the Subject Membership Interests to the third party at the revised price that is below the Threshold Price. If such sale to any Third Party is not completed prior to the expiration of the Sale Period, then the process initiated by the delivery of the Investor Sale Notice or NiSource Sale Notice, as applicable, shall be lapsed, and the Transferring Member will be required to repeat the process set forth in this Section 6.3 before entering into any agreement with respect to, or consummating, any sale of Membership Interests to any Third Party; provided, that if a definitive agreement providing for the consummation of such sale is executed within the Sale Period but such sale has not been consummated at the expiration of the Sale Period solely as a result of a failure to receive the requisite authorization, approval or consent of any Governmental Body in respect of such sale, then the Sale Period shall be extended solely to the extent necessary to permit the receipt of all such authorizations, approvals or consents which are in process but have not been received from the relevant Governmental Body as of the original expiration date of the Sale Period and the consummation of the sale provided for in such definitive agreement; provided, that the Transferring Member shall have used efforts in seeking such authorizations, approvals and consents, consistent with its obligations under such definitive agreements in respect thereof.

(b) The Investor Members and their respective Permitted Transferees (if any) shall not be permitted to Transfer any of their Membership Interests to a Prohibited Competitor without the prior written consent of the NiSource Member. Within ten (10) Business Days after January 1 of each year, the NiSource Member shall have the right (i) to update the list of Prohibited Competitors set forth on Appendix (A) to replace no more than three (3) of the Prohibited Competitors with other Competitors designated by the NiSource Member, and (ii) in addition to any replacements pursuant to clause (i), to add up to two (2) additional Competitors designated by the NiSource Member to such list.

(c) No Transfer of Membership Interests by an Investor Member to any Third Party pursuant to Section 6.3(a)(ii) may be effected if it would, or would reasonably be expected to in the reasonable and good faith determination of the NiSource Member in consultation with the Board, (i) have a material and adverse effect on the Company Group or (ii) create a material risk of a material adverse regulatory consequence on any member of the Company Group or the Outside Group as a result of the identity of the Third Party transferee, any action taken or reasonably expected to be taken by any Governmental Body with respect to such Transfer or change in Tax status of any Person caused or reasonably expected to be caused by such Transfer, any terms or conditions of such Transfer, any requirement that the Membership Interests be registered under any applicable securities Laws in connection with or as a result of such Transfer, or any other similar matter. For purposes of this Section 6.3 and Section 6.4, “control” means (x) the ownership of at least a majority of the issued and outstanding Membership Interests of the Company, or (y) the ability to elect, directly or indirectly, a majority of the Directors of the Company in accordance with this Agreement.

(d) Prior to the consummation of any Transfer pursuant to Section 6.3(a)(ii), the Transferring Member shall have delivered to the Board and the Non-Transferring Member evidence reasonably satisfactory to the Board (with the Directors appointed by the Transferring Member abstaining from any such determination) and to the Non-Transferring Member that (i) the transferee is a Qualified Transferee and (ii) the Transfer complies with the provisions of Section 6.3(b) (if applicable) and Section 6.3(c).

(e) Any sale by the Transferring Member to the Non-Transferring Member, pursuant to Section 6.3(a) shall be consummated pursuant to a membership interest purchase agreement which shall contain representations and warranties by the Transferring Member to the Non-Transferring Member that (i) the Transferring Member has full right, title and interest in and to the Subject Membership Interests, (ii) the Transferring Member has all the necessary power and authority and has taken all necessary action to Transfer the Subject Membership Interests to the Non-Transferring Member as contemplated by this Section 6.3, (iii) the Subject Membership Interests are free and clear of any and all Liens other than those arising as a result of or under the terms of this Agreement and those arising under securities Laws of general applicability pertaining to limitations on the transfer of unregistered securities and (iv) other customary representations and warranties.

Section 6.4 Tag-Along Rights.

(a) Other than with respect to a Transfer proposed and made in accordance with Section 6.5, in the event that the NiSource Member proposes to effect a Transfer to a Third Party transferee (the “Tag-Along Buyer”) of a number of its Membership Interests constituting more than 25% of the total Membership Interests then outstanding (a “Tag-Along Sale”), then the NiSource Member shall give the Investor Members written notice (a “Tag-Along Notice”) of such proposed Transfer at least thirty (30) days prior to the consummation of such Tag-Along Sale, setting forth (w) the number of Membership Interests (“Tag-Along Offered Membership Interests”) proposed to be Transferred to the Tag-Along Buyer and the purchase price, (x) the identity of the Tag-Along Buyer, (y) any other material terms and conditions of the proposed Transfer and (z) the intended dates on which the NiSource Member will enter into a definitive agreement in respect of such proposed Transfer and consummate such proposed Transfer.

(b) Upon delivery of a Tag-Along Notice, the Investor Members shall have the right to sell up to their respective Tag Portions, at the same price per Membership Interest, for the same form of consideration and pursuant to the same terms and conditions (including time of payment) as set forth in the Tag-Along Notice (or, if different, as such are applicable at the time of the entry into a definitive agreement in respect of, or at the time of the consummation of, the Tag-Along Sale). If an Investor Member wishes to participate in the Tag-Along Sale, then such Investor Member shall provide written notice to the NiSource Member no less than forty-five (45) days after the date of the Tag-Along Notice, indicating such election, provided however if the BIP Investor Member elects to sell its respective Tag Portion the VCOC Investor Member shall be required to sell its respective Tag Portion on the same terms set forth in the election notice by the BIP Investor Member. Such notice shall set forth the number of its Membership Interests that such Investor Member elects to include in the Tag-Along Sale (which number shall not exceed its Tag Portion), and such notice shall constitute such Investor Member’s binding agreement to sell such Membership Interests on the terms and subject to the conditions applicable to the Tag-Along Sale.

(c) Any Transfer of an Investor Member’s Membership Interests in a Tag-Along Sale shall be on the same terms and conditions as the Transfer of the NiSource Member’s Membership Interests in such Tag-Along Sale, except as otherwise provided in this Section 6.4(c). Any participating Investor Member shall be required to make customary representations and warranties in connection with the Transfer of its Membership Interests, including as to its ownership and authority to Transfer, free and clear of all Liens, such Membership Interests and shall indemnify and hold harmless, to the fullest extent permitted by applicable Law, the Tag-Along Buyer against all losses of whatever nature arising out of, in connection with or related to any breach of any representation or warranty made by, or agreements, understandings or covenants of such Investor Member, as the case may be, under the terms of the agreements relating to such Transfer of such Investor Member’s Membership Interests, in each case not to exceed the equivalent obligations to indemnify and hold harmless the Tag-Along Buyer provided by the NiSource Member; provided, that (i) liability for misrepresentation or indemnity shall (as between the NiSource Member and any such Investor Member) be expressly stated to be several but not joint and the NiSource Member and any such Investor Member shall not be liable for any breach of covenants or representations or warranties as to the Membership Interests of any other Member and shall not, in any event, be liable for more than its pro rata share (based on the proceeds to be received) of any liability for misrepresentation or indemnity, (ii) any participating Investor Member shall benefit from any releases of sellers or other provisions in the transaction documentation of general applicability to sellers to the same extent as the NiSource Member, (iii) any participating Investor Member shall not be obligated to agree to any non-customary administrative covenants (such as any non-compete covenants that would restrict its or its Affiliates’ business activities), and (iv) any participating Investor Member shall not be obligated to provide indemnification obligations that exceed its proceeds from the Tag-Along Sale.

(d) Notwithstanding the foregoing, and for the avoidance of doubt, no Investor Member shall be entitled to Transfer its Membership Interests pursuant to this Section 6.4 in the event that, notwithstanding delivery of a written notice of election to participate in such Tag-Along Sale pursuant to this Section 6.4, such Investor Member fails to consummate the Transfer of its Membership Interests (on the terms and conditions required by this Section 6.4) in the applicable Tag-Along Sale.

(c) For the avoidance of doubt, the rights conferred to each Investor Member under this Section 6.4 do not apply in the event of a Change in Control of the NiSource Member.

Section 6.5 Drag-Along Rights.

(a) In the event that the NiSource Member intends to effect a sale of all or any portion of the Membership Interests owned by the NiSource Member and such Membership Interests constitute at least a majority of the issued and outstanding Membership Interests of the Company (a "Drag-Along Sale"), then the NiSource Member shall have the option (but not the obligation) to require each Investor Member to Transfer all of its Membership Interests to the Third Party buyer (the "Drag-Along Buyer") (or to such other Party as the Drag-Along Buyer directs) in accordance with the provisions of this Section 6.5 (such right of the NiSource Member, the "Drag-Along Right").

(b) If the NiSource Member elects to exercise the Drag-Along Right pursuant to Section 6.5(a), then the NiSource Member shall send a written notice to each applicable Investor Member (a "Drag-Along Notice") specifying (i) that such Investor Member is required to Transfer all of its Membership Interests pursuant to this Section 6.5, (ii) the amount and form of consideration payable for such Investor Member's Membership Interests, (iii) the name of the Third Party to which such Investor Member's Membership Interests are to be Transferred (or which is otherwise entitled to direct the disposition thereof at the consummation of the Drag-Along Sale), (iv) any other material terms and conditions of the proposed Transfer and (v) the intended dates on which the NiSource Member will enter into a definitive agreement in respect of such proposed Transfer and consummate such proposed Transfer.

(c) In the event that the NiSource Member elects to exercise the Drag-Along Right, then each Investor Member hereby agrees with respect to all Membership Interests it holds:

(i) in the event such transaction requires the approval of Members, to vote (in person, by proxy or by action by written consent, as applicable) all of its Membership Interests in favor of such Drag-Along Sale;

(ii) to execute and deliver all related documentation and take such other action reasonably necessary to enter into definitive agreements in respect of and to consummate the proposed Drag-Along Sale in accordance with, and subject to the terms of, this Section 6.5; and

(iii) not to deposit its Membership Interests in a voting trust or subject any Membership Interests to any arrangement or agreement with respect to the voting of such Membership Interests, unless specifically requested to do so by the Drag-Along Buyer in connection with a Drag-Along Sale.

(d) Subject to Section 6.5(e), any Transfer of an Investor Member's Membership Interests in a Drag-Along Sale shall be on the same terms and conditions as the proposed Transfer of the NiSource Member's Membership Interests in the Drag-Along Sale. Upon the request of the NiSource Member, each Investor Member shall be required to make customary representations and warranties in connection with the Transfer of such Investor Member's Membership Interests, including as to its ownership and authority to Transfer, free and clear of all Liens, its Membership Interests, and shall indemnify and hold harmless, to the fullest extent permitted by applicable Law, the Drag-Along Buyer against all losses of whatever nature arising out of, in connection with or related to any breach of any representation or warranty made by, or agreements, understandings or covenants of such Investor Member as the case may be, under the terms of the agreements relating to such Transfer of such Investor Member's Membership Interests, in each case not to exceed the equivalent obligations to indemnify and hold harmless the Drag-Along Buyer provided by the NiSource Member; provided, that (i) liability for misrepresentation or indemnity shall (as between the NiSource Member and such Investor Member) be expressly stated to be several but not joint and the NiSource Member and such Investor Member shall not be liable for any breach of covenants or representations or warranties as to the Membership Interests of any other Member and shall not, in any event, be liable for more than its pro rata share (based on the proceeds to be received) of any liability for misrepresentation or indemnity, (ii) such Investor Member shall benefit from any releases of sellers or other provisions in the transaction documentation of general applicability to sellers to the same extent as the NiSource Member and (iii) such Investor Member shall not be obligated to provide indemnification obligations that exceed its proceeds from the Drag-Along Sale.

(e) Any Transfer required to be made by an Investor Member pursuant to this Section 6.5 shall be for consideration consisting of cash or cash equivalents (or a combination thereof). Without the consent of the applicable Investor Member, an Investor Member shall not be required in connection with such Drag-Along Sale to agree to any material indemnification obligations, material, non-customary administrative covenants (including, but not limited to, restrictive covenants (such as non-solicit and non-compete covenants) that would restrict its or its Affiliates' business activities).

(f) At the consummation of the Drag-Along Sale, each Investor Member shall Transfer all of its Membership Interests to the Drag-Along Buyer (or its designee), and the Drag-Along Buyer shall pay the consideration due for such Investor Member's Membership Interest. If either Investor Member has failed, as of immediately prior to the time that the consummation of the Drag-Along Sale would otherwise have occurred, to have taken all actions necessary in accordance with this Agreement to consummate the Transfer of the Membership Interests held by it, then such Investor Member shall be deemed to be in material breach of this Agreement for purposes of Article IV and for all other purposes hereunder, shall be a Defaulting Member, and shall be deemed to have granted (and hereby grants, contingent only on the occurrence of such failure) an irrevocable appointment of any Person nominated for the purpose by the NiSource Member to be such Investor Member's agent and attorney to execute all necessary documentation and instruments on its behalf to Transfer such Investor Member's Membership Interest to the Drag-Along Buyer (or as it may direct) as the holder thereof, in each case consistent with the terms set forth in this Section 6.5.

(g) The NiSource Member shall have a period of 180 days commencing on the delivery of the Drag-Along Notice (such 180-day period, the "Drag Sale Period") to consummate the Drag-Along Sale. If the Drag-Along Sale is not completed prior to the expiration of the Drag Sale Period, then the process initiated by the delivery of the Drag-Along Notice shall be lapsed, and the NiSource Member will be required to repeat the process set forth in this Section 6.5 to pursue any Drag-Along Sale; provided that if a definitive agreement providing for the consummation of such Drag-Along Sale is executed within the Drag Sale Period but such Drag-Along Sale has not been consummated at the expiration of the Drag Sale Period solely as a result of a failure to receive the requisite authorization, approval or consent of any Governmental Body in respect of such Drag-Along Sale, then the Drag Sale Period shall be extended solely to the extent necessary to permit the receipt of all such authorizations, approvals or consents which are in process but have not been received from the relevant Governmental Body as of the original expiration date of the Drag Sale Period and the consummation of the Drag-Along Sale provided for in such definitive agreement; provided, that the NiSource Member shall have used efforts in seeking such authorizations, approvals and consents consistent with its obligations under such definitive agreement(s) in respect thereof.

(h) Notwithstanding the foregoing, the NiSource Member may not exercise the Drag-Along Right or consummate any Drag-Along Sale, without the prior written consent of the BIP Investor Member unless the applicable Drag-Along Sale would result in the Investor Members receiving proceeds resulting in the Investor Members collectively achieving at least a IRR of 10% (the "Investor Return Threshold") and a MOIC of 2.15x (the "MOIC Return Threshold"); provided, that any shortfall in the Investor Members collectively achieving the Investor Return Threshold or the MOIC Return Threshold may be paid by the NiSource Member to the Investor Members in immediately available funds at the closing of the Drag-Along Sale, in which case the prior written consent of the BIP Investor Member shall not be required to exercise the Drag-Along Right or consummate such Drag-Along Sale.

(i) For the avoidance of doubt, the rights conferred to the NiSource Member under this Section 6.5 do not apply in the event of a Change in Control of the NiSource Member.

Section 6.6 Cooperation. The transferring Member acknowledges and agrees that it shall cooperate reasonably to obtain the requisite authorization, approval or consent of any Governmental Body necessary to consummate any Transfers contemplated or permitted by this Article VI. The Members shall have the right in connection with any Transfer of Membership Interests permitted by this Agreement (or in connection with the investigation or consideration of any such potential Transfer) to require the Company to reasonably cooperate with potential purchasers in such prospective Transfer (at the sole cost and expense of the applicable Member or such potential purchasers) by taking such actions reasonably requested by the applicable Member or such potential purchasers to cooperate in such Transfer, including

(a) preparing or assisting in the preparation of due diligence materials and (b) providing such reasonable access to the Company's and each of its Subsidiaries' books, records, properties and other materials (subject, in each case, to the execution of customary confidentiality and non-disclosure agreements and subject to attorney-client privilege) to potential purchasers; provided that no such cooperation by the Company shall be required (i) until the relevant potential purchaser executes and delivers to the Company a customary confidentiality agreement, (ii) to the extent such cooperation would unreasonably interfere with the normal business operations of the Company or any of its Subsidiaries, and (iii) to the extent the provision of any information would (A) conflict with, or constitute a violation of, any applicable Law or Order or cause a loss of attorney-client privilege of the Company or any of its Subsidiaries, (B) in the NiSource Member's reasonable determination, require the disclosure of any information that is proprietary, confidential or sensitive to the NiSource Member or to any member of the Outside Group, or (C) require the disclosure of any information relating to any joint, combined, consolidated or unitary Tax Return that includes the NiSource Member or any other member of the Outside Group or any supporting work papers or other documentation related thereto.

Section 6.7 Blocker Entity.

(a) Notwithstanding anything to the contrary in this Agreement, if an Investor Member is participating in any sale of Membership Interests pursuant to Section 6.3, Tag-Along Sale or Drag-Along Sale or any other Transfer of its Membership Interests, the owners of such Investor Member (or, as applicable, the regarded owner of such Investor Member for U.S. federal income tax purposes) (each, a "Blocker Seller") shall, use commercially reasonable efforts to sell, and the NiSource Member and the Company will use commercially reasonable efforts to structure such sale or transfer such that the Blocker Seller is able to sell, Equity Interests in such Investor Member (or, as applicable, the regarded owner of such Investor Member for U.S. federal income tax purposes), in lieu of selling the Membership Interests held (directly or indirectly) by such Investor Member in exchange for consideration equal to the value of the Membership Interests as determined in such sale pursuant to Section 6.3, Tag-Along Sale or Drag-Along Sale or other Transfer, held (directly or indirectly) by such Investor Member without discount (as appropriately adjusted for any partial sale).

(b) Notwithstanding anything to the contrary in this Agreement, but subject to the last sentence of this Section 6.7(b), the Members shall use reasonable efforts and cooperate in good faith to (i) minimize any tax liabilities of the Company or its Members, including with respect to the structure of each Member's ownership in the Company and in connection with claiming any tax credits or accelerated tax depreciation deductions, and (ii) ensure recoverability of tax expense under any applicable rates approved by the IURC, FERC or such other applicable Governmental Body. In no event shall any Member be required to take any action that would reasonably be expected to result in a material economic, financial or tax consequence on such Member or its Affiliates, as determined by such Member in good faith.

(c) With respect to tax exempt entities which hold a Percentage Interest in the Company, directly or indirectly, the Investor Members shall use commercially reasonable efforts, to the extent requested by the NiSource Member but no more frequently than a quarterly basis, to provide the NiSource Member a reasonable estimate based on information then available to the Investor Member of the estimated amount of Percentage Interest held by such entities in the aggregate, until such time as the applicable Investor Member has no tax-exempt investors in such Investor Member's ownership structure in the Company.

Article VII PREEMPTIVE RIGHTS

Section 7.1 Preemptive Rights. The Company hereby grants to each Member the right to purchase such Member's Preemptive Right Share of all (or any part) of any New Securities that the Company may from time to time issue after the Effective Date (the "Preemptive Right"); provided, however, that the Preemptive Right shall not apply with respect to New Securities issues or to be issued in any public offering or pursuant to failures to fund Additional Funding Requirements or as otherwise specifically provided herein. In the event the Company proposes to undertake an issuance of New Securities (in a single transaction or a series of related transactions), the Company shall give to each Member written notice of its intention to issue New Securities (the "Preemptive Right Participation Notice"), describing the amount and type of New Securities, the cash purchase price and the general terms

upon which it proposes to issue such New Securities. Each Member shall have twenty (20) days from the date of receipt of any such Preemptive Right Participation Notice (the “Preemptive Right Notice Period”) to agree in writing to purchase for cash up to such Member’s Preemptive Right Share of such New Securities for the price and upon the terms and conditions specified in the Preemptive Right Participation Notice by giving written notice to the Company and stating therein the quantity of New Securities to be purchased (not to exceed such Members’ Preemptive Right Share) as well as the maximum amount of New Securities it would purchase. If any Member fails to so respond in writing within the Preemptive Right Notice Period, then such Member shall forfeit the right hereunder to purchase its Preemptive Right Share of such New Securities and the Company will allocate the rights to purchase such New Securities to any other Member that indicated it would purchase New Securities in excess of its Preemptive Right Share based on their relative Preemptive Right Shares. Subject to obtaining the requisite authorization, approval or consent of any Governmental Body, the closing of any purchase by any Member pursuant to this Section 7.1 shall be consummated concurrently with the consummation of the issuance or sale described in the Preemptive Right Participation Notice. The Company shall be free to complete the proposed issuance or sale of New Securities described in the Preemptive Right Participation Notice with respect to any New Securities not elected to be purchased pursuant to this Section 7.1 in accordance with the terms and conditions set forth in the Preemptive Right Participation Notice (except that the amount of New Securities to be issued or sold by the Company may be reduced). If a Member indicates in its response to a Preemptive Right Participation Notice that it shall purchase New Securities but then does not fund such amounts, such Member shall be a Defaulting Member.

Article VIII PROTECTIVE PROVISIONS

Section 8.1 Investor Member Threshold Matters. Notwithstanding anything to the contrary in this Agreement, the Company shall not cause or permit, in each case, so long as the Investor Members’ aggregate Percentage Interest is equal to or greater than the Investor Consent Threshold (except with respect to subclauses (a)–(g) and (i), in which case so long as the Investor Members’ aggregate Percentage Interest is at least 4.9%), and no Investor Member is a Defaulting Member, without the prior written consent of the BIP Investor Member (except that no such written consent shall be required to the extent that such matter is necessary to comply with applicable Law or Order or is in response to an Emergency Situation):

- (a) make an election or take any other action that results in a change in the tax classification of the Company or any of its Subsidiaries, with respect to its Subsidiaries only if such change adversely affects the BIP Investor Member;
- (b) any non-*pro rata* repurchase or redemption of any Equity Interests issued by the Company;
- (c) any (i) issuance of any class of Equity Interest in the Company, other than pursuant to Sections 1.9, 5.1, Section 7.1 or as otherwise specifically contemplated herein or (ii) change to the existing rights or obligations of any class of Equity Interest of the Company if such change would have a disproportionate material adverse impact on any Member in a manner different from the NiSource Member;
- (d) the filing of a petition seeking relief, or the consent to the entry of a decree or order for relief in an involuntary case, under the bankruptcy, rearrangement, reorganization or other debtor relief Laws of the United States or any state or any other competent jurisdiction or a general assignment for the benefit of its creditors by the Company or any of its Subsidiaries of all or substantially all of the assets of the Company and its Subsidiaries;
- (e) the conversion of the Company or GenCo from its current legal business entity form to any other business entity form (e.g., the conversion of the Company from a Delaware limited liability company to a Delaware corporation);
- (f) the listing of any Equity Interests of the Company or its Subsidiaries on any stock exchange (other than any spin off, split off or similar transaction of the Company, the NiSource Member or GenCo, or any of their Affiliates, which, for the avoidance of doubt, shall be subject to Sections 5.1(e) or 6.5 and the Spin Return Threshold);

(g) any amendment or modification to any Organizational Document of the Company or any Subsidiary of the Company, other than (i) ministerial amendments thereto or (ii) amendments thereto that are not disproportionately adverse to the BIP Investor Member as compared to any other holder of Equity Interests of the Company;

(h) the transfer, sale or other disposition, whether by the way of asset sale, stock sale, merger, or otherwise, of (i) all or substantially all of the assets of the Company Group, taken as a whole on a consolidated basis, or (ii) assets of the Company's Subsidiaries having a Fair Market Value in excess of 2.5% of the Qualifying Core Asset Base in the aggregate in any transaction or series of related transactions, other than Qualifying Core Assets and Excluded Transactions (it being understood, for the avoidance of doubt, that this Section 8.1(h) shall not be deemed to restrict a transfer, sale or other disposition of the equity of the Company) and other than pursuant to Article VI or a Change in Control of the Company, or the NiSource Member or as set forth below;

(i) the transfer, sale, issuance, or other disposition of any Equity Interests in GenCo or in any Subsidiary of the Company that directly or indirectly holds any Equity Interests in GenCo to any Person that is not the Company or one of its wholly-owned Subsidiaries;

(j) any new agreements or amendments to existing agreements, among the Company or any of its Subsidiaries, on the one hand, and any Member or any of their respective Affiliates (other than the Company or any of its Subsidiaries), on the other hand, which such agreement (or series of related transactions) are entered into after the Effective Date, other than (x) those that (i) are on an arms-length basis and (ii) involve revenues or expenditures of less than \$55,000,000.00 per Contract or series of related transactions individually or less than \$112,500,000.00 in the aggregate, subject to an annual increase by the CPI Escalator, for any fiscal year for all such affiliate transactions (it being acknowledged and agreed that no prior written consent of the BIP Investor Member will be required with respect to any amendments to any affiliate transaction made in the ordinary course of business unless to the extent such amendment would have a disproportionately adverse effect on the Company Group) in any material respect or (y) the GenCo Offtake Agreements or such other agreements by and among the Company or any of its Subsidiaries, on the one hand, and NHII or any of its Subsidiaries, on the other hand, which are reasonably necessary (as determined by the Board in good faith) for the Company's and its Subsidiaries' performance of any obligations under any GenCo Offtake Agreements (including with respect to the transfer or sale of Zonal Resource Credits or other similar capacity credits to or from NIPSCO or its Subsidiaries to or from the Company or its Subsidiaries) or otherwise be required for NIPSCO's performance of, or compliance with, any obligations arising under any "special contract" entered into by NIPSCO and a large load or hyperscale customer or similar arrangement (including any tariff), which in each case are as submitted to the IURC and/or otherwise consistent with applicable Law at such time, including any applicable IURC rules and regulations and, in each case, which are on an arm's-length basis;

(k) the acquisition by the Company or any of the Company's Subsidiaries of any Equity Interests or assets of any Person or the entry into joint ventures, in each case, having a Fair Market Value in excess of 2.5% of the Qualifying Core Asset Base in the aggregate in any calendar year, other than in connection with Qualifying Core Assets or Excluded Transactions;

(l) any capital expenditure by the Company or its Subsidiaries, that is in excess of 1.0% of the Qualifying Core Asset Base in any calendar year and is not made (i) in connection with a Qualifying Core Asset, (ii) reasonably necessary to fund an Emergency Expenditures, or (iii) an Excluded Transaction;

(m) incurring long-term Indebtedness (other than the refinancing of existing Indebtedness on commercially reasonable terms consistent with current market conditions as determined by the Board in good faith) by the Company or its Subsidiaries, if after giving pro forma effect to such incurrence and the application of the proceeds therefrom, the Company's and its Subsidiaries' Debt-to-Capital Ratio would exceed 0.7;

(n) making any political or charitable contribution made by or on behalf of the Company or any of its Subsidiaries to any Governmental Body or any official, representative or staff thereof, including

any community leaders or elected officials, in excess of \$250,000 individually or \$1,000,000 in the aggregate in a fiscal year; and

(o) entering into any binding agreement or arrangement by the Company or any of its Subsidiaries to effect any of the foregoing actions.

Notwithstanding the foregoing, no BIP Investor Member approval shall be required with respect to any spin off, split off or similar transaction of the Company, the NiSource Member or GenCo, or any of their Affiliates; provided, that any such transaction must satisfy the requirements of Section 5.1(e) or Section 6.5 and the Spin Return Threshold.

Section 8.2 Consultation Matters. For so long as (x) the Investor Members' aggregate Percentage Interest is at least 9.9% and (y) no Investor Member is a Defaulting Member, the Company (and, as applicable, the Board) shall use reasonable efforts to consult in good faith with the BIP Investor Member prior to the Company undertaking, or causing or permitting any of its Subsidiaries to undertake, the following matters (except as would be impracticable in respect of a particular action that the Board reasonably believes to be necessary or appropriate to comply with applicable Law, Order or in response to an Emergency Situation):

(a) appointing or replacing the President;

(b) establishing or materially amending, or material deviating from the then-current plan or budget of the Company and its Subsidiaries; provided, that the Company (and, as applicable, the Board) the NiSource Member and the Parent shall (i) provide to the BIP Investor Member a draft of the business plan and budget of the Company and its Subsidiaries for a given fiscal year no later than November 10 of the prior fiscal year, which budget shall include quarterly fiscal projections, (ii) schedule and attend a meeting among representatives of the Company, the NiSource Member, the Parent and the BIP Investor Member, including the Chief Financial Officer and Head of Regulatory Affairs of the Parent, no later than November 24 of the prior fiscal year, to discuss the draft business plan and budget, (iii) schedule and attend a meeting between the Chief Executive Officer of the Parent and the Global Head of Infrastructure of Blackstone Inc., within 5 Business Days of a written request by the BIP Investor Member, to discuss the draft business plan and budget as well as any changes proposed by BIP Investor Member and (iv) consider the BIP Investor Member's comments to the business plan and budget in good faith;

(c) material decisions relating to the conduct (including the settlement) of any litigation, administrative, or criminal proceeding to which the Company or any of its Subsidiaries is a party where (i) it is reasonably expected that the liability of the Company and its Subsidiaries would exceed \$75,000,000 (as adjusted by the CPI Escalator) (solely with respect to litigation proceedings), (ii) such proceeding would have material reputational damage on the Company or its Subsidiaries, or (iii) such proceeding would reasonably be expected to have a material and adverse effect on the BIP Investor Member or any of its Affiliates (other than in its or (if applicable, their) capacity as an investor in the Company); provided, that, for the avoidance of doubt, the foregoing shall not be applicable to any ordinary course regulatory proceedings (including rate cases) that do not involve claims of criminal conduct or intentional violations of applicable Law; and

(d) entering into or materially amending any GenCo Offtake Agreement or related support agreements, in which case such consultation shall include the Company (and, as applicable, the Board) using reasonable efforts to keep the BIP Investor Member reasonably informed regarding the negotiation of any GenCo Offtake Agreements or related support agreements and to consult in good faith with the BIP Investor Member regarding the form, material terms, structuring and implementation of any such GenCo Offtake Agreements or related support agreements, including any material changes to such GenCo Offtake Agreement or related support agreement.

Section 8.3 Indebtedness. Each of the Company and its Subsidiaries shall use commercially reasonable efforts to incur Indebtedness, both intercompany and with respect to any Third Party, to support its operations, working capital and capital investments in accordance with the informational compliance filings provided by GenCo to the IURC.

Section 8.4 Actions by the Investor Directors on behalf of the BIP Investor Member. Where any action requires the consent of the BIP Investor Member pursuant to Section 8.1, the Investor Directors shall, unless the BIP Investor Member indicates in writing to the NiSource Member otherwise, have the authority to provide such consent on behalf of the BIP Investor Member at any meeting of the Board called to discuss such matters, and the Company, the other Members and the other Directors shall be entitled to rely on such action of the Investor Directors as an action of the BIP Investor Member with such action being binding upon the BIP Investor Member.

Section 8.5 Additional Actions. The NiSource Member and Investor Members further agree to the additional actions set forth on Schedule 2.

Section 8.6 Acknowledgement of Purpose of Provisions. It is hereby acknowledged and agreed by the Parties that the rights of the Investor Members set forth in this Article VIII are protection mechanisms for each Investor Member acting in its capacity as an investor in the Company and are not for purposes of, and should not be construed or otherwise interpreted as, providing either Investor Member or any of its Representatives or Affiliates with the ability to take any action that would constitute exercising substantial influence or control over the Company or any of its Subsidiaries or would otherwise provide either Investor Member or any of their respective Representatives or Affiliates with any right to direct the operation of the business of the Company or any of its Subsidiaries.

Article IX

OTHER COVENANTS AND AGREEMENTS

Section 9.1 Books and Records.

(a) The Company shall keep and maintain, or cause to be kept and maintained, books and records of accounts, taxes, financial information and all matters pertaining to the Company and its Subsidiaries at the offices and place of business of the Company in a commercially reasonable manner consistent with the manner in which similar books and records are kept and maintained by other members of the Outside Group. Each Member (other than any Defaulting Member) and its duly authorized Representatives shall have the right to, at reasonable times during normal business hours, upon reasonable notice, under supervision of the Company's personnel and in such a manner as to not unreasonably interfere with the normal operations of any member of the Company Group, visit and inspect the books and records of the Company Group, and, at its expense, make copies of and take extracts from any books and records of the Company Group; provided, that, in the case of an Investor Member, any Person gaining access to such information regarding the Company Group pursuant to this Section 9.1 shall agree to hold in strict confidence, not make any disclosure of, and not use for purposes other than good faith administration of such Investor Member's continuing investment, all information regarding any member of the Company Group that is not otherwise publicly available.

(b) Notwithstanding the foregoing, the Company shall not be obligated to provide to either Investor Member any record or information (i) relating to the negotiation and consummation of the transactions contemplated by this Agreement, including confidential communications with Representatives or Advisors, including legal counsel, representing the Company or any of its Affiliates, (ii) that is subject to an attorney-client or other legal privilege, (iii) that, in the NiSource Member's reasonable determination, are proprietary, confidential or sensitive to the NiSource Member or to any other member of the Outside Group, (iv) relating to any joint, combined, consolidated or unitary Tax Return that includes the NiSource Member or any other member of the Outside Group or any supporting work papers or other documentation related thereto if such work papers or documentation includes the information of the NiSource Member or Outside Group, or (v) the provision of which would violate any applicable Law or Order; provided, with respect to (ii) and (iv) above that the Company shall use commercially reasonable efforts to develop an alternative to make such information available, including to make redactions to any such material and provide such redacted materials to such Investor Member.

(c) Each Member shall reimburse the Company for all reasonable, documented, out-of-pocket costs and expenses incurred by the Company in connection with such Member's exercise of its inspection and information rights pursuant to this Section 9.1.

Section 9.2 Financial Reports. The Company shall provide, or otherwise make available, to any Member (unless such Member is a Defaulting Member):

- (a) on an annual basis, within 120 days after the end of each fiscal year, an unaudited consolidated balance sheet, statement of operations and statement of cash flow of GenCo and its Subsidiaries;
- (b) on a quarterly basis, within 60 days after the end of each fiscal quarter, an unaudited consolidated balance sheet and related quarter and year to date statement of operation and related quarter and year to date statement of cash flow of GenCo and its Subsidiaries;
- (c) on a monthly basis, within 30 days after the end of each month-end, an unaudited income statement as readily available of GenCo and its Subsidiaries and related financial information prepared in the ordinary course;
- (d) on an annual basis (or more frequently, if applicable), as soon as reasonably practicable after the approval thereof by the Board, the annual budget and business plan for GenCo and its Subsidiaries;
- (e) on an annual basis, as soon as reasonably practicable after the approval thereof by the Board, financial forecasts for GenCo and its Subsidiaries, which shall be in such manner and form as approved by the Board, and which shall include a projection of income and a projected cash flow statement for each fiscal quarter in such fiscal year and a projected balance sheet as of the end of each fiscal quarter in such fiscal year;
- (f) (i) within 45 days after the end of each fiscal year, an estimated Schedule K-1 for the immediately preceding taxable year based on best-available information to date and depreciation will be subject to change based on final year end financial reporting results and (ii) not less than 45 days prior to the due date, including extensions, for the filing of the Company's federal information return for the immediately preceding taxable year, a final Schedule K-1, along with copies of all other federal, state and local income tax returns or reports filed by the Company for the previous year, as may be required as a result of the operations of the Company, and a schedule of Company book tax differences for the immediately preceding year;
- (g) each Investor Member shall promptly upon request by the NiSource Member provide the following information: (i) Form SS-4/IRS determination letter and Form 8832 Entity Classification Election (if applicable) and (ii) Form W-9; and
- (h) promptly, upon reasonable notice, any information that is reasonably requested by any Member in order to manage its regulatory or tax affairs or make filings with Governmental Bodies, including but not limited to Federal and Indiana corporate tax returns and financial statements (whether or not audited) for either Investor Member (or the regarded owner of either Investor Member if such Investor Member is a disregarded entity for tax purposes).

Section 9.3 Other Business; Corporate Opportunities.

- (a) To the extent permitted by applicable Law, any Member and any Affiliate of any Member may engage in, possess an interest in or otherwise be involved in other business ventures of any nature or description, independently or with others, similar or dissimilar to the businesses of the Company Group, and neither the Company nor any other Member shall have any rights by virtue of this Agreement in and to such independent ventures or the income or profits derived therefrom, and the pursuit of any such venture, even if competitive with the businesses of the Company Group, shall be deemed not to be wrongful or improper so long as it is consistent with all Laws and Orders applicable to the Company and its Subsidiaries.
- (b) The Company and each Member expressly acknowledge and agree that, (i) neither the Members nor any of their respective Affiliates or Representatives shall have any duty to communicate or present an investment or business opportunity to the Company in which the Company may, but for the provisions of this Section 9.3, have an interest or expectancy (a "Corporate Opportunity"), and (ii) neither the Members nor any of their respective Affiliates or Representatives (even if such Person is also an officer or Director of the Company) shall be deemed to have breached any duty or obligation to the Company by reason of the fact that such Person pursues or acquires a Corporate Opportunity for itself or

directs, sells, assigns or transfers such Corporate Opportunity to another Person or does not communicate information regarding such Corporate Opportunity to the Company. The Company and each Member expressly renounce any interest in Corporate Opportunities and any expectancy that a Corporate Opportunity will be offered to the Company.

(c) Notwithstanding anything to the contrary contained in this Section 9.3, for so long as the Investor Members are Affiliated Members and the Investor Members' aggregate Percentage Interest is equal to or greater than 14.9%, the Company and/or its Subsidiaries (including for the avoidance of doubt, GenCo) and NHII and/or its Subsidiaries (including for the avoidance of doubt, NIPSCO) shall be the exclusive vehicles for all power, storage and generation requirements for customers within NIPSCO's service territory, which, for the avoidance of doubt, will include the State of Indiana to the extent included within NIPSCO's service territory as of the applicable time, for which a "special contract" is required except to the extent (i) necessary to comply with applicable Law or Order or (ii) consented to by BIP Investor Member; provided, that, to the extent required by applicable Law or Order, the Parties will use their reasonable efforts to give effect to the foregoing exclusivity to the maximum extent permitted, and if any portion of this Section 9.3 is prohibited or unenforceable, it shall be enforced to the fullest lawful extent and otherwise deemed modified only as necessary to be valid, with the remainder continuing in full force and effect.

Section 9.4 Compliance with Laws.

(a) The Company shall and shall cause its Subsidiaries to use their respective commercially reasonable efforts to procure that the Company and its Subsidiaries and Company Group's respective Representatives shall not in the course of their actions for, or on behalf of, any member of the Company Group:

(i) offer promise, provide or authorize the provision of any money, property, contribution, gift, entertainment or other thing of value, directly or knowingly indirectly, to any government official, to unlawfully influence official action or secure an improper advantage, or to unlawfully encourage the recipient to improperly influence or affect any act or decision of any Governmental Body, in each case, in order to assist any member of the Company Group in obtaining or retaining business, or otherwise act in violation of any applicable Anti-Corruption Laws;

(ii) violate any applicable Anti-Money Laundering Laws; or

(iii) engage in any unlawful dealings or transactions with or for the benefit of any Sanctioned Person or otherwise violate Sanctions.

(b) The Company shall promptly notify the Members of (i) any allegations of material misconduct by any member of the Company Group or any actions, suits or proceedings by or before any Governmental Body to which any member of the Company Group becomes a party, or to which the Company becomes aware that any Representative of the Company Group (in relation to such Representative's actions for, or on behalf of, any member of the Company Group) is a party, in each case, relating to any material breach or suspected material breach of any applicable Anti-Corruption Laws, Anti-Money Laundering Laws, or Sanctions or (ii) any fact or circumstances of which it becomes aware that would reasonably be expected to result in a breach of this Section 9.4.

Section 9.5 Non-Solicit. Without the prior written consent of the Company, during the term of this Agreement, each Investor Member shall not, shall cause its Affiliates not to, and shall use its reasonable best efforts to procure that other Persons in which it is invested do not, solicit for employment, hire or engage as a consultant any individual who is serving in any position within the then-current NiSource Leadership Team; provided, that this Section 9.5 shall not prohibit any Person from issuing general public solicitations not specifically targeted at the then-current NiSource Leadership Team or from hiring or engaging any Person responding to such general solicitations.

Section 9.6 Confidentiality.

(a) Each Member shall, and shall cause its Representatives to, keep confidential and not divulge any information (including all budgets, business plans and analyses) concerning the Company and its Subsidiaries, including their respective assets, business, operations, financial condition and prospects, or with respect to another Member of this Agreement ("Confidential Information"), and to use such

Confidential Information only in connection with the operation of the Company and its Subsidiaries or such Member's administration of its investment in the Company; provided that nothing herein shall prevent any Member from disclosing such Confidential Information (i) upon the Order of any court or administrative agency, (ii) upon the request or demand of any Governmental Body having jurisdiction over such party, (iii) to the extent compelled by legal process or required pursuant to binding requirement of any Governmental Body, (iv) to the other Parties, (v) to such party's Representatives that in the reasonable judgment of such party need to know such Confidential Information, (vi) to any potential Permitted Transferee in connection with a proposed Transfer of Membership Interests from a Member so long as such transferee agrees to be bound by the provisions of this Section 9.6 as if a Member, or (vii) to actual and prospective limited partners of such Member or its Affiliates in connection with reporting requirements or fundraising efforts; provided, further, that in the case of clauses (i), (ii) or (iii), such Member shall prior to making any disclosure seek a protective order or other relief to prevent or reduce the scope of such disclosure, to the extent legally permissible, notify the other Parties of the proposed disclosure as far in advance of such disclosure as practicable and use reasonable efforts to ensure that any Confidential Information so disclosed is accorded confidential treatment, when and if available; provided, further, that in the cases of clauses (v) through (vii), such party receiving any Confidential Information is bound to an obligation of confidentiality no less stringent than that contained in this Agreement including such other protective provisions to protect the misuse of material non-public information.

(b) The restrictions in Section 9.6(a) shall not apply to information that (i) is or becomes generally available to the public other than as a result of a disclosure by a Member or any of its Representatives in violation of this Agreement, (ii) is or has been independently developed or conceived by such Member or its Affiliates without use of the Company's or any of its Subsidiaries' Confidential Information or (iii) becomes available to the receiving Member or any of its Representatives on a non-confidential basis from a source other than the Company or any of its Subsidiaries, any other Party or any of their respective Representatives; provided, that such source is not known by the recipient of the information to be bound by a confidentiality agreement with the disclosing party or any of its Representatives.

(c) Each Party shall inform any Representatives to whom it provides Confidential Information that such information is confidential and instruct them (i) to keep such Confidential Information confidential and (ii) not to disclose Confidential Information to any Third Party (other than those Persons to whom such Confidential Information has already been disclosed in accordance with the terms of this Agreement). The disclosing Party shall be responsible for any breach of this Section 9.6 by the Person to whom the Confidential Information is disclosed.

(d) The restrictions in Section 9.6(a) shall not restrict any Member and its Affiliates from disclosing any Confidential Information required to be disclosed under applicable securities Laws or the rules of any stock exchange on which any of their securities are traded.

(e) Notwithstanding anything herein to the contrary, the provisions of this Section 9.6 shall survive the termination of this Agreement for a period of three (3) years and, with respect to each Member, shall survive for a period of three (3) years following the date on which such Member is no longer a Member. The provisions of this Section 9.6 shall supersede the provisions of any non-disclosure agreements entered into by the Company (or its Affiliates, including the NiSource Member) and any of the Members (or their respective Affiliates) with respect to the transactions contemplated hereby prior to the Effective Date.

Section 9.7 Expenses. Except as otherwise expressly provided herein, all costs and expenses, including fees and disbursements of Representatives and other Advisors, incurred in connection with this Agreement and the transactions contemplated hereby, shall be paid by the Party incurring such costs and expenses. Notwithstanding the foregoing, should any litigation be commenced between the Parties or their Representatives concerning this Agreement or the rights, duties, or obligations hereunder, the Party or Parties prevailing in such proceeding shall be entitled, in addition to any other relief granted, to the reasonable attorneys' fees and other litigation costs incurred by reason of such litigation.

Section 9.8 Obligations in Respect of Financings.

(a) Subject to Section 9.8(b), during the term of this Agreement, the NiSource Member and the Company shall cooperate with each Investor Member as reasonably requested by such Investor

Member in connection with any Debt Financing. Such assistance shall include (i) providing to such Investor Member such information as may be reasonably necessary in connection with the Debt Financing and any related credit-rating process in accordance therewith, and (ii) taking such other actions as are reasonably requested by such Investor Member to facilitate the consummation of any Debt Financing and any related credit-rating process in accordance therewith (including providing customary authorization letters authorizing the distribution of information to prospective financing sources, subject to customary terms and conditions). Such cooperation will include cooperating with the due diligence requirements of the debt financing sources, including the furnishing of customary financial and operational information about the Company reasonably requested by the Investor Members or the debt financing sources solely for diligence and underwriting; causing management to participate in a reasonable number of customary presentations; providing access (at reasonable times upon reasonable notice) to senior management; cooperating with the Investor Member to support the Investor Member's production of any customary third-party reports reasonably required in connection with such financing including engineering, insurance broker or similar reports; and providing copies of permits, material project contracts to which the Company or any of its Subsidiaries is party and any progress reports and other notices received under or in connection with such material project contracts, in each case, as reasonably requested in connection with any such debt financing. Further, each of the NiSource Member and the Company shall have its reasonable, documented and invoiced out-of-pocket costs and expenses incurred in providing such cooperation and assistance pursuant to this Section 9.8 reimbursed by the Investor Member pursuing the applicable Debt Financing.

(b) Notwithstanding anything in Section 9.8(a) or this Agreement to the contrary, the cooperation requested by either Investor Member pursuant to Section 9.8(a) shall not (i) unreasonably interfere with the ongoing operations of the NiSource Member or its Subsidiaries, or (ii) require the NiSource Member or any of its Subsidiaries (other than the Company) to (A) pay any commitment or other similar fee, (B) have or incur any liability or obligation in connection with any Debt Financing, including under any agreement or any document related to any Debt Financing, other than any such documents that are customary in connection with such Debt Financing as set forth in Section 9.8(a), (C) commit to taking any action (including entering into any Contract) or to otherwise execute any definitive agreement in connection with any Debt Financing, or (D) take any action that would conflict with, violate or breach or result in a violation or breach of or default under any Contract, this Agreement or any other document contemplated hereby or any Law or regulatory requirements. In no event shall the Company or NiSource Member be required to provide information relating to the transactions contemplated hereby or with any other Person in connection with any possible sale or transfer of assets or equity of the Company and its Subsidiaries, any information subject to the attorney-client privilege or any confidential or sensitive information, or relating to any Tax Return; provided, that, the Company and NiSource Member will use commercially reasonable efforts to redact such materials to remove any such confidential or sensitive information to provide to the Investor Member.

Section 9.9 Credit Support. For so long as there are (a) any guarantees, credit support, letters of credit or financial assurances of a member of the Outside Group related to support obligations of the Company Group, each Member shall pay the portion equal to its Percentage Interest of any payment or draw request on such credit support facilities on or before the applicable payment date required or (b) any guarantees, credit support, letters of credit or financial assurances of the Company or any of its Subsidiaries related to support obligations of a member of the Outside Group, the NiSource Member shall pay all such payments on or before the applicable payment date required. If a Member does not make a payment in accordance with the above, the Company may issue a Capital Call Request Notice in accordance with Section 5.1 for such amount from the applicable Member. For the avoidance of doubt, the failure to make the payment in clauses (a) or (b) prior to a Capital Call Request Notice shall not be an Event of Default and the failure to fund pursuant to a Capital Call Request Notice shall be treated in accordance with Section 5.1. Notwithstanding the foregoing, if the VCOC Investor Member fails to make its payment in accordance with this Section 9.9, the BIP Investor Member shall be obligated to make such payment.

Article X TAX MATTERS

Section 10.1 Tax Classification. The Parties intend that the Company be classified as a partnership for U.S. federal income (and applicable state and local) Tax purposes. Without limiting

Section 8.1(a), neither the Company nor any Member shall make any election to change the tax classification of the Company or otherwise take any action inconsistent with such intended tax classification without the consent of the Board (or its designee).

Section 10.2 Partnership Representative.

(a) The NiSource Member is hereby designated the “Partnership Representative” within the meaning of Code Section 6223(a) of the Company. The Partnership Representative shall, if required, designate from time to time a “designated individual” to act on behalf of the Partnership Representative, and such designated individual shall be subject to replacement by the Partnership Representative in accordance with the Code and Treasury Regulations. If any state or local tax law provides for a tax matters partner, partnership representative, or person having similar rights, powers, authority, or obligations, the Partnership Representative shall also serve in such capacity. The Partnership Representative is authorized to represent the Company before the Internal Revenue Service and any other governmental agency with jurisdiction, make all decisions regarding permitted elections under the Code, Treasury Regulations, and other state and local tax law with respect to tax proceedings; provided, however, the Partnership Representative shall not enter into any settlement or similar agreement without the consent of the Board (such consent not to be unreasonably withheld, conditioned, or delayed). All Members (and former Members) agree to cooperate with, and to do and refrain from doing any or all things reasonably required by the Partnership Representative in connection with the conduct of all such proceedings or to otherwise allow the Company and the Partnership Representative to comply with the partnership audit provisions of the Code, Treasury Regulations, and similar state and local law. All Members shall cooperate in good faith to amend this Section 10.2 or other provisions of this Agreement as necessary to reflect any statutory amendments or the promulgation of Treasury Regulations or other administrative authority promulgated under the Partnership Audit Rules so as to, to the extent possible, preserve the relative rights, duties, and obligations of the Members hereunder. The Company shall, to the fullest extent permitted by law, reimburse and indemnify the Partnership Representative for all third-party expenses (including legal and accounting fees), claims, liabilities, losses, and damages incurred as the Partnership Representative in connection with any examination, administrative, or judicial proceeding, or otherwise acting in its capacity as Partnership Representative.

(b) Notwithstanding anything to the contrary in this Agreement, each Member (including, for purposes of this Section 10.2, any Person who is or becomes a Member but who for any reason ceases to be a Member) (i) hereby covenants to treat each item of income, gain, loss, deduction, or credit attributable to the Company in a manner consistent with the treatment of such income, gain, loss deduction, or credit on the tax return of the Company or as determined in a notice of final partnership adjustment pursuant to Section 6226 of the Code, (ii) hereby agrees to indemnify and hold harmless the Company from such Member’s share of any tax and any penalties, interest, and additions to tax attributable to any adjustment to the income, gain, loss, deduction, or credit of the Company pursuant to Section 6226 of the Code, and (iii) hereby agrees to take all other actions as the Partnership Representative may reasonably direct with respect to the Member’s (or, in respect of the Member, the Company’s) tax liabilities, which shall not include filing an amended return for any “reviewed year” to account for all adjustments under Section 6225(a) of the Code properly allocable to the Member as provided in and otherwise contemplated by Section 6225(c) of the Code and any Treasury Regulations that may be promulgated thereunder. If the Company or any other entity in which the Company holds an interest is obligated to pay any amount to a governmental agency or body or to any other Person (or otherwise makes a payment) of any taxes arising under a federal, state, or local tax audit or other proceeding and the Partnership Representative determines that all or a portion of such payment is specifically attributable to a Member (or former Member), then such Member (or former Member) shall reimburse the Company in full for the entire amount paid (including any interest, penalties, and expenses associated with such payment). The obligations of a Member under this Section 10.2 shall survive such Member’s sale or other disposition of its interests in the Company and the termination, dissolution, liquidation, or winding up of the Company.

(c) The Partnership Representative (i) shall keep the Investor Members reasonably informed of any material tax audit, settlement or proceeding and (ii) shall not settle or otherwise compromise a material tax audit, settlement or proceeding that would have a material adverse impact on either Investor Member, without the BIP Investor Member’s prior written consent (such consent not to be unreasonably withheld, conditioned, or delayed).

Section 10.3 Tax Elections. Except as otherwise provided by this Agreement, all material elections and decisions required or permitted to be made by the Company under any applicable tax law shall be determined by the NiSource Member; provided however, that any election with respect to taxes that is disproportionately materially adverse to either Investor Member shall require the BIP Investor Member's prior consent (such consent not to be unreasonably withheld, conditioned, or delayed). The elections shall include, but not be limited to, the following:

(a) Upon the written request of a Member, the Company may make the election under Section 754 of the Code in accordance with applicable regulations thereunder for the Company and each applicable Subsidiary;

(b) To the extent permitted under Section 706 of the Code, to elect the calendar year as the Company's taxable year and, (i) for clarity, to the extent the Company is permitted to adopt the calendar year, no other year shall be adopted as the taxable year and (ii) to the extent any additional filings or elections are required, to make such required filings or elections;

(c) To elect the accrual method of accounting;

(d) To elect to amortize any organizational expenses of the Company ratably over a period of one hundred eighty (180) months as permitted by Section 709(b) of the Code, and to elect to deduct the start-up expenditures of the Company as permitted by Section 195(b) of the Code;

(e) If "bonus depreciation" is available with respect to qualified property, the NiSource Member shall make the election described in Section 168(k)(7) of the Code to opt out of "bonus depreciation" for the taxable year during which the placed in service date occurs;

(f) To the extent permitted by law, to elect to apply the de minimis safe harbor under Treasury Regulations Section 1.263(a)-1(f);

(g) To the extent permitted under Code Section 461(h)(3), to elect the adoption of the exception for certain recurring items;

(h) To the extent permitted under Code Section 461(c), to elect to ratably accrue real property taxes; and

(i) To elect under Code Section 163(j) to be treated as an excepted trade or business.

Section 10.4 Cooperation. Each Investor Member shall, and shall cause its Affiliates to, provide to the NiSource Member and its Subsidiaries (including the Company and its Subsidiaries), and the NiSource Member and the Company shall, and shall cause their Affiliates to, provide to each Investor Member, in each case, such cooperation, documentation and information as any of them reasonably may request in connection with (a) filing any Tax Return, amended Tax Return or claim for refund, (b) determining a liability for Taxes or (c) preparing for or conducting any Tax audits, examinations or other proceedings by any taxing authority of any Governmental Body.

Section 10.5 Withholding. The Company may withhold and pay over to the United States Internal Revenue Service (or any other relevant Tax authority) such amounts as it is required to withhold or pay over, pursuant to the Code or any other applicable Tax Law, on account of a Member, including in respect of distributions made pursuant to Section 5.2 or Section 5.3, and, for the avoidance of doubt, the amount of any such distribution or other payment to a Member shall be net of any such withholding. To the extent that any amounts are so withheld and paid over, such amounts shall be treated as paid to the Person(s) in respect of which such withholding was made. For all purposes under this Agreement, any amounts withheld or paid with respect to a Member pursuant to this Section 10.5 shall offset any distributions to which such Member is entitled concurrently with such withholding or payment and shall be treated as having been distributed to such Member pursuant to Section 5.2 or Section 5.3 at the time such offset is made. To the extent that the cumulative amount of such withholding or payment exceeds the distributions to which such Member is entitled concurrently with such withholding or payment, the amount of such excess shall be promptly paid to the Company by the Member on whose behalf such withholding is required to be made; provided, however, that any such payment shall not be treated as a Capital Contribution and shall not reduce the amount that a Member is otherwise obligated to contribute

to the Company. To the extent that a Member claims to be entitled to a reduced rate of, or exemption from, a withholding Tax pursuant to an applicable income Tax treaty, or otherwise, such Member shall furnish the Company with such information and forms as such Member may be required to complete where necessary to comply with any and all Laws and regulations governing the obligations of withholding Tax agents, and the Company shall apply such reduced rate of, or exemption from, withholding Tax as reflected on such information and forms that have been provided by such Member. Each Member agrees that if any information or form provided pursuant to this Section 10.5 expires or becomes obsolete or inaccurate in any respect, such Member shall update such form or information.

Section 10.6 Certain Representations and Warranties. Each Member represents and warrants that any such information and forms furnished by such Member shall be true and accurate and agrees to indemnify the Company from any and all damages, costs and out-of-pocket expenses resulting from the filing of inaccurate or incomplete information or forms relating to such withholding Taxes.

Article XI

LIABILITY; EXCULPATION; INDEMNIFICATION

Section 11.1 Liability; Member Duties. The debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and no Covered Person shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a Covered Person. Each Member acknowledges and agrees that each Member, in its capacity as a Member, may decide or determine any matter subject to the approval of such Member pursuant to any provision of this Agreement in the sole and absolute discretion of such Member, and in making such decision or determination such Member shall have no duty, fiduciary or otherwise, to any other Member or to the Company Group, it being the intent of all Members that such Member, in its capacity as a Member, has the right to make such determination solely on the basis of its own interests.

Section 11.2 Exculpation. To the fullest extent permitted by applicable Law, no Covered Person shall be liable to the Company or any other Covered Person for any loss, damage or claim incurred by reason of any act or omission performed or omitted by such Covered Person in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of the authority conferred on such Covered Person by this Agreement, except that a Covered Person shall be liable for any such loss, damage or claim incurred by reason of such Covered Person's fraud or willful misconduct.

Section 11.3 Indemnification. The Company shall indemnify, defend and hold harmless any Person who was or is a party or is threatened to be made a party to any threatened, pending or completed actions, suits or proceedings by reason of the fact that such Person is or was a Director or officer of the Company, or is or was a Director or officer of the Company serving at the request of the Company as a director, officer or agent of another limited liability company, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' and experts' fees), judgments, settlements, penalties and fines actually and reasonably incurred by him or her in connection with the defense or settlement of such, action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Company; and, with respect to any criminal action or proceeding, either he or she had reasonable cause to believe such conduct was lawful or no reasonable cause to believe such conduct was unlawful; provided, however, for the avoidance of doubt, this Section 11.3 shall not apply with respect to any such actions between the Company and such Person.

Section 11.4 Authorization. To the extent that such present or former Director or officer of the Company has been successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to in Section 11.3, or in the defense of any claim, issue or matter therein, the Company shall indemnify him or her against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection therewith. Any other indemnification under Section 11.3 shall be made by the Company only as authorized in the specific case, upon a determination that indemnification of the present or former Director or officer is permissible in the circumstances because such present or former Director or officer has met the applicable standard of conduct. Such determination shall be made, with respect to a Person who is a Director or officer at the time of such determination, (a) by a majority vote of the Directors who are not parties to such action, suit or proceeding, even with less than a quorum, or (b) if there are no such Directors, or if such Directors so direct, by independent legal counsel in a written opinion, or (c) by the NiSource Member and the BIP Investor Member. Such determination shall be made, with respect to former Directors and officers, by any Person or Persons having the authority to act on the matter on behalf of the Company.

Section 11.5 Reliance on Information. For purposes of any determination under Section 11.3, a present or former Director or officer of the Company shall be deemed to have acted in good faith and have otherwise met the applicable standard of conduct set forth in Section 11.3 if his or her action is based on the records or books of account of the Company or on information supplied to him or her by a Director or an officer of the Company in the course of his or her duties, or on the advice of legal counsel for the Company or on information or records given or reports made to the Company by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Company. The provisions of this Section 11.5 shall not be deemed to be exclusive or to limit in any way the circumstances in which a present or former Director or officer of the Company may be deemed to have met the applicable standard of conduct set forth in Section 11.3.

Section 11.6 Advancement of Expenses. Expenses (including reasonable attorneys' fees) incurred by the present or former Director or officer of the Company in defending any civil, criminal, administrative or investigative action, suit or proceeding may be paid by the Company as authorized in the specific case in the same manner described in Section 11.4, upon receipt of a written affirmation of the present or former Director or officer that he or she has met the standard of conduct described in Section 11.3 and upon receipt of a written undertaking by or on behalf of him or her to repay such amount if it shall ultimately be determined that he or she did not meet the standard of conduct, and a determination is made that the facts then known to those making the determination shall not preclude indemnification under this Article XI.

Section 11.7 Non-Exclusive Provisions. The indemnification and advancement of expenses provided by, or granted pursuant to, this Article XI shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled. The Company hereby acknowledges that certain of its Directors and certain of its Members and the direct and indirect partners therein or owners thereof (the "Fund Indemnitees") may have rights to indemnification, advancement of expenses and/or insurance with respect to their service on the Board (collectively, the "Fund Indemnitors"). The Company hereby agrees: (a) that it is the indemnitor of first resort (i.e., its obligations to the Fund Indemnitees are primary and any obligation of the Fund Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by the Fund Indemnitees are secondary) and (b) that it irrevocably waives, relinquishes and releases the Fund Indemnitors from any and all claims against the Fund Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof, except to the extent that a Fund Indemnitee breaches its undertaking to repay advanced expenses as provided in Section 11.6. The Company further agrees that no advancement or payment by the Fund Indemnitors on behalf of the Fund Indemnitees with respect to any claim for which the Fund Indemnitees have sought indemnification from the Company shall affect the foregoing and that the Fund Indemnitors shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of the Fund Indemnitees against the Company.

Section 11.8 Survival of Indemnification and Advancement of Expenses. The indemnification and advancement of expenses provided by, or granted pursuant to, this Article XI shall, unless otherwise provided when authorized or ratified, continue as to a Person who has ceased to be a Director or officer of the Company and shall inure to the benefit of his or her heirs, executors and administrators.

Section 11.9 Limitations. Notwithstanding anything contained in this Article XI to the contrary, the Company shall not be obligated to indemnify any Director or officer (or his or her heirs, executors or personal or legal representatives) or advance expenses in connection with a proceeding (or part thereof) initiated by such Person unless such proceeding (or part thereof) was authorized or consented to by the Board.

Article XII

REPRESENTATIONS AND WARRANTIES

Section 12.1 Company Representations and Warranties. As of the Effective Date, the Company hereby represents and warrants to the Members as follows:

(a) Each of the Company and GenCo is duly organized, validly existing and in good standing under the Laws of its jurisdiction of organization and has all requisite power and authority to own its properties and to carry on its business as now being conducted. Each of the Company and GenCo is duly qualified or licensed to conduct its business as currently conducted and is in good standing in each jurisdiction in which the location of the property owned, leased or operated by it or the nature of its business makes such qualification necessary.

(b) The Company has full legal capacity, power and authority to execute and deliver this Agreement and any other agreements or instruments executed by it in connection herewith and to perform its obligations herein and therein and to consummate the transactions contemplated herein and therein. The execution, delivery and performance of this Agreement by the Company, and the consummation of the transactions contemplated by this Agreement, have been duly authorized and approved by all necessary limited liability company action, and no other action on the part of the Company or its equityholders is necessary to authorize the execution, delivery and performance of this Agreement by the Company and the consummation of the transactions contemplated by this Agreement.

(c) This Agreement and the other agreements and instruments to be executed by the Company in connection herewith have been duly executed and delivered by the Company and are valid and binding obligations of the Company enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other similar Laws relating to or affecting enforcement of creditors' rights generally and except as enforcement thereof is subject to general principles of equity (regardless of whether enforcement is considered in a proceeding in equity or at law).

(d) The execution and delivery of this Agreement by the Company and the issuance of the Membership Interests contemplated herein will not (i) conflict with, or result in any violation of, or default, or give rise to any right of termination, cancellation or acceleration, (with or without notice or lapse of time, or both) under (x) the governing documents of the Company, (y) any Law or governmental order applicable to the Company or by which any property or asset of the Company is bound or affected or (z) any Contract or other obligation to which the Company is a party, (ii) require the Company to obtain any consent or approval, or give any notice to, or make any filing with, any Governmental Body on or prior to the Effective Date.

(e) The Membership Interests are duly authorized, validly issued, fully paid and, if applicable, nonassessable, and free and clear of all Liens, preemptive rights, rights of first refusal, subscription and similar rights (other than as described here and as arising under applicable securities Laws). The Membership Interests on Schedule 1 constitute all of the issued and outstanding Equity Interests of the Company as of the Effective Date.

(f) The Company does not have any liabilities other than (i) for Taxes accrued and not yet payable or being contested in good faith through appropriate proceedings so long as adequate reserves have been maintained in accordance with U.S. GAAP, (ii) for obligations pursuant to this Agreement, (iii) liabilities incurred in the ordinary course of business of the Company and its Subsidiaries as conducted prior to the Effective Date, including pursuant to Contracts with respect to the purchase, development, financing, construction, commercialization, ownership, operation or maintenance of the GenCo Assets in connection with the Company Business, and (iv) for obligations under its organizational documents and nominal amounts necessary for the corporate maintenance and existence of the Company.

(g) The Company has no Subsidiaries, other than GenCo, and does not own, directly or indirectly, any Equity Interests in, or any securities convertible into or exercisable or exchangeable for Equity Interests of, any other Person, nor is the Company a party to any agreement, option, warrant, right or other commitment obligating it to acquire any such Equity Interests.

(h) The Company owns one hundred percent (100%) of the membership interests in GenCo and such membership interests are duly authorized, validly issued, fully paid and, if applicable, nonassessable, and free and clear of all Liens, preemptive rights, rights of first refusal, subscription and similar rights (other than as described here and as arising under applicable securities Laws). Such membership interests constitute all of the issued and outstanding Equity Interests of GenCo as of the Effective Date.

Section 12.2 Members Representations and Warranties. As of the Effective Date, each Member hereby represents and warrants, severally and not jointly, to the Company and to the other Member as follows:

(a) Such Member is a limited liability company or limited partnership duly organized, validly existing and in good standing under the Laws of its jurisdiction of organization or formation, as applicable, with full power and authority to enter into this Agreement and perform all of its obligations hereunder.

(b) The execution and delivery of this Agreement by such Member, and the performance by such Member of its obligations hereunder, have been duly and validly authorized by all requisite action by such Member, and no other proceedings on the part of such Member are necessary to authorize the execution, delivery or performance of this Agreement by such Member.

(c) This Agreement has been duly and validly executed and delivered by such Member, and, assuming that this Agreement is a valid and binding obligation of the other Parties, this Agreement constitutes a valid and binding obligation of such Member, enforceable against such Member in accordance with its terms, except as limited by the application of bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other Laws relating to or affecting creditors' rights or general principles of equity.

(d) The execution and delivery by such Member of this Agreement, and the performance by such Member of its obligations hereunder, does not (i) violate or breach its Organizational Documents, (ii) violate any applicable Law to which such Member is subject or by which any of its assets are bound, or (iii) result in any breach of or constitute a default (or an event that, with notice or lapse of time or both, would become a default) under any Contract to which such Member is a party or by which any of its assets are bound.

(e) Such Member is acquiring its Membership Interests (i) for such Member's own account and not directly or indirectly for the account of any other Person and (ii) for investment and not with a view to their sale or distribution. Such Member understands that the Membership Interests have not been registered under the Securities Act and may be resold only if registered pursuant to the provisions of the Securities Act or if an exemption from registration is available. Such Member understands that no public market now exists for the Membership Interests and that it is unlikely that a public market will ever exist for the Membership Interests. Such Member understands that its investment in the Company is highly speculative in nature and is subject to a high degree of risk of loss, in whole or in part.

Article XIII MISCELLANEOUS

Section 13.1 Notices. Except as otherwise expressly provided herein, all notices, demands and other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given (a) when personally delivered, (b) when transmitted by electronic mail (unless if transmitted after 5:00 p.m. Eastern time or other than on a Business Day, then on the next Business Day) to the address specified below (with confirmation of transmission), (c) when sent by internationally-recognized courier in which case it shall be deemed to have been given at the time of actual recorded delivery, or (d) the third (3rd) Business Day following the day on which the same is sent by certified or registered mail, postage prepaid, in each case, to the respective Party at the number, electronic mail address or street address, as applicable, set forth below, or at such other number, electronic mail address or street address as such Party may specify by written notice to the other Party.

Notices to either Investor Member:

BIP Orion Holdco L.P or BIP Orion Holdco II L.P.,
345 Park Avenue
New York, NY 10154
Attention: Legal Counsel – Blackstone Infrastructure Partners; Max Wade
Email: BIP-Legal@blackstone.com; max.wade@blackstone.com

with copies to (which shall not constitute notice):

Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas
New York, NY 10019
Attention: Ravi Purohit; Michael Spirtos
Email: rpurohit@paulweiss.com; mspirtos@paulweiss.com

Notices to the NiSource Member:

Generation Holdings I LLC
290 W. Nationwide Boulevard
Columbus, OH 43215
Attention: Shawn Anderson, Executive Vice President and Chief Financial Officer; Kim Cuccia, Senior Vice President, General Counsel and Corporate Secretary
Email: sanderson@nisource.com; kscuccia@nisource.com

with a copy to (which shall not constitute notice):

McGuireWoods LLP
800 East Canal Street
Richmond, Virginia 23219
Attention: Joanne Katsantonis; Emilie McNally
Email: jkatsantonis@mcguirewoods.com; emcnally@mcguirewoods.com

Notices to the Company:

Generation Holdings II LLC
290 W. Nationwide Boulevard
Columbus, OH 43215
Attention: Shawn Anderson, Executive Vice President and Chief Financial Officer; Kim Cuccia, Senior Vice President, General Counsel and Corporate Secretary
Email: sanderson@nisource.com; kscuccia@nisource.com

with a copy to (which shall not constitute notice):

McGuireWoods LLP
800 East Canal Street
Richmond, Virginia 23219
Attention: Joanne Katsantonis; Emilie McNally
Email: jkatsantonis@mcguirewoods.com; emcnally@mcguirewoods.com

Section 13.2 Assignment. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns; provided, that no Member, nor the Company, shall purport to assign or Transfer all or any of its rights or obligations under this Agreement nor grant, declare, create or dispose of any right or interest in this Agreement in whole or in part except with respect to a Transfer in accordance with the terms of this Agreement, and any attempted or purported assignment hereof not in accordance with the terms hereof shall be void ab initio.

Section 13.3 Waiver of Partition. Each Member hereby waives any right to partition of the Company property.

Section 13.4 Further Assurances. From and after the Effective Date, from time to time, as and when requested by any Party and at such Party's expense, any other Party shall execute and deliver, or

cause to be executed and delivered, all such documents and instruments and shall take, or cause to be taken, all such further or other actions as such requesting Party may reasonably deem necessary or desirable to carry out the purposes and intent of this Agreement.

Section 13.5 Third Party Beneficiaries. Except as otherwise expressly provided herein, nothing expressed or referred to in this Agreement shall be construed to give any Person other than the Parties any legal or equitable right, remedy or claim under or with respect to this Agreement or any provision of this Agreement; provided, that Covered Persons are express third party beneficiaries of Article XI.

Section 13.6 Parties in Interest; Non-Recourse. This Agreement shall inure to the benefit of, and be binding upon, the Parties and their respective successors, legal representatives and permitted assigns. This Agreement may only be enforced against, and any claim, action, suit, proceeding or investigation based upon, arising out of or related to this Agreement may only be brought against, the Persons that are expressly named as Parties to this Agreement. Except to the extent named as a Party to this Agreement, and then only to the extent of the specific obligations of such Parties set forth in this Agreement, no past, present or future shareholder, member, partner, manager, director, officer, employee, Affiliate (without giving effect to the proviso set forth in the definition thereof), agent or advisor of any Party shall have any liability (whether in contract, tort, equity or otherwise or by or through theories of equity, agency, control, instrumentality, alter ego, domination, sham, single business enterprise, piercing the veil, undercapitalization or any other attempt to avoid or disregard the entity form of any Person not a Party) for any of the representations, warranties, covenants, agreements or other obligations or liabilities of any of the Parties or for any claim, action, suit, proceeding or investigation based upon, arising out of or related to this Agreement. Notwithstanding anything contained herein, in no event shall this Section 13.6 limit in any way or waive any rights the Company or the NiSource Member may have with respect to the Equity Commitment Letter.

Section 13.7 Severability. If any term, provision, covenant or restriction contained in this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void, unenforceable or against its regulatory policy, the remainder of the terms, provisions, covenants and restrictions contained in this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and, to the extent permitted and possible, any invalid, void or unenforceable term shall be deemed replaced by a term that is valid and enforceable and that comes closest to expressing the intention of such invalid, void or unenforceable term.

Section 13.8 Construction. The language used in this Agreement shall be deemed to be the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Person. The headings of the sections and paragraphs of this Agreement have been inserted for convenience of reference only and shall in no way restrict or otherwise modify any of the terms or provisions hereof.

Section 13.9 Complete Agreement. This Agreement (including any schedules thereto), constitutes the entire agreement of the Parties hereto with respect to the subject matter hereof and thereof and supersedes any prior understandings, agreements or representations by or among the Parties hereto or Affiliates thereof, written or oral, to the extent they relate in any way to the subject matter hereof.

Section 13.10 Amendment; Waiver. Subject to Article VIII, neither this Agreement nor any other Organizational Document of the Company may be amended (whether by merger or otherwise) except in a written instrument signed by Members owning at least a majority of the Membership Interests; provided, that (a) the prior written consent of any Member shall be required in respect of any such proposed modification, alteration, supplement or amendment that would have a material disproportionate adverse impact on that Member (in its capacity as a Member) as compared to the other Members (in their capacity as Members) and (b) notwithstanding anything in this Agreement to the contrary, Article V, Article VI, Article VII, Article VIII and this Section 13.10 may not be amended other than by a written instrument signed by the BIP Investor Member. In the event that the Company issues Membership Interests to one (1) or more Third Parties pursuant to Section 5.1(c) or Section 7.1, the Members and the Company shall negotiate in good faith to amend this Agreement to the extent reasonably necessary to reflect such additional Members. Any amendment or revision to Schedule 1 that is made by an officer solely to reflect information regarding Members or the Transfer or issuance of Membership Interests made in accordance with the terms of this Agreement shall not be considered an amendment to this Agreement and shall not require any Board or Member approval. Any failure or delay on the part of any Party in exercising any power or right hereunder shall not operate as a waiver thereof, nor shall any single or partial exercise of any such right or power preclude any other or further exercise thereof or the exercise of any other right or power hereunder or otherwise available at law or in equity.

Section 13.11 Governing Law. This Agreement, and any claim, action, suit, investigation or proceeding of any kind whatsoever, including a counterclaim, cross-claim or defense, regardless of the legal theory under which such liability or obligation may be sought to be imposed, whether sounding in contract or tort, or whether at law or in equity, or otherwise under any legal or equitable theory, that may be based upon, arising out of or related to this Agreement or the negotiation, execution or performance of this Agreement or the transactions contemplated hereby shall be governed by and construed in accordance with the internal Laws of the State of Delaware applicable to agreements executed and performed entirely within such State without regards to conflicts of law principles of the State of Delaware or any other jurisdiction that would cause the Laws of any jurisdiction other than the State of Delaware to apply.

Section 13.12 Specific Performance. The Parties agree that irreparable damage, for which monetary relief, even if available, shall not be an adequate remedy, would occur in the event that any provision of this Agreement is not performed in accordance with its specific terms or is otherwise breached. It is accordingly agreed that (a) the Parties shall be entitled to seek an injunction or injunctions, specific performance or other equitable relief to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof without proof of damages or otherwise, this being in addition to any other remedy to which they are entitled under this Agreement, and (b) the right of specific performance and other equitable relief is an integral part of this Agreement and the business and legal understandings among the Members with respect to the Company, and without that right, none of the Members would have entered into this Agreement. The Parties acknowledge and agree that any Party pursuing an injunction or injunctions or other Order to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement in accordance with this Section 13.12 shall not be required to provide any bond or other security in connection with any such Order. The remedies available to the Parties pursuant to this Section 13.12 shall be in addition to any other remedy to which they may be entitled at law or in equity, and the election to pursue an injunction or specific performance shall not restrict, impair or otherwise limit any Party from seeking to collect or collecting damages. Each of the Parties agrees that it shall not oppose the granting of an injunction, specific performance and other equitable relief on the basis that any other Party has an adequate remedy at law or that any award of specific performance is not an appropriate remedy for any reason at law or in equity.

Section 13.13 Escalation; Arbitration.

(a) In connection with any dispute, controversy or claim among the Members relating to or arising out of this Agreement, the Members will use their reasonable efforts to resolve such dispute within thirty (30) days. If the dispute has not been resolved within such thirty (30) day period, the Members will escalate the dispute to the respective Senior Officers, who will meet to discuss and use their reasonable efforts to resolve the dispute. If the Members remain unable to resolve the dispute within thirty (30) days of the initial meeting of the Senior Officers or such later date as the Members subject to such dispute may agree, such dispute shall be finally settled by binding arbitration administered by the American Arbitration Association ("AAA") utilizing its Commercial Arbitration Rules in effect as of the date the arbitration is commenced. The arbitration shall be conducted before a single arbitrator, if the Parties can agree on the one arbitrator. If the Parties cannot agree on a single arbitrator, there shall be a panel of three arbitrators with one chosen by the BIP Investor Member, one chosen by the NiSource Member, and the third arbitrator selected by the two Members-appointed arbitrators. If a Party fails to appoint an arbitrator within 30 days following a written request by another Party to do so or if the two party-appointed arbitrators fail to agree upon the selection of a third arbitrator, as applicable, within thirty (30) days following their appointment, the additional arbitrator shall be selected by the AAA pursuant to its applicable procedures. Each arbitrator shall be disinterested and have at least twenty (20) years of experience with commercial matters. The arbitrator(s) shall have the power to award any appropriate remedy consistent with the objectives of the arbitration and subject to, and consistent with, all Laws and Orders applicable to the Company and its Subsidiaries (including, for the avoidance of doubt, the necessity of obtaining any requisite authorization, approval or consent of any Governmental Body necessary to implement the appropriate remedy). The decision of the one arbitrator or, if applicable, the majority of the three arbitrators shall be final and binding upon the Parties (subject only to limited review as required by applicable Law). Judgment upon the award of the arbitrator(s) may be entered in any court of competent jurisdiction or otherwise enforced in any jurisdiction in any manner provided by applicable Law. The losing Party shall pay the prevailing Party's attorney's fees and costs and the costs associated with the arbitration, including expert fees and costs and the arbitrators' fees and costs; provided, however, that each Party shall bear its own fees and costs until the arbitrator(s) determine which, if any, Party is the prevailing Party and the amount that is due to such prevailing Party. The arbitration proceedings shall take place in Chicago, Illinois and, for the avoidance of doubt, the arbitration proceedings shall be conducted in the English language.

(b) All discussions, negotiations and proceedings under this Section 13.13, and all evidence given or discovered pursuant hereto, will be maintained in strict confidence by all Parties, except where disclosure is required by applicable Law, necessary to comply with any legal requirements of such Party or necessary or advisable in order for a Party to assert any legal rights or remedies, including the filing of a complaint with a court or, based on the advice of counsel, such disclosure is determined to be necessary or advisable under applicable securities Laws or the rules of any stock exchange on which any of such Party's securities are traded. Disclosure of the existence of any arbitration or of any award rendered therein may be made as part of any action in court for interim or provisional relief or to confirm or enforce such award.

(c) Any settlement discussions occurring and negotiating positions taken by any Party in connection with the procedures under this Section 13.13 will be subject to Rule 408 of the Federal Rules of Civil Procedure and shall not be admissible as evidence in any proceeding relating to the subject matter of this Agreement.

(d) The fact that the dispute resolution procedure specified in this Section 13.13 has been or may be invoked will not excuse any Party from performing its obligations under this Agreement, and during the pendency of any such procedure, all Parties must continue to perform their respective obligations in good faith. In addition, in no event shall the fact that this provision has been invoked and the pendency of the proceedings limit, suspend, delay or waive any other rights and remedies provided in this Agreement to any Member.

(e) Notwithstanding the agreement to arbitrate contained in this Section 13.13, in the event that either Party wishes to seek a temporary restraining order, a preliminary or temporary injunction, or other injunctive relief in connection with any claim, demand, cause of action, dispute, controversy, or other matter arising out of or relating to this Agreement or the alleged breach thereof, whether such claim sounds in contract, tort, or otherwise, at law or in equity, under state or federal law, whether provided by statute or the common law, each Party shall have the right to pursue such injunctive relief in court, rather than by arbitration. The Parties agree that such action for a temporary restraining order, a preliminary or temporary injunction, or other injunctive relief may be brought in the state or federal courts of Delaware, or in any other forum in which jurisdiction is appropriate.

Section 13.14 Counterparts. This Agreement may be executed in counterparts, and any Party may execute any such counterpart, each of which when executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute one and the same instrument. This Agreement shall become effective when each Party shall have received a counterpart hereof signed by the other Parties. The Parties agree that the delivery of this Agreement may be effected by means of an exchange of facsimile or electronically transmitted signatures.

Section 13.15 Fair Market Value Determination. In the event the Board makes a determination of Fair Market Value under this Agreement, upon request by the NiSource Member or the BIP Investor Member, so long as such Member holds a Percentage Interest (or, with respect to the BIP Investor Member, the Investor Members collectively hold an aggregate Percentage Interest) greater than five percent (5%), within five (5) Business Days after receiving written notice of the Board's determination in connection with any determination of Fair Market Value of Membership Interests or other assets under this Agreement (which determination shall be provided by the Company to each Member promptly following the making thereof), the Company shall select a nationally recognized independent valuation firm with no existing or prior business or personal relationship with any Member or any of its Affiliates in the three year period immediately preceding the date of engagement, pursuant to this Section 13.15 (the "Independent Evaluator") to determine such Fair Market Value. Each of the Company and the requesting Member shall submit their view of the Fair Market Value of the Membership Interests or the relevant asset(s) to the Independent Evaluator, and each party will receive copies of all information provided to the Independent Evaluator by the other party. The final Independent Evaluator's determination of the Fair Market Value of such Membership Interests or asset(s) shall be set forth in a detailed written report addressed to the Company and the Members within thirty (30) days following the Company's selection of such Independent Evaluator and such determination shall be final, conclusive and binding. In rendering its decision, the Independent Evaluator shall determine which of the positions of the Company and the requesting Member submitted to the Independent Evaluator is, in the aggregate, more accurate (which report shall include a worksheet setting forth the material calculations used in arriving at such

determination), and, based on such determination, adopt either the Fair Market Value determined by the Company or the requesting Member. Any fees and expenses of the Independent Evaluator incurred in resolving the disputed matter(s) will be borne by the party whose positions were not adopted by the Independent Evaluator. Notwithstanding the foregoing, the Board's determination of Fair Market Value under this Agreement shall be conclusive and relied upon by the Members in carrying out their obligations hereunder, unless and until the Independent Evaluator determines otherwise. The pendency of this process shall not excuse the performance of any obligations of a Member hereunder.

Section 13.16 Certain Definitions. As used in this Agreement, the following terms shall have the meanings ascribed to them below:

“Act” means the Delaware Limited Liability Company Act, as amended from time to time.

“Adjusted Capital Account” means, with respect to any Member, the balance in such Member's Capital Account as of the end of the relevant Allocation Year or other period, after giving effect to the following adjustments:

(a) Add to such Capital Account the following items:

(i) The amount, if any, that such Member is obligated to contribute to the Company upon liquidation of such Member's Percentage Interest; and

(ii) The amount that such Member is obligated to restore or is deemed to be obligated to restore pursuant to Treasury Regulations Section 1.704-1(b)(2)(ii)(c) or the penultimate sentence of each of Treasury Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5).

(b) Subtract from such Capital Account such Member's share of the items described in Treasury Regulations Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5) and 1.704-1(b)(2)(ii)(d)(6).

The foregoing definition of Adjusted Capital Account is intended to comply with the provisions of Treasury Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

“Adjusted Capital Account Deficit” means, with respect to any Member, the deficit balance, if any, in such Member's Adjusted Capital Account as of the end of the Allocation Year (or other relevant period).

“Advisors” means, with respect to any Person, the accountants, attorneys, consultants, advisors, investment bankers, or other representatives of such Person.

“Affiliate” of any particular Person means any other Person Controlling, Controlled by or under common Control with such particular Person, provided, however, that, (i) no portfolio company of any investment fund affiliated with or advised by The Blackstone Group Inc. or Blackstone Infrastructure Partners L.P., or Blackstone Infrastructure Advisors, LLC, shall be deemed to be an “Affiliate” of either Investor Member (excluding the Investor Members' Subsidiaries) and (ii) no investment fund affiliated with or advised by The Blackstone Group Inc. shall be deemed an “Affiliate” of either Investor Member (excluding funds or investment vehicles controlled or advised by Blackstone Infrastructure Advisors, LLC).

“Affiliated Member” means a Member that is Controlled by a NHII Member, Controls a NHII Member, or is under common Control with a NHII Member.

“Affiliated NHII Member” means a NHII Member that is Controlled by a Member, Controls a Member, or is under common Control with a Member.

“Allocation Year” means (a) the period commencing on the Effective Date and ending on the immediately succeeding December 31; (b) any subsequent twelve (12) month period commencing on January 1 and ending on December 31; or (c) any portion of the period described in preceding clause (a) or (b) for which the Company is required to allocate items of the Company income, gain, loss, deduction or credit.

“Anti-Corruption Laws” means any Law concerning or relating to bribery or corruption imposed, administered or enforced by any Governmental Body.

“Anti-Money Laundering Laws” means any Law concerning or relating to money laundering, any predicate crime to money laundering or any record keeping, disclosure or reporting requirements related to money laundering imposed, administered or enforced by any Governmental Body.

“Assumed Tax Liability” means, for any Member, the product of (a) such Member’s allocable share of net taxable income of the Company for such Fiscal Year (or applicable portion thereof), reduced by such Member’s allocable share of cumulative net taxable loss of the Company not previously been taken into account (calculated taking into account the effect of any basis adjustment under Code Section 734, 743 or 754 and allocations pursuant to Code Section 704(c)), determined as if such Member has no items of income, gain, loss, deduction or credit other than through the Company, multiplied by (b) the Assumed Tax Rate.

“Assumed Tax Rate” means the highest effective combined marginal U.S. federal, state and local income tax rate applicable to a corporation for such Fiscal Year (taking into account the character of the underlying taxable income) and the deductibility of state and local income taxes for U.S. federal income tax purposes (and any applicable limitations thereon). The Assumed Tax Rate shall be the same for each Member.

“Available Cash” means, for any fiscal quarter, the cash flow generated from the normal business operations of the Company and its Subsidiaries in such fiscal quarter, less any amounts that the Board reasonably determines are necessary and appropriate to be retained in order to (a) permit the Company and its Subsidiaries to pay their obligations as they become due in the ordinary course of business, (b) maintain the Company’s and its Subsidiaries’ capital structure and credit metrics, (c) subject to Section 8.1(l), fund planned and approved (as applicable) capital expenditures, (d) maintain an adequate level of working capital, (e) maintain prudent reserves for future obligations (including contingent obligations of the Company and its Subsidiaries), (f) comply with applicable Law, Order, the terms of the Company’s and its Subsidiaries’ Indebtedness (including making any required payments of principal or interest in satisfaction of Indebtedness), or (g) respond to an Emergency Situation.

“Business Day” means any day other than a Saturday, Sunday or a day on which banking institutions located in New York, New York or Delaware are closed generally.

“Capital Account” means the capital account maintained for each Member on the Company’s books and records in accordance with the following provisions:

(a) To each Member’s Capital Account there shall be added (i) such Member’s Capital Contributions, (ii) such Member’s allocable share of net Profits and any items in the nature of income or gain that are specially allocated to such Member pursuant to Section 5.6 or Section 5.7 hereof or other provisions of this Agreement, and (iii) the amount of any Company liabilities assumed by such Member or which are secured by any property distributed to such Member.

(b) From each Member's Capital Account there shall be subtracted (i) the amount of (A) cash and (B) the Gross Asset Value of any Company assets (other than cash) distributed to such Member pursuant to any provision of this Agreement, (ii) such Member's allocable share of net Losses and any other items in the nature of expenses or losses that are specially allocated to such Member pursuant to Section 5.6 or Section 5.7 hereof or other provisions of this Agreement, and (iii) liabilities of such Member assumed by the Company or which are secured by any property contributed by such Member to the Company.

(c) In the event any Membership Interest is transferred in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred Membership Interest.

(d) In determining the amount of any liability for purposes of subparagraphs (a) and (b) above, there shall be taken into account Code Section 752(c) and any other applicable provisions of the Code and Regulations.

The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Regulations Sections 1.704-1(b) and 1.704-2 and shall be interpreted and applied in a manner consistent with such Regulations.

"Capital Contribution" means, with respect to any Member, the total amount of cash and the initial Gross Asset Value of property (other than cash) contributed to the capital of the Company by such Member, whether as an initial Capital Contribution or as an additional Capital Contribution.

"Change in Control" means with respect to the applicable Party, any person or group (within the meaning of Sections 13(d)(3) and 14(d)(2) of the Securities Exchange Act of 1934, as amended) at any time becoming the beneficial owner of more than fifty percent (50%) of the combined voting power of the voting securities of such Party (including through general partner and limited partner arrangements).

"Code" means the Internal Revenue Code of 1986, as amended.

"Company Group" means the Company and each of its Subsidiaries, collectively.

"Company Minimum Gain" has the meaning set forth in Treasury Regulations Sections 1.704-2(b)(2) and 1.704-2(d)(1) for the phrase "partnership minimum gain."

"Competitor" means any Person that is, or through its Subsidiaries is, directly involved in or competes with the Company Business in the United States. For the avoidance of doubt, a Competitor shall not include any financial sponsors that own equity in any Person that is directly involved in the Company Business in the United States.

"Consolidated Capitalization" means the sum of the Consolidated Debt and all amounts that would, in conformity with GAAP, be included on a consolidated balance sheet of the Company and its Subsidiaries under the total members' equity interests at such time.

"Consolidated Debt" means, the Indebtedness of the Company and its Subsidiaries that would be classified as debt on a consolidated balance sheet of the Company and its Subsidiaries in accordance with GAAP.

“Contract” means any written agreement, arrangement, commitment, indenture, instrument, purchase order, license or other binding agreement.

“Control” means the possession, directly or indirectly, of the power to direct the management and policies of a Person whether through the ownership of voting securities, Contract or otherwise.

“Covered Person” means any (a) Member, any Affiliate of a Member or any officers, directors, shareholders, partners, members, employees, representatives or agents of a Member or their respective direct or indirect Affiliates, (b) Director, or (c) employee, officer, or agent of the Company or its Affiliates.

“CPI Escalator” means that certain increase calculated annually on the anniversary of the Effective Date by the percentage increase of services measured by the consumer price index as determined by the U.S. Department of Labor, Bureau of Labor Statistics.

“Debt Financing” means any debt financing incurred by the BIP Investor Member or any of its Affiliates (other than the Company), including, the incurrence of any loans or the issuance of any bonds, notes, debentures or hybrid securities.

“Debt-to-Capital Ratio” means the ratio of the Consolidated Debt to Consolidated Capitalization.

“Depreciation” means, for Allocation Year or other period, an amount equal to the depreciation, amortization or other cost recovery deduction allowable for federal income tax purposes with respect to an asset for such Allocation Year or other period, except that (a) with respect to an asset the Gross Asset Value of which differs from its adjusted basis for U.S. federal income tax purposes and which difference is being eliminated by use of the “remedial allocation method” as defined in Treasury Regulations Section 1.704-3(d), Depreciation for such period shall be the amount of the book basis recovered for such period under the rules prescribed in Treasury Regulations Section 1.704-3(d)(2), and (b) if the Gross Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such Allocation Year or other period, Depreciation shall be an amount that bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization or other cost recovery deduction for such Allocation Year or other period bears to such beginning adjusted tax basis; provided, however, that if the federal income tax depreciation, amortization or other cost recovery deduction for such Allocation Year or other period is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the Board.

“EBITDA” means earnings before interest, taxes, depreciation and amortization, calculated consistently with the methodology set forth in the Seller Model.

“Emergency Expenditure” means amounts required to be incurred in order to respond to an Emergency Situation or to avoid an Emergency Situation in a manner that is consistent with general practices applicable to facilities used in the Company Business or consistent with the past operations of the Company or its Affiliates (including NIPSCO), but only to the extent such expenditures are reasonably designed to ameliorate the consequences, or an immediate threat of any of the consequences, of the issues set forth in the definition of “Emergency Situation”.

“Emergency Situation” means, with respect to the business of the Company and its Subsidiaries, any abnormal system condition or abnormal situation requiring immediate action to maintain the system, frequency, loading within acceptable limits or voltage or to prevent loss of firm load; material equipment damage or tripping of system elements that would reasonably be expected to materially and adversely

affect reliability of an electric system or any other occurrence or condition that requires immediate action to prevent or mitigate an immediate and material threat to the safety of Persons or the operational integrity of the assets and business of the Company or its Subsidiaries; or any other condition or occurrence requiring prompt implementation of emergency procedures as defined by the applicable transmission grid operator, distribution or transmitting utility.

“Encumber” means to place a Lien against.

“Equity Commitment Letter” means the Equity Commitment Letter dated as of the Effective Date by Blackstone Infrastructure Partners L.P. for the benefit of the Company in the amount equal to \$1,325,000,000.00 (the “Maximum Investor Commitment”).

“Equity Interests” means, with respect to any Person that is not a natural person, (i) capital stock, ordinary shares, partnership, limited liability company or membership interests or units (whether general or limited) or any other equity interests of such Person; (ii) subscriptions, calls, warrants, Contracts, options, commitments or rights entitling any Person to acquire, any interests referred to in clause (i); (iii) securities or instruments convertible into or exercisable or exchangeable for any interests referred to in clause (i) and (iv) stock or unit appreciation rights, liquidation rights, contingent value rights, restricted stock units, or phantom equity or that confers on a Person the right to receive any type of interest referred to in clauses (i) through (iii).

“Exchange Act” has the meaning set forth in the definition of “Excluded Membership Interests”.

“Excluded Membership Interests” means any Membership Interests or other Equity Interests in the Company issued in connection with:

- (a) any issuance to a Third Party pursuant to and in accordance with Section 7.1;
- (b) any arrangement approved unanimously by the Board for the return of income or capital to the Members;
- (c) any equity split, equity dividend or any similar recapitalization; or
- (d) the commencement of any offering or registration of Membership Interests or other Equity Interests of the Company or any of its Subsidiaries, pursuant to a registration statement filed in accordance with the United States Securities Act of 1933 (the “Securities Act”) or under the Securities and Exchange Act of 1934 (the “Exchange Act”).

“Excluded Transactions” means Transactions in the ordinary course of the Company Business, and, in each case, on an arms-length basis with respect to (i) the sale and transfer of Zonal Resource Credits or other similar capacity credits to or from NIPSCO or its Subsidiaries to or from the Company or its Subsidiaries, (ii) pilot programs, and (iii) similar undertakings by the Company or its Subsidiaries in connection with the Company Business, provided, however, the Members shall discuss in good faith any necessary adjustments to this definition on or after the date that is ten (10) years from the Effective Date, provided, further that any adjustments to this definition shall be mutually agreed by the Members.

“Fair Market Value” means, with respect to any asset (including Equity Interest), the price at which the asset would change hands between a willing buyer and a willing seller that are not affiliated parties, neither being under any compulsion to buy or to sell, and both having knowledge of the relevant facts and taking into account the full useful life of the asset. In valuing Membership Interests, no

consideration of any control, liquidity or minority discount or premium shall be taken into account. Fair Market Value shall be determined by the Board in accordance with the foregoing, subject to Section 13.15.

“FERC” means the U.S. Federal Energy Regulatory Commission or any successor agency thereto.

“GAAP” means United States generally accepted accounting principles applied on a consistent basis during the periods involved.

“GenCo Assets” means any and all current or future assets, rights, and properties (including any Subsidiaries) of the Company and Subsidiaries.

“GenCo Declination” means that certain order of the IURC approved on September 24, 2025, of the verified petition of GenCo for certain determinations by the IURC with respect to its jurisdiction over petitioner’s activities as a non-retail generator of electric power.

“GenCo Offtake Agreement” means any offtake agreements (including capacity supply agreements) pursuant to which the Company or its Subsidiaries will sell power, storage, capacity or ancillary products to NIPSCO to allow NIPSCO to fulfill its obligations to certain large load or hyperscale customers for each pursuant to a “special contract” or similar arrangement (including any tariff) as submitted to the IURC and/or otherwise consistent with applicable Law at such time, including any applicable IURC rules and regulations.

“Governmental Body” means any national, foreign, federal, regional, state, local, municipal or other governmental authority of any nature (including any division, department, agency, commission or other regulatory body thereof) and any court or arbitral tribunal, including any governmental, quasi-governmental or non-governmental body administering, regulating or having general oversight over electricity, power or the transmission or transportation thereof, including any regional transmission operator, independent system operator and any market monitor thereof.

“Gross Asset Value” means, with respect to any asset, the asset’s adjusted basis for federal income tax purposes, except as follows:

(a) The initial Gross Asset Value of any asset contributed by a Member to the Company shall be the gross fair market value of such asset on the date of the contribution, as determined by the Board, provided that the initial Gross Asset Values of the assets contributed to the Company pursuant to Section 5.1 shall be as set forth on Schedule 1.

(b) The Gross Asset Values of all Company assets immediately prior to the occurrence of any event described in subparagraphs (i) through (v) below shall be adjusted to equal their respective gross fair market values, as determined by the Board, as of the following times: The Gross Asset Values of all Company assets shall be adjusted to equal their respective gross fair market values, as determined by the Board, as of the following times: (i) the acquisition of an additional interest in the Company by any new or existing Member in exchange for more than a de minimis Capital Contribution; (ii) the distribution by the Company to a Member of more than a de minimis amount of property as consideration for an interest in the Company; (iii) the liquidation of the Company within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(g); (iv) in connection with the grant of an interest in the Company (other than a de minimis interest) as consideration for the provision of services to or for the benefit of the Company by an existing Member acting in a partner capacity, or by a new Member acting in a partner capacity in

anticipation of being a Member; and (v) the acquisition of an interest in the Company upon the exercise of a non-compensatory option in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv)(s); provided, however, adjustments pursuant to clause (i), clause (ii), and clause (iv) above shall be made only if the Board reasonably determines that such adjustments are necessary or appropriate to reflect the relative economic interests of the Members in the Company; and provided further, if any non-compensatory option is outstanding, Gross Asset Values shall be adjusted in accordance with Treasury Regulation Sections 1.704-1(b)(2)(iv)(f)(1) and 1.704-1(b)(2)(iv)(h)(2);

(c) The Gross Asset Value of any Company asset distributed to a Member shall be the gross fair market value of such asset on the date of distribution as determined by the Board;

(d) The Gross Asset Values of Company assets shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Regulations Section 1.704-1(b)(2)(iv)(m); provided, however, that Gross Asset Values shall not be adjusted pursuant to this subparagraph (d) to the extent that an adjustment pursuant to subparagraph (b) above is made in connection with a transaction that would otherwise result in an adjustment pursuant to this subparagraph (d).

(e) If the Gross Asset Value of a Company asset has been determined or adjusted pursuant to subparagraph (a), subparagraph (b) or subparagraph (d) above, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such Company asset for purposes of computing net Profits and net Losses.

“Indebtedness” means indebtedness or debt as those terms are calculated in accordance with GAAP.

“Investor Call Trigger” means (i) either Investor Member fails to fund all or any portion of its share of a Mandatory Capital Contribution or any Additional Funding Requirement (other than a Mandatory Capital Contribution) in respect of two (2) events if either Investor Member indicated it would do so in its Response to Capital Call but failed to do so within the time period specified in Section 5.1; provided, that the NiSource Member shall be required to provide notice to the BIP Investor Member immediately upon any Investor Member’s first event of failure to fund that would trigger this right, (ii) the Investor Members’ aggregate Percentage Interest is equal to or less than five percent (5%), or (iii) the NiSource Member elects to pursue a spin off, split off or similar transaction of the Company, GenCo or an Affiliate; provided, in the case of this clause (iii), the NiSource Member may not exercise its Call Right unless the Spin Return Threshold would be satisfied in the event such contemplated transaction is consummated.

“Investor Consent Threshold” means a Percentage Interest equal to or greater than 19.9%; provided, that, solely in the event the Investor Members’ aggregate Percentage Interest is reduced in connection with issuances of Membership Interests in compliance with Sections 5.1 or 7.1, such reference to “19.9%” shall be replaced by “17.5%”.

“IRR” means, at any time of determination, the actual annual rate of return of the Investor Members (specified as a percentage) taking into account only the following, on a cash-in, cash-out basis: (a) all capital contributions actually made to the Company by or on behalf of the Investor Members or any of its Permitted Transferees with respect to their Membership Interests on or before such date, and (b) all cash distributions made to the Investor Members or any of their respective Permitted Transferees on or

before such date. For the avoidance of doubt, the IRR calculation would not include any tax payments at the Investor Members level. The IRR will be calculated using the XIRR function in the most recent version of Microsoft Excel (or if such program is no longer available, such other software program for calculating the IRR as is reasonably determined by the Board), and will be based on the actual dates of funding of such capital contributions and the actual dates of receipt of such cash distributions and proceeds.

“IURC” means the Indiana Utility Regulatory Commission.

“Law” means any law (statutory, common or otherwise), rule, regulation, code or ordinance enacted, adopted, promulgated or applied by any Governmental Body, including all regulatory requirements emanating from state and federal regulators of the Company Group’s businesses and operations.

“Liens” means all liens, encumbrances, mortgages, deeds of trust, pledges, security interests, charges, claims, proxy, voting trust or transfer restrictions, under any stockholder or similar agreement or Organizational Document.

“Maximum Investor Commitment” has the meaning set forth in the definition of “Equity Commitment Letter”.

“Member” means each of the NiSource Member and the Investor Members, and any Person admitted as an additional member of the Company or a substitute member of the Company pursuant to the provisions of this Agreement, each in its capacity as a member of the Company.

“Member Nonrecourse Debt” has the meaning of “partner nonrecourse debt” as set forth in Treasury Regulations Section 1.704-2(b)(4).

“Member Nonrecourse Debt Minimum Gain” means an amount, with respect to each Member Nonrecourse Debt, equal to the Company Minimum Gain that would result if such Member Nonrecourse Debt were treated as a Nonrecourse Liability, determined in accordance with Treasury Regulation Section 1.704-2(i)(3).

“Member Nonrecourse Deductions” has the meaning of “partner nonrecourse deductions” set forth in Treasury Regulations Section 1.704-2(i)(1) and 1.704-2(i)(2).

“Membership Interests” means membership interests of the Company.

“MOIC” means, as of any measurement time, with respect to any holder of Membership Interests, the number resulting from the quotient of (i) the cumulative amount of distributions received by such holder (or its predecessors in interest) in respect of such Membership Interests divided by (ii) the cumulative amount of all capital contributions made to the Company by such holder (or its predecessors in interest) in respect of such Membership Interests prior to such time; provided, that, for the purpose of foregoing calculation, the Investor Members shall be aggregated and treated as a single holder.

“New Securities” means any Membership Interests or other Equity Interests in the Company, other than any Excluded Membership Interests.

“NHII Member” means each Member as defined in the NHII Operating Agreement.

“NHII Operating Agreement” means that certain Third Amended and Restated Limited Liability Company Agreement dated as of the date hereof by and among NHII, NIPSCO Holdings I LLC, an Indiana limited liability company, BIP Blue Buyer L.L.C., a Delaware limited liability company, BIP Blue Buyer VCOC L.L.C., a Delaware limited liability company, and solely for the purposes of Article VI thereto, the Parent.

“NIPSCO” means Northern Indiana Public Service Company LLC, an Indiana limited liability company.

“NiSource Leadership Team” means any individual serving as an officer at any Company Group.

“Nonrecourse Deductions” has the meaning set forth in Treasury Regulations Sections 1.704-2(b)(1) and 1.704-2(c).

“Nonrecourse Liability” has the meaning set forth in Treasury Regulations Sections 1.704-2(b)(3) and 1.752-1(a)(2).

“OFAC” means the U.S. Office of Foreign Assets Control.

“Order” means any order, ruling, decision, verdict, decree, writ, award, judgment, injunction, or other similar determination or finding of any Governmental Body.

“Organizational Documents” means, with respect to any corporation, its articles or certificate of incorporation, memorandum or articles of association and by-laws or documents of similar substance; with respect to any limited liability company, its articles of association, articles of organization or certificate of organization, formation or association and its operating agreement or limited liability company agreement or documents of similar substance; with respect to any limited partnership, its certificate of limited partnership and partnership agreement or documents of similar substance; and with respect to any other entity, documents of similar substance to any of the foregoing.

“Outside Group” means the Parent and its Subsidiaries, other than the Company and its Subsidiaries.

“Partnership Audit Rules” means Sections 6221 through 6241 of the Code, as enacted in Public Law 114-74, as may be amended, including any final or temporary Regulations, other administrative guidance or case law interpreting Sections 6221 through 6241 of the Code (and any analogous provision of state or local tax law).

“Partnership Representative” means, with respect to any Allocation Year, the Person designated for such year as the partnership representative for the Company pursuant to section 6223(a) of the Code or with respect to the tax law of any state or foreign jurisdiction, as a representative pursuant to a provision of law of such state or foreign jurisdiction corresponding to Section 6223(a) of the Code and shall also include the Person through whom a Partnership Representative acts.

“Percentage Interest” means, in respect of any Member, their relative ownership in the Membership Interests, expressed as a percentage, which shall be deemed to be equal to the number of Membership Interests that such Member owns divided by the total number of Membership Interests then outstanding.

“Permitted Transferee” means, with respect to the NiSource Member or either Investor Member, (a) a directly or indirectly wholly owned Subsidiary of such Member, (b) an Affiliate of such Member of which such Member is, directly or indirectly, a wholly owned Subsidiary (an “Affiliate Parent”), or (c) an Affiliate of such Member that is a wholly owned Subsidiary of an Affiliate Parent.

“Person(s)” means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or a Governmental Body.

“Preemptive Right Share” means a ratio of (a) the number of Membership Interests held by such Member with Preemptive Rights, to (b) the total number of Membership Interests then outstanding immediately prior to the issuance of New Securities giving rise to the Preemptive Rights.

“President” means the President of GenCo.

“Profits” and “Losses” mean, for each Allocation Year, an amount equal to the Company’s taxable income or loss for such Allocation Year, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments (without duplication):

(a) Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Profits or Losses pursuant to this definition of “Profits” and “Losses” shall be added to such taxable income or loss;

(b) Any expenditures of the Company described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Profits or Losses pursuant to this definition of “Profits” and “Losses,” shall be subtracted from such taxable income or loss;

(c) In the event the Gross Asset Value of any Company asset is adjusted pursuant to clause (b) or clause (c) of the definition of “Gross Asset Value,” the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the Gross Asset Value of the asset) or an item of loss (if the adjustment decreases the Gross Asset Value of the asset) from the disposition of such asset and shall be taken into account for purposes of computing Profits or Losses;

(d) In lieu of the depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such Allocation Year, computed in accordance with the definition of Depreciation;

(e) Gain or loss resulting from any disposition of property with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Gross Asset Value of the property disposed of, notwithstanding that the adjusted tax basis of such property differs from its Gross Asset Value;

(f) To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Code Section 734(b) or Section 743(b) is required, pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m)(4), to be taken into account in determining Capital Accounts as a result of a distribution other than in liquidation of a Member’s interest in the Company, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if

the adjustment decreases such basis) from the disposition of such asset and shall be taken into account for purposes of computing Profits or Losses; and

(g) Notwithstanding any other provision of this definition, any items that are specially allocated pursuant to Section 5.7 or Section 5.8 shall not be taken into account in computing Profits or Losses.

The amounts of the items of Company income, gain, loss, or deduction available to be specially allocated pursuant to Section 5.7 and Section 5.8 shall be determined by applying rules analogous to those set forth in clause (a) through clause (f) of this definition.

“Prohibited Competitor” means (i) any Competitor listed on Appendix (A) hereto, as may be updated from time to time in accordance with Section 6.3(b) and (ii) any person owned or controlled by an entity existing under the laws of a country or territory that is subject to, or a target of, any Sanctions.

“Qualified Designee” means (i) with respect to NiSource Member, an employee of Parent or its Affiliates that is an officer of any such entity and (ii) with respect to BIP Investor Member, an employee of the BIP Investor Member or its parent company that is an officer or comparable position of such entity or is otherwise affiliated with such entity; provided, that a “Qualified Designee” shall not include any Person so long as such Person is (a) a director, officer, employee, or other Person affiliated with a Prohibited Competitor or (b) any Person convicted by a court or equivalent tribunal of any felony (or equivalent crime in the applicable jurisdiction) or of any misdemeanor (or equivalent crime in the applicable jurisdiction) that involves financial dishonesty or moral turpitude, or (c) any Person that would create a material reputational risk to the Company based on a good faith determination by the Board.

“Qualified Transferee” means any Person so long as such Person is (i) an asset manager with “assets under management” (as such term is commonly defined in the private equity industry) of at least \$5,000,000,000, (ii) a Person with its Equity Interests listed on a nationally recognized stock exchange which has a market capitalization of at least \$5,000,000,000 or (iii) a Person that based on its most recent audited balance sheet has at least \$5,000,000,000 of assets, and/or in all cases, is in the good faith determination of the Board of being financially capable of carrying out the obligations and promptly paying all liabilities as they become due and payable under and in accordance with this Agreement and such Person is not a Prohibited Competitor; provided, that a Person that consummated a foreclosure pursuant to Section 6.2(b) shall be deemed a Qualified Transferee.

“Qualifying Core Asset Base” means an amount equal to the net property, plant and equipment of the Qualifying Core Assets, taken as a whole, including any joint ventures consolidated on the Company’s financial statements, as determined based on the annual financial statements prepared according to GAAP.

“Qualifying Core Assets” means assets (including the GenCo Assets) utilized in connection with the conduct of the Company’s and its Subsidiaries’ business (a) on which the Company reasonably expects that it or its Subsidiaries will be eligible to include in the applicable rate base and to earn a return on through rates approved by the IURC, FERC or such other applicable Governmental Body that are commercially reasonable (to be determined by the Board in good faith) and are not otherwise inconsistent with such applicable Governmental Body (as the case may be) rate precedent or (b) which are reasonably necessary, including any generating facilities and related infrastructure, (as determined by the Board in good faith) for the Company’s and its Subsidiaries’ performance under the GenCo Offtake Agreements in accordance with the terms thereof or to serve certain large load or hyperscale customers pursuant to a

“special contract” or similar arrangement (including any tariff), as submitted to the IURC and/or otherwise consistent with applicable Law at such time, including any applicable IURC rules and regulations. For the avoidance of doubt, “Qualifying Core Assets” shall also include necessary or ancillary expenses to support such assets (including working capital). Further, for the avoidance of doubt, the sale of any excess electricity, storage, capacity or ancillary products generated or produced by any such generating facilities or related infrastructure within the applicable wholesale market shall not affect whether such assets, generating facilities or related infrastructure are Qualifying Core Assets.

“Representatives” means the directors, officers, employees, agents and Advisors of a Party.

“Sanctioned Country” means a country or territory that is the target of comprehensive Sanctions (currently, Cuba, Iran, North Korea, Syria, the Crimea region of Ukraine, and the so-called Donetsk and Luhansk People’s Republics in eastern Ukraine).

“Sanctioned Person” means, (a) any Person listed in any Sanctions-related list of designated Persons maintained by a Governmental Body described in the definition of “Sanctions,” (b) any Person operating, organized, domiciled or resident in a Sanctioned Country, (c) the government of, or a Governmental Body or government official of, any Sanctioned Country or of Venezuela, or (d) any Person directly or indirectly owned or otherwise controlled by, acting for or on behalf of, or acting at the direction of, any such Person described in clauses (a), (b), or (c).

“Sanctions” means any trade or economic sanctions imposed, administered or enforced from time to time by OFAC, the U.S. Department of State, His Majesty’s Treasury, the United Nations, the European Union or any agency or subdivision of any of the foregoing, including any regulations, rules and executive orders issued in connection therewith.

“Securities Act” has the meaning set forth in the definition of “Excluded Membership Interests”.

“Senior Officers” means with respect to the NiSource Member, the Chief Executive Officer of the Parent, and with respect to the Investor Members, the Global Head of Infrastructure of Blackstone Inc.

“Spin Return Threshold” means the Investor Return Threshold and the MOIC Return Threshold.

“Subsidiary” means, with respect to any Person, any entity of which a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of such Person or a combination thereof or any partnership, association or other entity of which a majority of the partnership or other similar ownership interest is at the time owned or controlled, directly or indirectly, by such Person or one or more Subsidiaries of such Person or a combination thereof. For purposes of this definition, a Person is deemed to have a majority ownership interest in a partnership, limited liability company, association or other business entity if such Person is allocated a majority of the gains or losses of such partnership, limited liability company, association or other entity or is or controls the managing director or general partner of such partnership, limited liability company, association or other business entity.

“Tag Portion” means an amount of Membership Interests equal to the specified quantity of Tag-Along Offered Membership Interests multiplied by the applicable Investor Member’s Percentage Interest.

“Tax” or “Taxes” means any federal, state, local or foreign taxes, including income, gross receipts, capital stock, capital gains, franchise, profits, license, withholding, payroll, social security,

unemployment, disability, real property, ad valorem/personal property, stamp, excise, occupation, sales, use, excise, transfer, value added, import, export, alternative minimum, estimated or other tax, duty, assessment or governmental charge in the nature of a tax, including any interest, penalty or addition thereto.

“Tax Return” means any return, claim for refund, report, election, form, statement or information return relating to Taxes, including any schedule or attachment thereto, and including any amendments thereof.

“Third Party” means, with respect to a Member, another Person that is not another Member or an Affiliate of a Member.

“Transfer” shall mean, with respect to the legal or beneficial ownership of any of a Member’s Membership Interests, any sale, assignment, transfer, pledge, encumbrance, hypothecation or other similar arrangement or disposal, directly or indirectly, whether voluntarily, involuntarily or by operation of applicable Law (through a Change in Control or otherwise) including by the entry into any contract, option or other arrangement, or the granting or imposition of any Lien, that gives any Person other than the Member, whether or not upon the occurrence or nonoccurrence of an event, the right to acquire any Membership Interests or any interest therein, to vote any Membership Interest, or to require that any Membership Interests be transferred, directly or indirectly, whether voluntarily, involuntarily or by operation of applicable Law. For the avoidance of doubt and notwithstanding the foregoing, none of the following shall constitute a Transfer: (i) a sale, assignment, transfer, or other disposition of Equity Interests in any Member or any direct or indirect parent of such Member in which such Member represents less than fifty percent (50%) of the Fair Market Value of all of the assets directly or indirectly held by such Member or direct or indirect parent the Equity Interests of which are being disposed, except in any such case as expressly set forth in Section 6.2(b), (ii) a Change in Control of the NiSource Member, (iii) indirect transfers of Membership Interests resulting solely from acquisitions and dispositions of Equity Interests of Blackstone Inc., Parent or their respective Affiliates on the New York Stock Exchange, (iv) Change in Control of or any other sale, assignment, transfer, or other disposition of Equity Interests in the Parent, (v) any direct or indirect transfer to a Permitted Transferee of Equity Interests in either Investor Member that does not result in a Change in Control of such Investor Member, (vi) any direct or indirect transfer of Equity Interests in the NiSource Member that does not result in a Change in Control of the NiSource Member and (vii) as permitted under Section 6.2(b).

“Zonal Resource Credits” shall have the meaning defined in Module E of the Midcontinent Independent System Operator (MISO) Tariff.

Section 13.17 Terms Defined Elsewhere in this Agreement. As used in this Agreement, the following terms shall have the meanings ascribed to them in the sections indicated:

<u>Term</u>	<u>Section</u>
AAA	Section 13.13(a)
Affiliate Agreement Default	Section 2.14(c)
Affiliate Agreement Default Notice	Section 2.14(c)
Affiliate Agreements	Section 2.14(a)
Agreement	Preamble
BIP Investor Member	Preamble
BIP Investor Initial Contribution	Recitals
Blocker Seller	Section 6.7
Board	Section 2.1

Board Observer	Section 2.13
Call Consummation Period	Section 5.1(e)
Call Exercise Price	Section 5.1(e)
Call Notice	Section 5.1(e)
Call Right	Section 5.1(e)
Capital Request Funding Date	Section 5.1(a)
Capital Request Notice	Section 5.1(a)
Company	Preamble
Company Business	Section 1.3(a)
Confidential Information	Section 9.6(a)
Contributing Member	Section 5.1(b)(ii)
Contribution Unfunded Amount Notice	Section 5.1(b)
Corporate Opportunity	Section 9.3(b)
Cure Period	Section 5.1(e)
Defaulting Member	Section 4.2
Designated Alternate	Section 2.2(e)
Directors	Section 2.1
Drag-Along Buyer	Section 6.5(a)
Drag-Along Notice	Section 6.5(b)
Drag-Along Right	Section 6.5(a)
Drag-Along Sale	Section 6.5(a)
Event of Default	Section 4.1
Event of Dissolution	Section 4.3(a)
Excess Contribution	Section 5.1(b)(i)
Fund Indemnitees	Section 11.7
Fund Indemnitors	Section 11.7
GenCo	Recitals
GenCo Offtake Agreement	Section 1.3(iv)
Independent Evaluator	Section 13.15
Investor Directors	Section 2.2(b)
Investor Initial Contribution	Recitals
Investor Members	Preamble
Investor Offer	Section 6.3(a)(i)(B)
Investor Sale Notice	Section 6.3(a)(i)(A)
Lock-Up Period	Section 6.1(b)
Mandatory Capital Contribution	Section 5.1(a)
Management Update Meeting	Section 2.7(b)
NHII	Recitals
NiSource Directors	Section 2.2(d)
NiSource Member	Preamble
NiSource Sale Notice	Section 6.3(a)(i)(B)
Non-Transferring Member	Section 6.3(a)
Over-Contributing Member	Section 5.1(b)(i)
Parent	Preamble
Partnership Representative	Section 10.2
Party	Preamble

Preemptive Right Participation Notice	Section 7.1
Pro Rata Request Amount	Section 5.1(a)
Regulatory Allocations	Section 5.7(h)
Response To Capital Call	Section 5.1(a)
Sale Period	Section 6.3(a)(ii)
Senior Management Termination Event	Schedule 2
Senior Management Member	Schedule 2
Subject Membership Interests	Section 6.3(a)
Tag-Along Buyer	Section 6.4(a)
Tag-Along Notice	Section 6.4(a)
Tag-Along Offered Membership Interests	Section 6.4(a)
Tag-Along Sale	Section 6.4(a)
Threshold Price	Section 6.3(a)(ii)
Total Number of Directors	Section 2.2(a)
Transferring Member	Section 6.3(a)
Unfunded Amount	Section 5.1(b)
Unfunded Amount Loan	Section 5.1(b)(ii)(A)
VCOC Investor Member	Preamble
VCOC Investor Initial Contribution	Recitals

Section 13.18 Other Definitional Provisions. The following shall apply to this Agreement:

(a) Accounting terms which are not otherwise defined in this Agreement have the meanings given to them under GAAP. To the extent that the definition of an accounting term defined in this Agreement is inconsistent with the meaning of such term under GAAP, the definition set forth in this Agreement shall control.

(b) The terms “hereof,” “herein” and “hereunder” and terms of similar import are references to this Agreement as a whole and not to any particular provision of this Agreement. Section, clause, schedule and exhibit references contained in this Agreement are references to sections, clauses, schedules and exhibits in or to this Agreement, unless otherwise specified.

(c) Whenever the words “include,” “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation.” Where the context permits, the use of the term “or” shall be equivalent to the use of the term “and/or.”

(d) When calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period shall be excluded. If the last day of such period is a day other than a Business Day, the period in question shall end on the next succeeding Business Day. In addition, notwithstanding any deadline for payment, performance, notice or election under this Agreement, if such deadline falls on a date that is not a Business Day, then the deadline for such payment, performance, notice or election will be extended to the next succeeding Business Day.

(e) Words denoting any gender shall include all genders, including the neutral gender. Where a word is defined herein, references to the singular shall include references to the plural and vice versa.

(f) The word “will” will be construed to have the same meaning and effect as the word “shall”. The words “shall,” “will,” or “agree(s)” are mandatory, and “may” is permissive.

(g) All references to “\$” and dollars shall be deemed to refer to United States currency unless otherwise specifically provided.

(h) All references to a day or days shall be deemed to refer to a calendar day or calendar days, as applicable, unless otherwise specifically provided.

(i) Any reference to any Contract shall be a reference to such agreement or Contract, as amended, amended and restated, modified, supplemented or waived.

(j) Any reference to any particular Code section or any Law shall be interpreted to include any amendment to, revision of or successor to that section or Law regardless of how it is numbered or classified; provided, that, for the purposes of the representations and warranties contained herein, with respect to any violation of or non-compliance with, or alleged violation of or non-compliance, with any Code section or Law, the reference to such Code section or Law means such Code section or Law as in effect at the time of such violation or non-compliance or alleged violation or non-compliance.

(k) For all purposes of this Agreement (including the determination of a Member's Percentage Interest and its entitlement, if applicable, to designate one or more Directors), such Member and its Permitted Transferees shall be deemed to be, and shall be treated as, one and the same Member.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the undersigned has duly executed this Agreement as of the date first written above.

The Company:

Generation Holdings II LLC

By: /s/ Shawn Anderson

Name: Shawn Anderson

Title: Executive Vice President and Chief Financial Officer

[Signature Page to A&R LLCA Generation Holdings II LLC]

IN WITNESS WHEREOF, the undersigned has duly executed this Agreement as of the date first written above.

NiSource Member:

Generation Holdings I LLC

By: /s/ Shawn Anderson

Name: Shawn Anderson

Title: Executive Vice President and Chief Financial Officer

Solely with respect to Article VI:

Parent:

NiSource Inc.

By: /s/ Shawn Anderson

Name: Shawn Anderson

Title: Executive Vice President and Chief Financial Officer

[Signature Page to A&R LLCA Generation Holdings II LLC]

IN WITNESS WHEREOF, the undersigned has duly executed this Agreement as of the date first written above.

BIP Investor Member:

BIP Orion Holdco II L.P.

By: BIP Holdings Manager L.L.C., its managing member

By: /s/ Sebastien Sherman

Name: Sebastien Sherman

Title: Senior Managing Director

VCOC Investor Member:

BIP Orion Holdco II L.P.

By: BIP Holdings Manager L.L.C., its managing member

By: /s/ Sebastien Sherman

Name: Sebastien Sherman

Title: Senior Managing Director

[Signature Page to A&R LLCA Generation Holdings II LLC]

Schedule 1
Schedule of Members

SCHEDULE 2
Senior Management Termination Event

Appendix A
PROHIBITED COMPETITORS

NiSource Inc.
2020 Omnibus Incentive Plan

202[] Restricted Stock Unit Award Agreement

This Restricted Stock Unit Award Agreement (the “Agreement”), is made and entered into as of [DATE] (the “Grant Date”), by and between NiSource Inc., a Delaware corporation (the “Company”), and [NAME], an Employee of the Company or an Affiliate (the “Grantee”), pursuant to the terms of the NiSource Inc. 2020 Omnibus Incentive Plan, as amended (the “Plan”). Any term capitalized but not defined in this Agreement shall have the meaning set forth in the Plan. In the event of any conflict between the Plan and this Agreement, the Plan shall control.

Section 1. Restricted Stock Unit Award. The Company hereby grants to the Grantee, on the terms and conditions hereinafter set forth, an Award of [insert number of units] Restricted Stock Units. The Restricted Stock Units shall be represented by a bookkeeping entry (the “RSU Account”) of the Company, and each Restricted Stock Unit shall be equivalent to one share of the Company’s common stock.

Section 2. Grantee Accounts. The number of Restricted Stock Units granted pursuant to this Agreement shall be credited to the Grantee’s RSU Account. Each RSU Account shall be maintained on the books of the Company until full payment of the balance thereof has been made to the Grantee (or the Grantee’s beneficiaries or estate if the Grantee is deceased) in accordance with Section 1 above. No funds shall be set aside or earmarked for any RSU Account, which shall be purely a bookkeeping device.

Section 3. Vesting and Lapse of Restrictions.

- (a) Vesting. Subject to the forfeiture conditions described later in this Agreement, the Restricted Stock Units shall vest on [insert date with three-year cliff vesting] (the “Vesting Date”), at which date they shall become 100% vested, provided that the Grantee is continuously employed by the Company through and including the Vesting Date.
 - (b) Pro Rata or Accelerated Vesting. If the Grantee's Service is terminated for any reason (other than for Cause) prior to the Vesting Date, the restrictions set forth in subsection (a) above shall lapse and the Grantee shall vest in a *pro rata* or accelerated portion of such Restricted Share Units on the date of termination of Service for any reason in accordance with the attached Vesting Schedule. If subject to *pro rata* vesting, the lapse of restrictions shall be determined using a fraction, where the numerator shall be the number of calendar months (whether full or partial months) elapsed between the Grant Date and the date the Grantee terminates Service for any reason (other than for Cause), and the denominator shall be the number of calendar months (whether full or partial months) elapsed between the Grant Date and Vesting Date.
-

- (c) Change in Control; Good Reason. Notwithstanding the foregoing provisions, in the event of a Change in Control, the Restricted Stock Units under this Agreement shall be subject to the Change in Control provisions set forth in the Plan. Notwithstanding the foregoing or anything herein to the contrary, in the event the Restricted Stock Units do not become Alternative Awards under the Plan, then the Restricted Stock Units shall be settled within 60 days following the Change in Control; provided, however, in the event the Restricted Stock Units constitute nonqualified deferred compensation subject to Code Section 409A and the Change in Control is not a “change in control event” within the meaning of Code Section 409A, then, to the extent required to comply with Code Section 409A, the vested Restricted Stock Units shall be settled within 60 days following the Vesting Date or, if earlier and subject to Section 4, upon Grantee’s termination of Service. Notwithstanding any other agreement between the Company and the Grantee, the “Good Reason” definition set forth in the Plan shall govern this award.

Section 4. Delivery of Shares. Once Restricted Stock Units have vested under this Agreement, the Company shall convert the Restricted Stock Units in the Grantee’s RSU Account into Shares and issue or deliver the total number of Shares due to the Grantee within 60 days following the Vesting Date or, if earlier, Grantee’s termination of Service in accordance with Section 3(b). Notwithstanding the foregoing, to the extent any portion of the Restricted Stock Units are subject to Code Section 409A, if any Restricted Stock Units vest prior to the Vesting Date in connection with a Grantee’s “separation from service” within the meaning of Code Section 409A and the Grantee is a “specified employee” within the meaning of Code Section 409A at the time of such separation from service, the Shares represented by the vested Restricted Stock Units shall be issued and delivered on the first business day after the date that is six (6) months following the date of the Grantee’s separation from service (or if earlier, the Grantee’s date of death). The delivery of the Shares shall be subject to payment of the applicable withholding tax liability and the forfeiture provisions of this Agreement. If the Grantee dies before the Company has distributed any portion of the vested Restricted Stock Units, the Company shall transfer any Shares payable with respect to the vested Restricted Stock Units in accordance with the Grantee’s written beneficiary designation or to the Grantee’s estate if no written beneficiary designation is provided.

Section 5. Withholding of Taxes. As a condition precedent to the delivery to Grantee of any Shares upon vesting of the Restricted Stock Units or the payment of any cash pursuant to Section 9 hereof, Grantee shall, upon request by the Company, pay to the Company such amount of cash as the Company may be required, under all applicable federal, state, local or other laws or regulations, to withhold and pay over as income or other withholding taxes (the “Required Tax Payments”) with respect to the Restricted Stock Units and any such cash payments. If Grantee shall fail to advance the Required Tax Payments after request by the Company, the Company may, in its discretion, deduct any Required Tax Payments from any amount then or thereafter payable by the Company to Grantee or withhold Shares. Grantee may elect to satisfy his or her obligation to advance the Required Tax Payments with respect to any Restricted Stock Units by any of the following means: (a) a cash payment to the Company; (b) delivery to the Company (either actual delivery or by attestation procedures established by the Company) of previously owned whole Shares having a Fair Market Value, determined as of the date the obligation to withhold or pay taxes

first arises in connection with the Restricted Stock Units (the “Tax Date”), equal to the Required Tax Payments; (c) authorizing the Company to withhold from the Shares otherwise to be delivered to Grantee upon the vesting of the Restricted Stock Units, a number of whole Shares having a Fair Market Value, determined as of the Tax Date, equal to the Required Tax Payments; or (d) any combination of (a), (b) and (c). Shares to be delivered or withheld may not have a Fair Market Value in excess of the minimum amount of the Required Tax Payments. Any fraction of a Share which would be required to satisfy such an obligation shall be disregarded and the remaining amount due shall be paid in cash by Grantee. No Shares shall be delivered until the Required Tax Payments have been satisfied in full. For any cash payments made pursuant to Section 9 hereof, the Company shall withhold from such cash payments the Required Tax Payments.

Section 6. Compliance with Applicable Law. Notwithstanding anything contained herein to the contrary, the Company’s obligation to issue or deliver certificates evidencing the Restricted Stock Units shall be subject to all applicable laws, rules and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required. The delivery of all or any Shares that relate to the Restricted Stock Units shall be effective only at such time that the issuance of such Shares shall not violate any state or federal securities or other laws. The Company is under no obligation to effect any registration of Shares under the Securities Act of 1933 or to effect any state registration or qualification of the Shares that may be issued under this Agreement. Subject to Code Section 409A, the Company may, in its sole discretion, delay the delivery of Shares or place restrictive legends on Shares in order to ensure that the issuance of any Shares shall be in compliance with federal or state securities laws and the rules of any exchange upon which the Company’s Shares are traded. If the Company delays the delivery of Shares in order to ensure compliance with any state or federal securities or other laws, the Company shall deliver the Shares at the earliest date at which the Company reasonably believes that such delivery shall not cause such violation, or at such later date that may be permitted under Code Section 409A.

Section 7. Restriction on Transferability. Except as otherwise provided under the Plan, until the Restricted Stock Units have vested under this Agreement, the Restricted Stock Units granted herein and the rights and privileges conferred hereby may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated (by operation of law or otherwise), other than by will or the laws of descent and distribution. Any attempted transfer in violation of the provisions of this paragraph shall be void, and the purported transferee shall obtain no rights with respect to such Restricted Stock Units.

Section 8. Grantee’s Rights Unsecured. The right of the Grantee or his or her beneficiary to receive a distribution hereunder shall be an unsecured claim against the general assets of the Company, and neither the Grantee nor his or her beneficiary shall have any rights in or against any amounts credited to the Grantee’s RSU Account or any other specific assets of the Company. All amounts credited to the Grantee’s RSU Account shall constitute general assets of the Company and may be disposed of by the Company at such time and for such purposes, as it may deem appropriate.

Section 9. No Rights as Stockholder or Employee; Dividend Equivalent Cash Payments.

- (a) Unless and until Shares have been issued to the Grantee, the Grantee shall not have any privileges of a stockholder of the Company with respect to any Restricted Stock Units subject to this Agreement, nor shall the Company have any obligation to issue any dividends or otherwise afford any rights to which Shares are entitled with respect to any such Restricted Stock Units. Notwithstanding the foregoing, in the event that the Company declares a cash dividend or cash distribution on Shares, on the payment date of the dividend or distribution, the Grantee will be entitled to receive a cash payment equal to the amount of the cash dividend or distribution per Share multiplied by the number of Restricted Stock Units granted by this Agreement and held by the Grantee on the dividend's or distribution's record date (as adjusted for any proration). The cash payable to the Grantee under the preceding sentence, less any taxes required to be withheld under Section 5 hereof, will be distributed to the Grantee as soon as practicable after the date on which the respective cash dividend or distribution is paid to holders of Shares.
- (b) Nothing in this Agreement or the Award shall confer upon the Grantee any right to continue as an Employee of the Company or any Affiliate or to interfere in any way with the right of the Company or any Affiliate to terminate the Grantee's Service at any time.

Section 10. Adjustments. If at any time while the Award is outstanding, the number of outstanding Restricted Stock Units is changed by reason of a reorganization, recapitalization, stock split or any of the other events described in the Plan, the number and kind of Restricted Stock Units shall be adjusted in accordance with the provisions of the Plan. In the event of certain corporate events specified in the Change in Control provisions of the Plan, any Restricted Stock Units may be replaced by Alternative Awards or forfeited in exchange for payment of cash in accordance with the Change in Control procedures and provisions of the Plan.

Section 11. Notices. Any notice hereunder by the Grantee shall be given to the Company in writing and such notice shall be deemed duly given only upon receipt thereof at the following address: Corporate Secretary, NiSource Inc., 801 East 86th Avenue, Merrillville, IN 46410-6271, or at such other address as the Company may designate by notice to the Grantee. Any notice hereunder by the Company shall be given to the Grantee in writing and such notice shall be deemed duly given only upon receipt thereof at such address as the Grantee may have on file with the Company.

Section 12. Administration. The administration of this Agreement, including the interpretation and amendment or termination of this Agreement, shall be performed in accordance with the Plan. All determinations and decisions made by the Committee, the Board, or any delegate of the Committee as to the provisions of this Agreement shall be conclusive, final, and binding on all persons. Notwithstanding the foregoing, if subsequent guidance is issued under Code Section 409A that would impose additional taxes, penalties, or interest to either the Company or the Grantee, the Company may administer this Agreement in accordance with such guidance and amend this Agreement without the consent of the Grantee to the extent such actions, in the reasonable judgment of the Company, are considered necessary to avoid the imposition of such additional taxes, penalties, or interest.

Section 13. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Indiana, without giving effect to the choice of law principles thereof.

Section 14. Entire Agreement; Agreement Subject to Plan. This Agreement and the Plan contain all of the terms and conditions with respect to the subject matter hereof and supersede any previous agreements, written or oral, relating to the subject matter hereof. This Agreement at all times shall be governed by the Plan, which is incorporated in this Agreement by reference, and in no way alter or modify the Plan. To the extent a conflict exists between this Agreement and the Plan, the provisions of the Plan shall govern. This Agreement is pursuant to the terms of the Plan.

Section 15. Code Section 409A Compliance. This Agreement shall be interpreted in accordance with Code Section 409A including the rules related to payment timing for “specified employees” within the meaning of Code Section 409A. This Agreement shall be deemed to be modified to the maximum extent necessary to be in compliance with Code Section 409A’s rules. If the Grantee is unexpectedly required to include in the Grantee’s current year’s income any amount of compensation relating to the Restricted Stock Units because of a failure to meet the requirements of Code Section 409A, then to the extent permitted by Code Section 409A, the Grantee may receive a distribution of cash or Shares in an amount not to exceed the amount required to be included in income as a result of the failure to comply with Code Section 409A.

Section 16. Restrictive Covenant.

- i) The Grantee understands the nature of the Company's business and the significant time and expense the Company and its Affiliates (collectively referred to in this Section as “NiSource”) have expended and continue to expend in attracting, developing, recruiting and training employees and that the loss of employees would cause significant and irreparable harm to NiSource. Accordingly, the Grantee agrees that the scope and duration of the restriction described in this Section 16 is reasonable and necessary to protect the legitimate business interests of NiSource. The Grantee agrees that during the period of the Grantee's Service and for a period of one (1) year following the Grantee's separation from Service, the Grantee shall not, without the express written approval of NiSource's Chief Human Resources Officer, directly or indirectly solicit, hire, recruit, or attempt to solicit, hire, or recruit, any then-current employee of NiSource or any employee who has been employed by NiSource in the six (6) months preceding such solicitation, hiring, or recruitment (“Covered Employee”). Soliciting, recruiting, or hiring Covered Employees with whom Grantee did not work or have direct contact while at NiSource to work as an employee, contractor, consultant or otherwise, shall not be considered a violation of this Section 16(a), provided, however, that Grantee does not solicit, employ or hire such employee with an intent to compete with NiSource in violation of this Section 16(a). Notwithstanding the foregoing, nothing in this Section shall restrict or preclude the Grantee from soliciting or hiring any employee who responds to a general employment solicitation or advertisement or contact by a recruiter that is not specifically focused or targeted on employees or former employees of NiSource, provided that the Grantee has not encouraged or advised such.

- j) If the final judgment of a court of competent jurisdiction declares that any term or provision of this Section is invalid or unenforceable, the parties agree that (a) the court making the determination of invalidity or unenforceability shall have the power to reduce the scope, duration, or geographic area of the term or provision, to delete specific words or phrases, or to replace any invalid or unenforceable term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision, (b) the parties shall request that the court exercise that power, and (c) this Agreement in its revised form shall be enforceable.
- k) Grantee agrees that in the event of a breach or threatened breach of the covenants contained in Section 16(a), in addition to any other damages or restrictions that may apply under any employment agreement, state law, or otherwise, the Grantee shall forfeit, upon written notice to such effect from the Company, any and all Awards granted to the Grantee under this Agreement, including vested Awards and including any proceeds thereof. The forfeiture provisions of this Section shall continue to apply, in accordance with their terms, after the provisions of any employment or other agreement between the Company and the Grantee have lapsed. Grantee expressly acknowledges that any breach or threatened breach of any of the terms and/or conditions of this Section 16 may result in substantial, continuing, and irreparable injury to NiSource, and therefore agrees that, in addition to any other remedy that may be available to NiSource, NiSource shall be entitled to seek injunctive relief, specific performance, or other equitable relief (without the requirement to post bond) by a court of appropriate jurisdiction in the event of any breach or threatened breach of the terms of this Section 16 without the necessity of proving irreparable harm or injury as a result of such breach or threatened breach. Grantee expressly acknowledges that Grantee's violation of this Section 16 will entitle NiSource to other equitable and legal remedies, including damages, attorney's fees, and costs, as allowed by law. The provisions of this Section 16 shall continue to apply, in accordance with their terms, after the Grantee's Service has terminated and regardless of whether the provisions of any employment or other agreement between the Company and the Grantee have lapsed.
- l) In the event the Grantee is required to forfeit outstanding vested Shares as a result of breaching the Grantee's obligations under this Section 16, the Grantee agrees to promptly execute such stock powers or other instruments of transfer in such forms as are acceptable to the Company without payment or other consideration therefor.

IN WITNESS WHEREOF, the Company has caused this Award to be granted, and the Grantee has accepted this Award, as of the date first above written.

NISOURCE INC.

/s/ Melanie Berman

By: Melanie Berman

Its: Senior Vice President and Chief Human Resources Officer

VESTING SCHEDULE

Awards granted in 2025:

- Termination at any time during 2025, the award vests in pro rata.
- Termination at any time between January 1, 2026 and the Vesting Date, the award is accelerated and becomes fully vested.

CEO

NiSource Inc.
2020 Omnibus Incentive Plan
202[] Performance Share Unit Award Agreement

This Performance Share Unit Award Agreement (the “Agreement”) is made and entered into as of [DATE] (the “Grant Date”), by and between NiSource Inc., a Delaware corporation (the “Company”), and [NAME], an Employee of the Company or an Affiliate (the “Grantee”), pursuant to the terms of the NiSource Inc. 2020 Omnibus Incentive Plan, as amended (the “Plan”). Any term capitalized but not defined in this Agreement shall have the meaning set forth in the Plan. In the event of any conflict between the Plan and this Agreement, the Plan shall control.

Section 1. Performance Share Unit Award. The Company hereby grants to the Grantee, on the terms and conditions hereinafter set forth, a target award of [insert number of units] Performance Share Units (the “Target Total Award” or “TTA”). The Performance Share Units shall be represented by a bookkeeping entry with respect to the Grantee (the “PSU Account”), and each Performance Share Unit shall be settled in one Share, to the extent provided under this Agreement and the Plan. This Agreement and the award shall be null and void unless the Grantee accepts this Agreement electronically within the Grantee’s stock plan account with the Company’s stock plan administrator according to the procedures then in effect.

Section 2. Performance-Based Vesting Conditions.

(a) General. Subject to the remainder of this Agreement, the TTA shall vest pursuant to the terms of this Agreement and the Plan based on the achievement of the performance goals set forth in this Section 2 over the performance period [insert three year performance period] (the “Performance Period”), with a vesting date of _ through [insert date after three year performance period] (the “Vesting Date”), provided that the Grantee remains in continuous Service through the Vesting Date. Attainment of the performance goals shall be determined and certified by the Compensation and Human Capital Committee of the Board of Directors of the Company (the “Committee”) prior to the settlement of the TTA.

(b) [insert metric] Performance Goal. Subject to the terms of this Agreement and the Plan, [insert number of performance share units for this metric] Performance Share Units ([] % of the TTA) shall be eligible to vest based on the Company’s achievement of [] during the Performance Period, as follows:

Performance Level(1)	[Insert metric]	Percentage _____ of the TTA Eligible for Vesting
Trigger	[]	[]%
Target	[]	[]%
Stretch	[]	[]%

(1) The vesting percentage for performance between performance levels shall be determined based on linear interpolation.

(c) [insert metric] Performance Goals.

(1) Subject to the terms of this Agreement and the Plan, [insert number of performance share units for this metric] of the Performance Share Units ([] % of the TTA) shall be eligible to vest based on the Company's achievement of [] goals during the Performance Period, as follows:

LTI Metrics-Measure	TTA Weighting	Trigger	Target	Stretch
[insert metrics]				

(2) The total of the weighted levels of achievement for the performance measures described in Section 2(c)(1) above shall be aggregated and the percentage of Performance Share Units eligible to vest under Section 2(c) shall vest in the respective percentages set forth below, as applicable.

Performance Levels(1)	Percentage of the TTA Vesting Based on Achievement
Trigger	[]
Target	[]
Stretch	[]

(1) The vesting percentage for performance between performance levels shall be determined based on linear interpolation.

(d) Definitions.

[insert metric definitions.]

Section 3. Termination of Employment.

- (a) Vesting. Subject to the conditions described later in this Agreement, the Performance Share Units shall vest on [insert date following performance period] based on actual performance results, provided that the Grantee is continuously employed by the Company through the Vesting Date.
- (b) Pro Rata or Accelerated Vesting Upon Termination of Service. If the Grantee's Service is terminated for any reason prior to the Vesting Date (other than for Cause, Disability or Death), then the Grantee shall vest in a *pro rata* or accelerated portion of such Performance Share Units in accordance with the attached Vesting Schedule, based on the actual performance results for the Performance Period. If subject to *pro rata* vesting, the *pro rata* portion of the Performance Share Units shall be determined by multiplying the number of Performance Share Units earned based on actual performance by a fraction, where the numerator shall be the number of calendar months (whether full or partial months) elapsed between the Grant Date and the date the Grantee terminates Service for any reason (other than for Cause, Disability or Death), and the denominator shall be the number of calendar months (whether full or partial months) elapsed between the Grant Date and the Vesting Date.
- (c) Effect of Termination of Service due to Disability or Death.
 - (1) Notwithstanding the foregoing, in the event that the Grantee's Service terminates on or prior to the Vesting Date as a result of the Grantee's Disability, or (ii) death and such death occurs with less than or equal to twelve months remaining in the Performance Period, then the Grantee (or the Grantee's beneficiary or estate in the case of the Grantee's death) shall vest in a *pro rata* portion of the Performance Share Units, based on the actual performance results for the Performance Period. Such *pro rata* portion of the Performance Share Units shall be determined by multiplying the number of Performance Share Units earned based on actual performance by a fraction, where the numerator shall equal the number of calendar months (including partial calendar months) that have elapsed from the Grant Date through the date of the Grantee's termination of Service, and the denominator shall be the number of calendar months (including partial calendar months) that have elapsed between the Grant Date and the Vesting Date.
 - (2) Notwithstanding the foregoing, in the event that the Grantee terminates Service due to death prior to the Vesting Date and with more than 12 months remaining in the Performance Period, then the Grantee's beneficiary or estate shall vest, on the date of termination of Service, in a *pro rata* portion of the target Performance Share Units. Such *pro rata* portion of the Performance

Share Units shall be determined by multiplying the number of target Performance Share Units by a fraction, where the numerator shall equal the number of calendar months (including partial calendar months) that have elapsed from the Grant Date through the date of the Grantee's termination of Service, and the denominator shall be the number of calendar months (including partial calendar months) that have elapsed between the Grant Date and the Vesting Date.

- (d) Change in Control; Good Reason. Notwithstanding the foregoing provisions, in the event of a Change in Control, the Performance Share Units under this Agreement shall be subject to the Change in Control provisions set forth in the Plan. Notwithstanding any other agreement between the Company and the Grantee, the "Good Reason" definition set forth in the Plan shall govern this award."

Section 4. Delivery of Shares. Subject to the terms of this Agreement and except as otherwise provided for herein, the Company shall convert the Performance Share Units in the Grantee's PSU Account into Shares and issue or deliver the total number of Shares due to the Grantee within 60 days following the Vesting Date (but in any event no later than the March 15th immediately following the year in which the substantial risk of forfeiture with respect to the Performance Share Units lapses) or, if earlier, within 30 days following (a) the Grantee's death in accordance with Section 3(c)(2), (b) Grantee's termination of Service without Cause or due to Good Reason in accordance with the Change in Control provisions of the Plan or (c) a Change in Control in the event the Performance Share Units do not become Alternative Awards under the Plan. The delivery of the Shares shall be subject to payment of the applicable withholding tax liability and the forfeiture provisions of this Agreement. If the Grantee dies before the Company has issued or distributed the vested Performance Share Units, the Company shall transfer any Shares with respect to the vested Performance Share Units in accordance with the Grantee's written beneficiary designation or to the Grantee's estate if no written beneficiary designation is provided. The issuance or delivery of the Shares hereunder shall be evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company. The Company shall pay all original issue or transfer taxes and all fees and expenses incident to such issuance or delivery, except as otherwise provided in Section 5.

Section 5. Withholding of Taxes. As a condition precedent to the delivery to Grantee of any Shares upon vesting of the Performance Share Units, Grantee shall, upon request by the Company, pay to the Company such amount of cash as the Company may be required, under all applicable federal, state, local or other laws or regulations, to withhold and pay over as income or other withholding taxes (the "Required Tax Payments") with respect to the Performance Share Units. If Grantee shall fail to advance the Required Tax Payments after request by the Company, the Company may, in its discretion, deduct any Required Tax Payments from any amount then or thereafter payable by the Company to Grantee or withhold Shares. Grantee may elect to satisfy his or her obligation to advance the Required Tax Payments by any of the following means: (a) a cash payment to the Company; (b) delivery to the Company (either actual delivery or by attestation procedures established by the Company) of previously owned whole Shares having a Fair Market Value, determined as of the date the obligation to withhold or pay taxes first arises in connection with the Performance Share Units (the "Tax Date"), equal to the Required Tax Payments; (c) authorizing the Company to withhold from the Shares otherwise to be delivered to Grantee upon the vesting of the Performance Share Units, a number

of whole Shares having a Fair Market Value, determined as of the Tax Date, equal to the Required Tax Payments; or (d) any combination of (a), (b) and (c). Shares to be delivered or withheld may not have a Fair Market Value in excess of the minimum amount of the Required Tax Payments. Any fraction of a Share which would be required to satisfy such an obligation shall be disregarded and the remaining amount due shall be paid in cash by Grantee. No Shares shall be delivered until the Required Tax Payments have been satisfied in full.

Section 6. Compliance with Applicable Law. Notwithstanding anything contained herein to the contrary, the Company's obligation to issue or deliver certificates evidencing the Performance Share Units shall be subject to all applicable laws, rules and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required. The delivery of all or any Shares that relate to the Performance Share Units shall be effective only at such time that the issuance of such Shares shall not violate any state or federal securities or other laws. The Company is under no obligation to effect any registration of Shares under the Securities Act of 1933 or to effect any state registration or qualification of the Shares that may be issued under this Agreement. Subject to Code Section 409A, the Company may, in its sole discretion, delay the delivery of Shares or place restrictive legends on Shares in order to ensure that the issuance of any Shares shall be in compliance with federal or state securities laws and the rules of any exchange upon which the Company's Shares are traded. If the Company delays the delivery of Shares in order to ensure compliance with any state or federal securities or other laws, the Company shall deliver the Shares at the earliest date at which the Company reasonably believes that such delivery shall not cause such violation, or at such later date that may be permitted under Code Section 409A.

Section 7. Restriction on Transferability. Except as otherwise provided under the Plan, until the Performance Share Units have vested under this Agreement, the Performance Share Units granted herein and the rights and privileges conferred hereby may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated (by operation of law or otherwise), other than by will or the laws of descent and distribution. Any attempted transfer in violation of the provisions of this paragraph shall be void, and the purported transferee shall obtain no rights with respect to such Performance Share Units.

Section 8. Grantee's Rights Unsecured. The right of the Grantee or his or her beneficiary to receive a distribution hereunder shall be an unsecured claim against the general assets of the Company, and neither the Grantee nor his or her beneficiary shall have any rights in or against any amounts credited to the Grantee's PSU Account, any Shares or any other specific assets of the Company. All amounts credited to the Grantee's PSU Account shall constitute general assets of the Company and may be disposed of by the Company at such time and for such purposes as it may deem appropriate.

Section 9. No Rights as Stockholder or Employee; Dividend Equivalent Rights.

- (a) Unless and until Shares have been issued to the Grantee, the Grantee shall not have any privileges of a stockholder of the Company with respect to any Performance Share Units subject to this Agreement, nor shall the Company have any obligation to issue any dividend or otherwise afford any rights to which Shares are entitled with respect to any such Performance Share Units. Notwithstanding the foregoing, in the event that the Company declares a cash dividend or distribution on Shares,

the Grantee will be credited with Dividend Equivalent Rights equal to the amount of the cash dividend or distribution per Share multiplied by the number of Performance Share Units granted by this Agreement and held by the Grantee on the dividend's or distribution's record date (as adjusted for any proration). The Dividend Equivalent Rights credited to the Grantee under the preceding sentence will be deemed to be reinvested in additional Performance Share Units, which will be subject to the same terms regarding vesting, forfeiture, and Dividend Equivalent Rights as Performance Share Units awarded to the Grantee under this Agreement. Following the Performance Period, the Grantee will be entitled to receive a cash payment equal to the value of the accrued Dividend Equivalent Rights (as adjusted for any proration) multiplied by the vested percentage of the TTA determined under Sections 2(b), 2(c) and 2(d) above.

- (b) Nothing in this Agreement or the Award shall confer upon the Grantee any right to continue as an Employee of the Company or any Affiliate or to interfere in any way with the right of the Company or any Affiliate to terminate the Grantee's Service at any time.

Section 10. Adjustments. If at any time while the Award is outstanding, the number of outstanding Performance Share Units is changed by reason of a reorganization, recapitalization, stock split or any of the other events described in the Plan (in each case as determined by the Committee), the number and kind of Performance Share Units and the performance goals, as applicable, shall be adjusted in accordance with the provisions of the Plan. In the event of certain corporate events specified in the Change in Control provisions of the Plan, any Performance Share Units may be replaced by Alternative Awards or forfeited in exchange for payment of cash in accordance with the Change in Control procedures and provisions of the Plan, as determined by the Committee.

Section 11. Notices. Any notice hereunder by the Grantee shall be given to the Company in writing, and such notice shall be deemed duly given only upon receipt thereof at the following address: Corporate Secretary, NiSource Inc., 801 East 86th Avenue, Merrillville, IN 46410-6271 (or at such other address as the Company may designate by notice to the Grantee). Any notice hereunder by the Company shall be given to the Grantee in writing, and such notice shall be deemed duly given only upon receipt thereof at such address as the Grantee may have on file with the Company.

Section 12. Administration. The administration of this Agreement, including the interpretation and amendment or termination of this Agreement, shall be performed in accordance with the Plan. All determinations and decisions made by the Committee, the Board, or any delegate of the Committee as to the provisions of this Agreement shall be conclusive, final, and binding on all persons. Notwithstanding the foregoing, if subsequent guidance is issued under Code Section 409A that would impose additional taxes, penalties, or interest to either the Company or the Grantee, the Company may administer this Agreement in accordance with such guidance and amend this Agreement without the consent of the Grantee to the extent such actions, in the reasonable judgment of the Company, are considered necessary to avoid the imposition of such additional taxes, penalties, or interest.

Section 13. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Indiana, without giving effect to the choice of law principles thereof.

Section 14. Entire Agreement; Agreement Subject to Plan. This Agreement and the Plan contain all of the terms and conditions with respect to the subject matter hereof and supersede any previous agreements, written or oral, relating to the subject matter hereof. This Agreement is subject to the provisions of the Plan and shall be interpreted in accordance therewith. In the event that the provisions of this Agreement and the Plan conflict, the Plan shall control. The Grantee hereby acknowledges receipt of a copy of the Plan.

Section 15. Code Section 409A Compliance. This Agreement and the Performance Share Units granted hereunder are intended to be exempt from Code Section 409A to the maximum extent possible, and shall be interpreted and construed accordingly.

Section 16. Restrictive Covenant.

- (a) The Grantee understands the nature of the Company's business and the significant time and expense the Company and its Affiliates (collectively referred to in this Section as "NiSource") have expended and continue to expend in attracting, developing, recruiting and training employees and that the loss of employees would cause significant and irreparable harm to NiSource. Accordingly, the Grantee agrees that the scope and duration of the restriction described in this Section 16 is reasonable and necessary to protect the legitimate business interests of NiSource. The Grantee agrees that during the period of the Grantee's Service and for a period of one (1) year following the Grantee's separation from Service, the Grantee shall not, without the express written approval of NiSource's Chief Human Resources Officer, directly or indirectly solicit, hire, recruit, or attempt to solicit, hire, or recruit, any then-current employee of NiSource or any employee who has been employed by NiSource in the six (6) months preceding such solicitation, hiring, or recruitment ("Covered Employee"). Soliciting, recruiting, or hiring Covered Employees with whom Grantee did not work or have direct contact while at NiSource to work as an employee, contractor, consultant or otherwise, shall not be considered a violation of this Section 16(a), provided, however, that Grantee does not solicit, employ or hire such employee with an intent to compete with NiSource in violation of this Section 16(a). Notwithstanding the foregoing, nothing in this Section shall restrict or preclude the Grantee from soliciting or hiring any employee who responds to a general employment solicitation or advertisement or contact by a recruiter that is not specifically focused or targeted on employees or former employees of NiSource, provided that the Grantee has not encouraged or advised such.
- (b) If the final judgment of a court of competent jurisdiction declares that any term or provision of this Section is invalid or unenforceable, the parties agree that (a) the court making the determination of invalidity or unenforceability shall have the power to reduce the scope, duration, or geographic area of the term or provision, to delete specific words or phrases, or to replace any invalid or unenforceable term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or

provision, (b) the parties shall request that the court exercise that power, and (c) this Agreement in its revised form shall be enforceable.

- (c) Grantee agrees that in the event of a breach or threatened breach of the covenants contained in Section 16(a), in addition to any other damages or restrictions that may apply under any employment agreement, state law, or otherwise, the Grantee shall forfeit, upon written notice to such effect from the Company, any and all Awards granted to the Grantee under this Agreement, including vested Awards and including any proceeds thereof. The forfeiture provisions of this Section shall continue to apply, in accordance with their terms, after the provisions of any employment or other agreement between the Company and the Grantee have lapsed. Grantee expressly acknowledges that any breach or threatened breach of any of the terms and/or conditions of this Section 16 may result in substantial, continuing, and irreparable injury to NiSource, and therefore agrees that, in addition to any other remedy that may be available to NiSource, NiSource shall be entitled to seek injunctive relief, specific performance, or other equitable relief (without the requirement to post bond) by a court of appropriate jurisdiction in the event of any breach or threatened breach of the terms of this Section 16 without the necessity of proving irreparable harm or injury as a result of such breach or threatened breach. Grantee expressly acknowledges that Grantee's violation of this Section 16 will entitle NiSource to other equitable and legal remedies, including damages, attorney's fees, and costs, as allowed by law. The provisions of this Section 16 shall continue to apply, in accordance with their terms, after the Grantee's Service has terminated and regardless of whether the provisions of any employment or other agreement between the Company and the Grantee have lapsed.
- (d) In the event the Grantee is required to forfeit outstanding vested Shares as a result of breaching the Grantee's obligations under this Section 16, the Grantee agrees to promptly execute such stock powers or other instruments of transfer in such forms as are acceptable to the Company without payment or other consideration therefor.

IN WITNESS WHEREOF, the Company has caused the Performance Share Units subject to this Agreement to be granted, and the Grantee has accepted the Performance Share Units subject to the terms of the Agreement, as of the date first above written.

NISOURCE INC.

/s/ Melanie Berman

By: Melanie Berman

Its: Senior Vice President and Chief Human Resources Officer

VESTING SCHEDULE

Awards granted in 2025, for the 2025-2027 Performance Period:

- Termination at any time during 2025, the award vests in pro rata.
- Termination at any time between January 1, 2026 and the Vesting Date, the award is accelerated and becomes fully vested.

NiSource Inc.
2020 Omnibus Incentive Plan

202[] Restricted Stock Unit Award Agreement

This Restricted Stock Unit Award Agreement (the “Agreement”), is made and entered into as of [DATE] (the “Grant Date”), by and between NiSource Inc., a Delaware corporation (the “Company”), and [NAME], an Employee of the Company or an Affiliate (the “Grantee”), pursuant to the terms of the NiSource Inc. 2020 Omnibus Incentive Plan, as amended (the “Plan”). Any term capitalized but not defined in this Agreement shall have the meaning set forth in the Plan. In the event of any conflict between the Plan and this Agreement, the Plan shall control.

Section 1. Restricted Stock Unit Award. The Company hereby grants to the Grantee, on the terms and conditions hereinafter set forth, an Award of [insert number of units] Restricted Stock Units. The Restricted Stock Units shall be represented by a bookkeeping entry (the “RSU Account”) of the Company, and each Restricted Stock Unit shall be equivalent to one share of the Company’s common stock.

Section 2. Grantee Accounts. The number of Restricted Stock Units granted pursuant to this Agreement shall be credited to the Grantee’s RSU Account. Each RSU Account shall be maintained on the books of the Company until full payment of the balance thereof has been made to the Grantee (or the Grantee’s beneficiaries or estate if the Grantee is deceased) in accordance with Section 1 above. No funds shall be set aside or earmarked for any RSU Account, which shall be purely a bookkeeping device.

Section 3. Vesting and Lapse of Restrictions.

- (a) Vesting. Subject to the forfeiture conditions described later in this Agreement, the Restricted Stock Units shall vest on [insert date with three-year cliff vesting] (the “Vesting Date”), at which date they shall become 100% vested, provided that the Grantee is continuously employed by the Company through and including the Vesting Date.
 - (b) Pro Rata or Full Vesting. If the Grantee’s Service is terminated for any reason (other than for Cause) prior to the Vesting Date, the restrictions set forth in subsection (a) above shall lapse and the Grantee shall vest in a *pro rata* or full portion of such Restricted Share Units on the date of termination of Service for any reason in accordance with the attached Vesting Schedule. If subject to *pro rata* vesting, the lapse of restrictions shall be determined using a fraction, where the numerator shall be the number of calendar months (whether full or partial months) elapsed between the Grant Date and the date the Grantee terminates Service for any reason (other than for Cause), and the denominator shall be the number of calendar months (whether full or partial months) elapsed between the Grant Date and Vesting Date.
 - (c) Change in Control; Good Reason. Notwithstanding the foregoing provisions, in the event of a Change in Control, the Restricted Stock Units under this Agreement
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shall be subject to the Change in Control provisions set forth in the Plan. Notwithstanding the foregoing or anything herein to the contrary, in the event the Restricted Stock Units do not become Alternative Awards under the Plan, then the Restricted Stock Units shall be settled within 60 days following the Change in Control; provided, however, in the event the Restricted Stock Units constitute nonqualified deferred compensation subject to Code Section 409A and the Change in Control is not a “change in control event” within the meaning of Code Section 409A, then, to the extent required to comply with Code Section 409A, the vested Restricted Stock Units shall be settled within 60 days following the Vesting Date or, if earlier and subject to Section 4, upon Grantee’s termination of Service. Notwithstanding any other agreement between the Company and the Grantee, the “Good Reason” definition set forth in the Plan shall govern this award.

Section 4. Delivery of Shares. Once Restricted Stock Units have vested under this Agreement, the Company shall convert the Restricted Stock Units in the Grantee’s RSU Account into Shares and issue or deliver the total number of Shares due to the Grantee within 60 days following the Vesting Date or, if earlier, Grantee’s termination of Service in accordance with Section 3(b). Notwithstanding the foregoing, to the extent any portion of the Restricted Stock Units are subject to Code Section 409A, if any Restricted Stock Units vest prior to the Vesting Date in connection with a Grantee’s “separation from service” within the meaning of Code Section 409A and the Grantee is a “specified employee” within the meaning of Code Section 409A at the time of such separation from service, the Shares represented by the vested Restricted Stock Units shall be issued and delivered on the first business day after the date that is six (6) months following the date of the Grantee’s separation from service (or if earlier, the Grantee’s date of death). The delivery of the Shares shall be subject to payment of the applicable withholding tax liability and the forfeiture provisions of this Agreement. If the Grantee dies before the Company has distributed any portion of the vested Restricted Stock Units, the Company shall transfer any Shares payable with respect to the vested Restricted Stock Units in accordance with the Grantee’s written beneficiary designation or to the Grantee’s estate if no written beneficiary designation is provided.

Section 5. Withholding of Taxes. As a condition precedent to the delivery to Grantee of any Shares upon vesting of the Restricted Stock Units or the payment of any cash pursuant to Section 9 hereof, Grantee shall, upon request by the Company, pay to the Company such amount of cash as the Company may be required, under all applicable federal, state, local or other laws or regulations, to withhold and pay over as income or other withholding taxes (the “Required Tax Payments”) with respect to the Restricted Stock Units and any such cash payments. If Grantee shall fail to advance the Required Tax Payments after request by the Company, the Company may, in its discretion, deduct any Required Tax Payments from any amount then or thereafter payable by the Company to Grantee or withhold Shares. Grantee may elect to satisfy his or her obligation to advance the Required Tax Payments with respect to any Restricted Stock Units by any of the following means: (a) a cash payment to the Company; (b) delivery to the Company (either actual delivery or by attestation procedures established by the Company) of previously owned whole Shares having a Fair Market Value, determined as of the date the obligation to withhold or pay taxes first arises in connection with the Restricted Stock Units (the “Tax Date”), equal to the Required Tax Payments; (c) authorizing the Company to withhold from the Shares otherwise to be delivered

to Grantee upon the vesting of the Restricted Stock Units, a number of whole Shares having a Fair Market Value, determined as of the Tax Date, equal to the Required Tax Payments; or (d) any combination of (a), (b) and (c). Shares to be delivered or withheld may not have a Fair Market Value in excess of the minimum amount of the Required Tax Payments. Any fraction of a Share which would be required to satisfy such an obligation shall be disregarded and the remaining amount due shall be paid in cash by Grantee. No Shares shall be delivered until the Required Tax Payments have been satisfied in full. For any cash payments made pursuant to Section 9 hereof, the Company shall withhold from such cash payments the Required Tax Payments.

Section 6. Compliance with Applicable Law. Notwithstanding anything contained herein to the contrary, the Company's obligation to issue or deliver certificates evidencing the Restricted Stock Units shall be subject to all applicable laws, rules and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required. The delivery of all or any Shares that relate to the Restricted Stock Units shall be effective only at such time that the issuance of such Shares shall not violate any state or federal securities or other laws. The Company is under no obligation to effect any registration of Shares under the Securities Act of 1933 or to effect any state registration or qualification of the Shares that may be issued under this Agreement. Subject to Code Section 409A, the Company may, in its sole discretion, delay the delivery of Shares or place restrictive legends on Shares in order to ensure that the issuance of any Shares shall be in compliance with federal or state securities laws and the rules of any exchange upon which the Company's Shares are traded. If the Company delays the delivery of Shares in order to ensure compliance with any state or federal securities or other laws, the Company shall deliver the Shares at the earliest date at which the Company reasonably believes that such delivery shall not cause such violation, or at such later date that may be permitted under Code Section 409A.

Section 7. Restriction on Transferability. Except as otherwise provided under the Plan, until the Restricted Stock Units have vested under this Agreement, the Restricted Stock Units granted herein and the rights and privileges conferred hereby may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated (by operation of law or otherwise), other than by will or the laws of descent and distribution. Any attempted transfer in violation of the provisions of this paragraph shall be void, and the purported transferee shall obtain no rights with respect to such Restricted Stock Units.

Section 8. Grantee's Rights Unsecured. The right of the Grantee or his or her beneficiary to receive a distribution hereunder shall be an unsecured claim against the general assets of the Company, and neither the Grantee nor his or her beneficiary shall have any rights in or against any amounts credited to the Grantee's RSU Account or any other specific assets of the Company. All amounts credited to the Grantee's RSU Account shall constitute general assets of the Company and may be disposed of by the Company at such time and for such purposes, as it may deem appropriate.

Section 9. No Rights as Stockholder or Employee; Dividend Equivalent Cash Payments.

- (a) Unless and until Shares have been issued to the Grantee, the Grantee shall not have any privileges of a stockholder of the Company with respect to any Restricted

Stock Units subject to this Agreement, nor shall the Company have any obligation to issue any dividends or otherwise afford any rights to which Shares are entitled with respect to any such Restricted Stock Units. Notwithstanding the foregoing, in the event that the Company declares a cash dividend or cash distribution on Shares, on the payment date of the dividend or distribution, the Grantee will be entitled to receive a cash payment equal to the amount of the cash dividend or distribution per Share multiplied by the number of Restricted Stock Units granted by this Agreement and held by the Grantee on the dividend's or distribution's record date (as adjusted for any proration). The cash payable to the Grantee under the preceding sentence, less any taxes required to be withheld under Section 5 hereof, will be distributed to the Grantee as soon as practicable after the date on which the respective cash dividend or distribution is paid to holders of Shares.

- (b) Nothing in this Agreement or the Award shall confer upon the Grantee any right to continue as an Employee of the Company or any Affiliate or to interfere in any way with the right of the Company or any Affiliate to terminate the Grantee's Service at any time.

Section 10. Adjustments. If at any time while the Award is outstanding, the number of outstanding Restricted Stock Units is changed by reason of a reorganization, recapitalization, stock split or any of the other events described in the Plan, the number and kind of Restricted Stock Units shall be adjusted in accordance with the provisions of the Plan. In the event of certain corporate events specified in the Change in Control provisions of the Plan, any Restricted Stock Units may be replaced by Alternative Awards or forfeited in exchange for payment of cash in accordance with the Change in Control procedures and provisions of the Plan.

Section 11. Notices. Any notice hereunder by the Grantee shall be given to the Company in writing and such notice shall be deemed duly given only upon receipt thereof at the following address: Corporate Secretary, NiSource Inc., 801 East 86th Avenue, Merrillville, IN 46410-6271, or at such other address as the Company may designate by notice to the Grantee. Any notice hereunder by the Company shall be given to the Grantee in writing and such notice shall be deemed duly given only upon receipt thereof at such address as the Grantee may have on file with the Company.

Section 12. Administration. The administration of this Agreement, including the interpretation and amendment or termination of this Agreement, shall be performed in accordance with the Plan. All determinations and decisions made by the Committee, the Board, or any delegate of the Committee as to the provisions of this Agreement shall be conclusive, final, and binding on all persons. Notwithstanding the foregoing, if subsequent guidance is issued under Code Section 409A that would impose additional taxes, penalties, or interest to either the Company or the Grantee, the Company may administer this Agreement in accordance with such guidance and amend this Agreement without the consent of the Grantee to the extent such actions, in the reasonable judgment of the Company, are considered necessary to avoid the imposition of such additional taxes, penalties, or interest.

Section 13. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Indiana, without giving effect to the choice of law principles thereof.

Section 14. Entire Agreement; Agreement Subject to Plan. This Agreement and the Plan contain all of the terms and conditions with respect to the subject matter hereof and supersede any previous agreements, written or oral, relating to the subject matter hereof. This Agreement at all times shall be governed by the Plan, which is incorporated in this Agreement by reference, and in no way alter or modify the Plan. To the extent a conflict exists between this Agreement and the Plan, the provisions of the Plan shall govern. This Agreement is pursuant to the terms of the Plan.

Section 15. Code Section 409A Compliance. This Agreement shall be interpreted in accordance with Code Section 409A including the rules related to payment timing for “specified employees” within the meaning of Code Section 409A. This Agreement shall be deemed to be modified to the maximum extent necessary to be in compliance with Code Section 409A’s rules. If the Grantee is unexpectedly required to include in the Grantee’s current year’s income any amount of compensation relating to the Restricted Stock Units because of a failure to meet the requirements of Code Section 409A, then to the extent permitted by Code Section 409A, the Grantee may receive a distribution of cash or Shares in an amount not to exceed the amount required to be included in income as a result of the failure to comply with Code Section 409A.

Section 16. Restrictive Covenant.

- i) The Grantee understands the nature of the Company's business and the significant time and expense the Company and its Affiliates (collectively referred to in this Section as “NiSource”) have expended and continue to expend in attracting, developing, recruiting and training employees and that the loss of employees would cause significant and irreparable harm to NiSource. Accordingly, the Grantee agrees that the scope and duration of the restriction described in this Section 16 is reasonable and necessary to protect the legitimate business interests of NiSource. The Grantee agrees that during the period of the Grantee's Service and for a period of one (1) year following the Grantee's separation from Service, the Grantee shall not, without the express written approval of NiSource's Chief Human Resources Officer, directly or indirectly solicit, hire, recruit, or attempt to solicit, hire, or recruit, any then-current employee of NiSource or any employee who has been employed by NiSource in the six (6) months preceding such solicitation, hiring, or recruitment (“Covered Employee”). Soliciting, recruiting, or hiring Covered Employees with whom Grantee did not work or have direct contact while at NiSource to work as an employee, contractor, consultant or otherwise, shall not be considered a violation of this Section 16(a), provided, however, that Grantee does not solicit, employ or hire such employee with an intent to compete with NiSource in violation of this Section 16(a). Notwithstanding the foregoing, nothing in this Section shall restrict or preclude the Grantee from soliciting or hiring any employee who responds to a general employment solicitation or advertisement or contact by a recruiter that is not specifically focused or targeted on employees or former employees of NiSource, provided that the Grantee has not encouraged or advised such.

-) If the final judgment of a court of competent jurisdiction declares that any term or provision of this Section is invalid or unenforceable, the parties agree that (a) the court making the determination of invalidity or unenforceability shall have the power to reduce the scope, duration, or geographic area of the term or provision, to delete specific words or phrases, or to replace any invalid or unenforceable term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision, (b) the parties shall request that the court exercise that power, and (c) this Agreement in its revised form shall be enforceable.
-) Grantee agrees that in the event of a breach or threatened breach of the covenants contained in Section 16(a), in addition to any other damages or restrictions that may apply under any employment agreement, state law, or otherwise, the Grantee shall forfeit, upon written notice to such effect from the Company, any and all Awards granted to the Grantee under this Agreement, including vested Awards and including any proceeds thereof. The forfeiture provisions of this Section shall continue to apply, in accordance with their terms, after the provisions of any employment or other agreement between the Company and the Grantee have lapsed. Grantee expressly acknowledges that any breach or threatened breach of any of the terms and/or conditions of this Section 16 may result in substantial, continuing, and irreparable injury to NiSource, and therefore agrees that, in addition to any other remedy that may be available to NiSource, NiSource shall be entitled to seek injunctive relief, specific performance, or other equitable relief (without the requirement to post bond) by a court of appropriate jurisdiction in the event of any breach or threatened breach of the terms of this Section 16 without the necessity of proving irreparable harm or injury as a result of such breach or threatened breach. Grantee expressly acknowledges that Grantee's violation of this Section 16 will entitle NiSource to other equitable and legal remedies, including damages, attorney's fees, and costs, as allowed by law. The provisions of this Section 16 shall continue to apply, in accordance with their terms, after the Grantee's Service has terminated and regardless of whether the provisions of any employment or other agreement between the Company and the Grantee have lapsed.
-) In the event the Grantee is required to forfeit outstanding vested Shares as a result of breaching the Grantee's obligations under this Section 16, the Grantee agrees to promptly execute such stock powers or other instruments of transfer in such forms as are acceptable to the Company without payment or other consideration therefor.

IN WITNESS WHEREOF, the Company has caused this Award to be granted, and the Grantee has accepted this Award, as of the date first above written.

NISOURCE INC.

/s/ Melanie Berman

By: Melanie Berman

Its: Executive Vice President and Chief Human Resources Officer

VESTING SCHEDULE

- Termination at any time during [the first Calendar year of the grant], the award vests in pro rata.
- Termination at any time [after the first calendar year of the grant and before the Vesting Date], the award becomes fully vested.

CEO

NiSource Inc.
2020 Omnibus Incentive Plan
202[] Performance Share Unit Award Agreement

This Performance Share Unit Award Agreement (the “Agreement”) is made and entered into as of [DATE] (the “Grant Date”), by and between NiSource Inc., a Delaware corporation (the “Company”), and [NAME], an Employee of the Company or an Affiliate (the “Grantee”), pursuant to the terms of the NiSource Inc. 2020 Omnibus Incentive Plan, as amended (the “Plan”). Any term capitalized but not defined in this Agreement shall have the meaning set forth in the Plan. In the event of any conflict between the Plan and this Agreement, the Plan shall control.

Section 1. Performance Share Unit Award. The Company hereby grants to the Grantee, on the terms and conditions hereinafter set forth, a target award of [insert number of units] Performance Share Units (the “Target Total Award” or “TTA”). The Performance Share Units shall be represented by a bookkeeping entry with respect to the Grantee (the “PSU Account”), and each Performance Share Unit shall be settled in one Share, to the extent provided under this Agreement and the Plan. This Agreement and the award shall be null and void unless the Grantee accepts this Agreement electronically within the Grantee’s stock plan account with the Company’s stock plan administrator according to the procedures then in effect.

Section 2. Performance-Based Vesting Conditions.

(a) **General.** Subject to the remainder of this Agreement, the TTA shall vest pursuant to the terms of this Agreement and the Plan based on the achievement of the performance goals set forth in this Section 2 over the performance period [insert three year performance period] (the “Performance Period”), with a vesting date of _____ [insert date after three year performance period] (the “Vesting Date”), provided that the Grantee remains in continuous Service through the Vesting Date and subject to provisions in Section 3. Attainment of the performance goals shall be determined and certified by the Compensation and Human Capital Committee of the Board of Directors of the Company (the “Committee”) prior to the settlement of the TTA.

(b) **[insert metric] Performance Goal.** Subject to the terms of this Agreement and the Plan, [insert number of performance share units for this metric] Performance Share Units ([] % of the TTA) shall be eligible to vest based on the Company’s achievement of [] during the Performance Period, as follows:

Performance Level(1)	[Insert metric]	Percentage _____ of the TTA Eligible for Vesting
Trigger	[]	[]%
Target	[]	[]%
Stretch	[]	[]%

(1) The vesting percentage for performance between performance levels shall be determined based on linear interpolation.

(c) [insert metric] Performance Goals.

(1) Subject to the terms of this Agreement and the Plan, [insert number of performance share units for this metric] of the Performance Share Units ([] % of the TTA) shall be eligible to vest based on the Company's achievement of [] goals during the Performance Period, as follows:

LTI Metrics-Measure	TTA Weighting	Trigger	Target	Stretch
[insert metrics]				

(2) The total of the weighted levels of achievement for the performance measures described in Section 2(c)(1) above shall be aggregated and the percentage of Performance Share Units eligible to vest under Section 2(c) shall vest in the respective percentages set forth below, as applicable.

Performance Levels(1)	Percentage of the TTA Vesting Based on Achievement
Trigger	[]
Target	[]
Stretch	[]

(1) The vesting percentage for performance between performance levels shall be determined based on linear interpolation.

(d) Definitions.

[insert metric definitions.]

Section 3. Termination of Employment.

- (a) Vesting. Subject to the conditions described later in this Agreement, the Performance Share Units shall vest on [insert date following performance period] based on actual performance results, provided that the Grantee is continuously employed by the Company through the Vesting Date.
- (b) Pro Rata or Full Vesting Upon Termination of Service. If the Grantee's Service is terminated for any reason prior to the Vesting Date (other than for Cause, Disability or Death), then the Grantee shall vest in a *pro rata* or full portion of such Performance Share Units in accordance with the attached Vesting Schedule, based on the actual performance results for the Performance Period. If subject to *pro rata* vesting, the pro rata portion of the Performance Share Units shall be determined by multiplying the number of Performance Share Units earned based on actual performance by a fraction, where the numerator shall be the number of calendar months (whether full or partial months) elapsed between the Grant Date and the date the Grantee terminates Service for any reason (other than for Cause, Disability or Death), and the denominator shall be the number of calendar months (whether full or partial months) elapsed between the Grant Date and the Vesting Date.
- (c) Effect of Termination of Service due to Disability or Death.
 - (1) Notwithstanding the foregoing, in the event that the Grantee's Service terminates on or prior to the Vesting Date as a result of the Grantee's Disability, or (ii) death and such death occurs with less than or equal to twelve months remaining in the Performance Period, then the Grantee (or the Grantee's beneficiary or estate in the case of the Grantee's death) shall vest in a *pro rata* portion of the Performance Share Units, based on the actual performance results for the Performance Period. Such *pro rata* portion of the Performance Share Units shall be determined by multiplying the number of Performance Share Units earned based on actual performance by a fraction, where the numerator shall equal the number of calendar months (including partial calendar months) that have elapsed from the Grant Date through the date of the Grantee's termination of Service, and the denominator shall be the number of calendar months (including partial calendar months) that have elapsed between the Grant Date and the Vesting Date.
 - (2) Notwithstanding the foregoing, in the event that the Grantee terminates Service due to death prior to the Vesting Date and with more than 12 months remaining in the Performance Period, then the Grantee's beneficiary or estate shall vest, on the date of termination of Service, in a *pro rata* portion of the target Performance Share Units. Such *pro rata* portion of the Performance Share Units shall be determined by multiplying the number of target

Performance Share Units by a fraction, where the numerator shall equal the number of calendar months (including partial calendar months) that have elapsed from the Grant Date through the date of the Grantee's termination of Service, and the denominator shall be the number of calendar months (including partial calendar months) that have elapsed between the Grant Date and the Vesting Date.

- (d) Change in Control; Good Reason. Notwithstanding the foregoing provisions, in the event of a Change in Control, the Performance Share Units under this Agreement shall be subject to the Change in Control provisions set forth in the Plan. Notwithstanding any other agreement between the Company and the Grantee, the "Good Reason" definition set forth in the Plan shall govern this award."

Section 4. Delivery of Shares. Subject to the terms of this Agreement and except as otherwise provided for herein, the Company shall convert the Performance Share Units in the Grantee's PSU Account into Shares and issue or deliver the total number of Shares due to the Grantee within 60 days following the Vesting Date (but in any event no later than the March 15th immediately following the year in which the substantial risk of forfeiture with respect to the Performance Share Units lapses) or, if earlier, within 30 days following (a) the Grantee's death in accordance with Section 3(c)(2), (b) Grantee's termination of Service without Cause or due to Good Reason in accordance with the Change in Control provisions of the Plan or (c) a Change in Control in the event the Performance Share Units do not become Alternative Awards under the Plan. The delivery of the Shares shall be subject to payment of the applicable withholding tax liability and the forfeiture provisions of this Agreement. If the Grantee dies before the Company has issued or distributed the vested Performance Share Units, the Company shall transfer any Shares with respect to the vested Performance Share Units in accordance with the Grantee's written beneficiary designation or to the Grantee's estate if no written beneficiary designation is provided. The issuance or delivery of the Shares hereunder shall be evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company. The Company shall pay all original issue or transfer taxes and all fees and expenses incident to such issuance or delivery, except as otherwise provided in Section 5.

Section 5. Withholding of Taxes. As a condition precedent to the delivery to Grantee of any Shares upon vesting of the Performance Share Units, Grantee shall, upon request by the Company, pay to the Company such amount of cash as the Company may be required, under all applicable federal, state, local or other laws or regulations, to withhold and pay over as income or other withholding taxes (the "Required Tax Payments") with respect to the Performance Share Units. If Grantee shall fail to advance the Required Tax Payments after request by the Company, the Company may, in its discretion, deduct any Required Tax Payments from any amount then or thereafter payable by the Company to Grantee or withhold Shares. Grantee may elect to satisfy his or her obligation to advance the Required Tax Payments by any of the following means: (a) a cash payment to the Company; (b) delivery to the Company (either actual delivery or by attestation procedures established by the Company) of previously owned whole Shares having a Fair Market Value, determined as of the date the obligation to withhold or pay taxes first arises in connection with the Performance Share Units (the "Tax Date"), equal to the Required Tax Payments; (c) authorizing the Company to withhold from the Shares otherwise to be delivered to Grantee upon the vesting of the Performance Share Units, a number of whole Shares having a Fair Market Value, determined as of the Tax Date, equal to the Required Tax

Payments; or (d) any combination of (a), (b) and (c). Shares to be delivered or withheld may not have a Fair Market Value in excess of the minimum amount of the Required Tax Payments. Any fraction of a Share which would be required to satisfy such an obligation shall be disregarded and the remaining amount due shall be paid in cash by Grantee. No Shares shall be delivered until the Required Tax Payments have been satisfied in full.

Section 6. Compliance with Applicable Law. Notwithstanding anything contained herein to the contrary, the Company's obligation to issue or deliver certificates evidencing the Performance Share Units shall be subject to all applicable laws, rules and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required. The delivery of all or any Shares that relate to the Performance Share Units shall be effective only at such time that the issuance of such Shares shall not violate any state or federal securities or other laws. The Company is under no obligation to effect any registration of Shares under the Securities Act of 1933 or to effect any state registration or qualification of the Shares that may be issued under this Agreement. Subject to Code Section 409A, the Company may, in its sole discretion, delay the delivery of Shares or place restrictive legends on Shares in order to ensure that the issuance of any Shares shall be in compliance with federal or state securities laws and the rules of any exchange upon which the Company's Shares are traded. If the Company delays the delivery of Shares in order to ensure compliance with any state or federal securities or other laws, the Company shall deliver the Shares at the earliest date at which the Company reasonably believes that such delivery shall not cause such violation, or at such later date that may be permitted under Code Section 409A.

Section 7. Restriction on Transferability. Except as otherwise provided under the Plan, until the Performance Share Units have vested under this Agreement, the Performance Share Units granted herein and the rights and privileges conferred hereby may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated (by operation of law or otherwise), other than by will or the laws of descent and distribution. Any attempted transfer in violation of the provisions of this paragraph shall be void, and the purported transferee shall obtain no rights with respect to such Performance Share Units.

Section 8. Grantee's Rights Unsecured. The right of the Grantee or his or her beneficiary to receive a distribution hereunder shall be an unsecured claim against the general assets of the Company, and neither the Grantee nor his or her beneficiary shall have any rights in or against any amounts credited to the Grantee's PSU Account, any Shares or any other specific assets of the Company. All amounts credited to the Grantee's PSU Account shall constitute general assets of the Company and may be disposed of by the Company at such time and for such purposes as it may deem appropriate.

Section 9. No Rights as Stockholder or Employee; Dividend Equivalent Rights.

- (a) Unless and until Shares have been issued to the Grantee, the Grantee shall not have any privileges of a stockholder of the Company with respect to any Performance Share Units subject to this Agreement, nor shall the Company have any obligation to issue any dividend or otherwise afford any rights to which Shares are entitled with respect to any such Performance Share Units. Notwithstanding the foregoing, in the event that the Company declares a cash dividend or distribution on Shares, the Grantee will be credited with Dividend Equivalent Rights equal to the amount

of the cash dividend or distribution per Share multiplied by the number of Performance Share Units granted by this Agreement and held by the Grantee on the dividend's or distribution's record date (as adjusted for any proration). The Dividend Equivalent Rights credited to the Grantee under the preceding sentence will be deemed to be reinvested in additional Performance Share Units, which will be subject to the same terms regarding vesting, forfeiture, and Dividend Equivalent Rights as Performance Share Units awarded to the Grantee under this Agreement. Following the Performance Period, the Grantee will be entitled to receive a cash payment equal to the value of the accrued Dividend Equivalent Rights (as adjusted for any proration) multiplied by the vested percentage of the TTA determined under Sections 2(b), 2(c) and 2(d) above.

- (b) Nothing in this Agreement or the Award shall confer upon the Grantee any right to continue as an Employee of the Company or any Affiliate or to interfere in any way with the right of the Company or any Affiliate to terminate the Grantee's Service at any time.

Section 10. Adjustments. If at any time while the Award is outstanding, the number of outstanding Performance Share Units is changed by reason of a reorganization, recapitalization, stock split or any of the other events described in the Plan (in each case as determined by the Committee), the number and kind of Performance Share Units and the performance goals, as applicable, shall be adjusted in accordance with the provisions of the Plan. In the event of certain corporate events specified in the Change in Control provisions of the Plan, any Performance Share Units may be replaced by Alternative Awards or forfeited in exchange for payment of cash in accordance with the Change in Control procedures and provisions of the Plan, as determined by the Committee.

Section 11. Notices. Any notice hereunder by the Grantee shall be given to the Company in writing, and such notice shall be deemed duly given only upon receipt thereof at the following address: Corporate Secretary, NiSource Inc., 801 East 86th Avenue, Merrillville, IN 46410-6271 (or at such other address as the Company may designate by notice to the Grantee). Any notice hereunder by the Company shall be given to the Grantee in writing, and such notice shall be deemed duly given only upon receipt thereof at such address as the Grantee may have on file with the Company.

Section 12. Administration. The administration of this Agreement, including the interpretation and amendment or termination of this Agreement, shall be performed in accordance with the Plan. All determinations and decisions made by the Committee, the Board, or any delegate of the Committee as to the provisions of this Agreement shall be conclusive, final, and binding on all persons. Notwithstanding the foregoing, if subsequent guidance is issued under Code Section 409A that would impose additional taxes, penalties, or interest to either the Company or the Grantee, the Company may administer this Agreement in accordance with such guidance and amend this Agreement without the consent of the Grantee to the extent such actions, in the reasonable judgment of the Company, are considered necessary to avoid the imposition of such additional taxes, penalties, or interest.

Section 13. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Indiana, without giving effect to the choice of law principles thereof.

Section 14. Entire Agreement; Agreement Subject to Plan. This Agreement and the Plan contain all of the terms and conditions with respect to the subject matter hereof and supersede any

previous agreements, written or oral, relating to the subject matter hereof. This Agreement is subject to the provisions of the Plan and shall be interpreted in accordance therewith. In the event that the provisions of this Agreement and the Plan conflict, the Plan shall control. The Grantee hereby acknowledges receipt of a copy of the Plan.

Section 15. Code Section 409A Compliance. This Agreement and the Performance Share Units granted hereunder are intended to be exempt from Code Section 409A to the maximum extent possible, and shall be interpreted and construed accordingly.

Section 16. Restrictive Covenant.

- (a) The Grantee understands the nature of the Company's business and the significant time and expense the Company and its Affiliates (collectively referred to in this Section as "NiSource") have expended and continue to expend in attracting, developing, recruiting and training employees and that the loss of employees would cause significant and irreparable harm to NiSource. Accordingly, the Grantee agrees that the scope and duration of the restriction described in this Section 16 is reasonable and necessary to protect the legitimate business interests of NiSource. The Grantee agrees that during the period of the Grantee's Service and for a period of one (1) year following the Grantee's separation from Service, the Grantee shall not, without the express written approval of NiSource's Chief Human Resources Officer, directly or indirectly solicit, hire, recruit, or attempt to solicit, hire, or recruit, any then-current employee of NiSource or any employee who has been employed by NiSource in the six (6) months preceding such solicitation, hiring, or recruitment ("Covered Employee"). Soliciting, recruiting, or hiring Covered Employees with whom Grantee did not work or have direct contact while at NiSource to work as an employee, contractor, consultant or otherwise, shall not be considered a violation of this Section 16(a), provided, however, that Grantee does not solicit, employ or hire such employee with an intent to compete with NiSource in violation of this Section 16(a). Notwithstanding the foregoing, nothing in this Section shall restrict or preclude the Grantee from soliciting or hiring any employee who responds to a general employment solicitation or advertisement or contact by a recruiter that is not specifically focused or targeted on employees or former employees of NiSource, provided that the Grantee has not encouraged or advised such.
- (b) If the final judgment of a court of competent jurisdiction declares that any term or provision of this Section is invalid or unenforceable, the parties agree that (a) the court making the determination of invalidity or unenforceability shall have the power to reduce the scope, duration, or geographic area of the term or provision, to delete specific words or phrases, or to replace any invalid or unenforceable term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision, (b) the parties shall request that the court exercise that power, and (c) this Agreement in its revised form shall be enforceable.

- (c) Grantee agrees that in the event of a breach or threatened breach of the covenants contained in Section 16(a), in addition to any other damages or restrictions that may apply under any employment agreement, state law, or otherwise, the Grantee shall forfeit, upon written notice to such effect from the Company, any and all Awards granted to the Grantee under this Agreement, including vested Awards and including any proceeds thereof. The forfeiture provisions of this Section shall continue to apply, in accordance with their terms, after the provisions of any employment or other agreement between the Company and the Grantee have lapsed. Grantee expressly acknowledges that any breach or threatened breach of any of the terms and/or conditions of this Section 16 may result in substantial, continuing, and irreparable injury to NiSource, and therefore agrees that, in addition to any other remedy that may be available to NiSource, NiSource shall be entitled to seek injunctive relief, specific performance, or other equitable relief (without the requirement to post bond) by a court of appropriate jurisdiction in the event of any breach or threatened breach of the terms of this Section 16 without the necessity of proving irreparable harm or injury as a result of such breach or threatened breach. Grantee expressly acknowledges that Grantee's violation of this Section 16 will entitle NiSource to other equitable and legal remedies, including damages, attorney's fees, and costs, as allowed by law. The provisions of this Section 16 shall continue to apply, in accordance with their terms, after the Grantee's Service has terminated and regardless of whether the provisions of any employment or other agreement between the Company and the Grantee have lapsed.
- (d) In the event the Grantee is required to forfeit outstanding vested Shares as a result of breaching the Grantee's obligations under this Section 16, the Grantee agrees to promptly execute such stock powers or other instruments of transfer in such forms as are acceptable to the Company without payment or other consideration therefor.

IN WITNESS WHEREOF, the Company has caused the Performance Share Units subject to this Agreement to be granted, and the Grantee has accepted the Performance Share Units subject to the terms of the Agreement, as of the date first above written.

NISOURCE INC.

/s/ Melanie Berman

By: Melanie Berman

Its: Executive Vice President and Chief Human Resources Officer

VESTING SCHEDULE

- Termination at any time during [the first Calendar year of the grant], the award vests in pro rata.
- Termination at any time [after the first calendar year of the grant and before the Vesting Date], the award becomes fully vested.

SUBSIDIARIES OF NISOURCE INC.

as of December 31, 2025

Segment/Subsidiary	State of Incorporation
COLUMBIA OPERATIONS	
Columbia Gas of Kentucky, Inc.	Kentucky
Columbia Gas of Maryland, Inc.	Delaware
Columbia Gas of Ohio, Inc.	Ohio
Columbia Gas of Ohio Receivables Corporation	Delaware
Columbia Gas of Pennsylvania, Inc.	Pennsylvania
Columbia Gas of Pennsylvania Receivables Corporation	Delaware
Columbia Gas of Virginia, Inc.	Virginia
NiSource Gas Distribution Group, Inc.	Delaware
NIPSCO OPERATIONS	
Dunn's Bridge I Solar Generation LLC	Delaware
Dunns Bridge Solar Center, LLC	Delaware
Fairbanks Solar Energy Center LLC	Delaware
Gibson Solar, LLC	Delaware
Indiana Crossroads Solar Generation LLC	Delaware
Indiana Crossroads Wind Farm LLC	Delaware
Indiana Crossroads Wind Generation LLC	Delaware
Meadow Lake Solar Park LLC	Delaware
NIPSCO Accounts Receivable Corporation	Indiana
NIPSCO Holdings I LLC	Indiana
NIPSCO Holdings II LLC	Delaware
Northern Indiana Public Service Company LLC*	Indiana
RoseWater Wind Farm LLC	Delaware
RoseWater Wind Generation LLC	Delaware
CORPORATE AND OTHER OPERATIONS	
Bay State Gas Company	Massachusetts
Generation Holdings I LLC	Indiana
Generation Holdings II LLC	Delaware
Lake Erie Land Company	Indiana
NIPSCO Generation LLC	Indiana
NiSource Corporate Group, LLC	Delaware
NiSource Corporate Services Company	Delaware
NiSource Development Company, Inc.	Indiana
NiSource Energy Technologies, Inc.	Indiana
NiSource Insurance Corporation, Inc.	Utah

* Both Gas Distribution Operations and Electric Operations

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No. 333-291167 on Form S-3, Registration Statement Nos. 333-107743, 333-166888, 333-228102, 333-233382, 333-238501, 333-248405, 333-260906, 333-281526, and 333-291346 on Form S-8, and Registration Statement Nos. 333-228790 and 333-228791 on Form S-4 of our reports dated February 11, 2026, relating to the consolidated financial statements of NiSource Inc. and subsidiaries (the “Company”) and the effectiveness of the Company's internal control over financial reporting appearing in this Annual Report on Form 10-K for the year ended December 31, 2025.

/s/ DELOITTE & TOUCHE LLP

Columbus, Ohio

February 11, 2026

**Certification Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002**

I, Lloyd M. Yates, certify that:

1. I have reviewed this Annual Report of NiSource Inc. on Form 10-K of NiSource Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 11, 2026

By:

/s/ Lloyd M. Yates

Lloyd M. Yates
President and Chief Executive Officer

**Certification Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002**

I, Shawn Anderson, certify that:

1. I have reviewed this Annual Report of NiSource Inc. on Form 10-K of NiSource Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 11, 2026

By: /s/ Shawn Anderson
Shawn Anderson
Executive Vice President and Chief Financial Officer

**Certification Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Annual Report of NiSource Inc. (the “Company”) on Form 10-K for the year ending December 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Lloyd M. Yates, Chief Executive Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Lloyd M. Yates

Lloyd M. Yates

President and Chief Executive Officer

Date: February 11, 2026

**Certification Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Annual Report of NiSource Inc. (the “Company”) on Form 10-K for the year ending December 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Shawn Anderson, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Shawn Anderson

Shawn Anderson
Executive Vice President and Chief Financial Officer

Date: February 11, 2026

TAB 64.6

807 KAR 5:001 Section 16(7)(p)

2025 - 10-Qs

Columbia Gas of Kentucky, Inc.
CASE NO. 2026-00099
Forecasted Test Period Filing Requirements
807 KAR 5:001 Section 16(7)(p)

Description of Filing Requirement:

A copy of the utility's annual report on Form 10-K as filed with the Securities and Exchange Commission for the most recent two (2) years, and any Form 8-K issued during the past two (2) years, and any Form 10-Q issued during the past six (6) quarters;

Response:

Please see attached for NiSource Inc.'s application for Form 10-Q's and Form 8-K's. Form 10-K is part of the Annual Report to Stockholders and is included with Filing Requirement 16(7)(l) located at Tab 60.

Responsible Witness:

Elizabeth N. Davis

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2025

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 001-16189

NiSource Inc.

(Exact name of registrant as specified in its charter)

DE

(State or other jurisdiction of
incorporation or organization)

801 East 86th Avenue
Merrillville, IN

(Address of principal executive offices)

35-2108964

(I.R.S. Employer
Identification No.)

46410

(Zip Code)

(877) 647-5990

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
	NI	NYSE
Common Stock, par value \$0.01 per share		

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files.)

Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Emerging growth company ☐ Non-accelerated filer ☐ Smaller reporting company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: Common Stock, \$0.01 Par Value: 470,702,914 shares outstanding at April 30, 2025.

NISOURCE INC.
FORM 10-Q QUARTERLY REPORT
FOR THE QUARTER ENDED MARCH 31, 2025

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DEFINED TERMS

The following is a list of frequently used abbreviations or acronyms that are found in this report:

NiSource Subsidiaries and Affiliates (not exhaustive)

Columbia of Kentucky	Columbia Gas of Kentucky, Inc.
Columbia of Maryland	Columbia Gas of Maryland, Inc.
Columbia of Ohio	Columbia Gas of Ohio, Inc.
Columbia of Pennsylvania	Columbia Gas of Pennsylvania, Inc.
Columbia of Virginia	Columbia Gas of Virginia, Inc.
NIPSCO	Northern Indiana Public Service Company LLC
NIPSCO Holdings I	NIPSCO Holdings I LLC
NIPSCO Holdings II	NIPSCO Holdings II LLC
NIPSCO Generation	NIPSCO Generation LLC
NiSource ("we," "us" or "our")	NiSource Inc.
Rosewater	Rosewater Wind Generation LLC and its wholly owned subsidiary, Rosewater Wind Farm LLC
Indiana Crossroads Wind	Indiana Crossroads Wind Generation LLC and its wholly owned subsidiary, Indiana Crossroads Wind Farm LLC
Indiana Crossroads Solar	Indiana Crossroads Solar Generation LLC and its wholly owned subsidiary, Meadow Lake Solar Park LLC
Dunns Bridge I	Dunn's Bridge I Solar Generation LLC and its wholly owned subsidiary, Dunns Bridge Solar Center, LLC
Dunns Bridge II	Dunn's Bridge II Solar Generation LLC
Gibson	Gibson Solar Generation LLC
Fairbanks	Fairbanks Solar Generation LLC
Cavalry	Cavalry Solar Generation LLC
Templeton	Templeton Wind Energy Center LLC

Abbreviations and Other

AFUDC	Allowance for funds used during construction
AOI	Accumulated Other Comprehensive Income (Loss)
ASC	Accounting Standards Codification
ASU	Accounting Standards Update
ATM	At-the-market
BIP	BIP Blue Buyer L.L.C
BIP Blue Buyer VCOC L.L.C	BIP Blue Buyer VCOC L.L.C., a Delaware limited liability company and also an affiliate of Blackstone
Blackstone	Blackstone Infrastructure Partners L.P
BTA	Build-transfer agreement
CCRs	Coal Combustion Residuals
CEP	Ohio Capital Expenditure Program
CERCLA	Comprehensive Environmental Response Compensation and Liability Act (also known as Superfund)
CODM	Chief Operating Decision Maker
Columbia Operations	Reportable segment comprised of the results of NiSource Gas Distribution company, including all of its Columbia Gas distribution companies and related subsidiaries
DSIC	Distribution System Improvement Charge
DSM	Demand Side Management

	<u>DEFINED TERMS</u>
EPA	United States Environmental Protection Agency
EPS	Earnings per share
FAC	Fuel adjustment clause
FASB	Financial Accounting Standards Board
FMCA	Indiana Federally Mandated Cost Adjustment mechanism
GAAP	Generally Accepted Accounting Principles
GCA	Gas cost adjustment
GHG	Greenhouse gases
GWh	Gigawatt hours
IRA	Inflation Reduction Act of 2022
IRP	Ohio Infrastructure Replacement Program
IURC	Indiana Utility Regulatory Commission
JV	Joint Venture
LIFO	Last In, First Out
LIHEAP	Low Income Heating Energy Assistance Program
MGP	Manufactured Gas Plant
MISO	Midcontinent Independent System Operator
MMDth	Million dekatherms
MW	Megawatts
MWh	Megawatt hours
NIPSCO Electric	The electric generation and transmission activities of the NIPSCO Operations reportable segment
NIPSCO Gas	The gas distribution activities of the NIPSCO Operations reportable segment
NIPSCO Minority Interest Transaction	A transaction between NiSource, NIPSCO Holdings II (sole owner of NIPSCO) and an affiliate of Blackstone pursuant to a purchase and sale agreement entered into on June 17, 2023, that offered equity interests in NIPSCO Holdings II in exchange for capital contributions by the parties.
NIPSCO Operations	Reportable segment comprised of the results of NIPSCO Holdings I, NIPSCO Holdings II, and NIPSCO and all related subsidiaries
NYMEX	New York Mercantile Exchange
OPEB	Other Postemployment Benefits
PHMSA	Pipeline and Hazardous Materials Safety Administration
PPA	Power Purchase Agreement
RNG	Renewable Natural Gas
SAVE	Steps to Advance Virginia's Energy Plan
Scope 1 GHG Emissions	Direct emissions from sources owned or controlled by us (e.g., emissions from our combustion of fuel, vehicles, and process emissions and fugitive emissions)
Scope 2 GHG Emissions	Indirect emissions from sources owned or controlled by us
SEC	Securities and Exchange Commission
SMRP	Kentucky Safety Modification and Replacement Program
SMS	Safety Management System
TCJA	An Act to provide for reconciliation pursuant to titles II and V of the concurrent resolution on the budget for fiscal year 2018 (commonly known as the Tax Cuts and Jobs Act of 2017)
TDSIC	Indiana Transmission, Distribution and Storage System Improvement Charge

VIE
WAM

DEFINED TERMS

Variable Interest Entity

Work and Asset Management enterprise resourcing system

Note regarding forward-looking statements

This Quarterly Report on Form 10-Q 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 Quarterly Report on Form 10-Q include, among other things:

- our ability to execute our business plan or growth strategy, including utility infrastructure investments, or business opportunities, such as data center development and related generation sources and transmission capabilities to meet potential load growth;
- our ability to manage data center growth in our service territories;
- potential incidents and other operating risks associated with our business;
- our ability to work successfully with our third-party investors;
- our ability to adapt to, and manage costs related to, advances in technology, including alternative energy sources and changes in laws and regulations;
- our increased dependency on 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 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 demand;
- our ability to attract, retain or re-skill a qualified, diverse workforce and maintain good labor relations;
- our ability to manage new initiatives and organizational changes;
- the performance and quality of third-party suppliers and service providers;
- our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals, including our Net Zero Goal (as defined below), including any future associated impact from business opportunities such as data center development as those opportunities evolve;
- potential cybersecurity attacks or security breaches;
- increased requirements and costs related to cybersecurity;
- the actions of activist stockholders;
- any damage to our reputation;
- the impacts of natural disasters, potential terrorist attacks or other catastrophic events;
- the physical impacts of climate change and the transition to a lower carbon future;
- our debt obligations;
- any changes to our credit rating or the credit rating of certain of our subsidiaries;

- adverse economic and capital market conditions, including increases in inflation or interest rates, recession, or changes in investor sentiment;
- economic regulation and the impact of regulatory rate reviews;
- our ability to obtain expected financial or regulatory outcomes;
- 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;
- the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation;
- compliance with changes in, or new interpretations of applicable laws, regulations and tariffs, including impacts of state and federal orders on our ability to carry out our business plan and growth strategy;
- the cost of compliance with environmental laws and regulations and the costs of associated liabilities;
- changes in tax laws or the interpretation thereof;
- and other matters set forth in Item 1, "Business," Item 1A, "Risk Factors" section of our Annual Report on Form 10-K for the fiscal year ended December 31, 2024, and Part I, Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations," of this report, some 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

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PART I

ITEM 1. FINANCIAL STATEMENTS

NiSource Inc.

Condensed Statements of Consolidated Income (unaudited)

	Three Months Ended March 31,	
<i>(in millions, except per share amounts)</i>	2025	2024
Operating Revenues		
Customer revenues	\$ 2,149.5	\$ 1,643.0
Other revenues	33.7	63.3
Total Operating Revenues	2,183.2	1,706.3
Operating Expenses		
Cost of energy	647.5	425.0
Operation and maintenance	427.8	378.4
Depreciation and amortization	258.6	242.1
Loss on impairment of assets	0.3	—
Other taxes	89.6	77.4
Total Operating Expenses	1,423.8	1,122.9
Operating Income	759.4	583.4
Other Income (Deductions)		
Interest expense, net	(132.8)	(116.3)
Other, net	5.8	9.2
Total Other Deductions, Net	(127.0)	(107.1)
Income before Income Taxes	632.4	476.3
Income Taxes	105.7	76.0
Net Income	526.7	400.3
Net income attributable to noncontrolling interest	51.9	35.3
Net Income Attributable to NiSource	474.8	365.0
Preferred dividends	—	(6.7)
Preferred redemption premium	—	(14.0)
Net Income Available to Common Shareholders	\$ 474.8	\$ 344.3
Earnings Per Share		
Basic Earnings Per Share	\$ 1.01	\$ 0.77
Diluted Earnings Per Share	\$ 1.00	\$ 0.77
Basic Average Common Shares Outstanding	470.4	447.9
Diluted Average Common Shares	472.5	449.4

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Condensed Statements of Consolidated Comprehensive Income (unaudited)

<i>(in millions, net of taxes)</i>	Three Months Ended March 31,	
	2025	2024
Net Income	\$ 526.7	\$ 400.3
Other comprehensive income:		
Net unrealized gain (loss) on available-for-sale debt securities ⁽¹⁾	0.8	(0.3)
Reclassification adjustment for cash flow hedges	(0.1)	(0.1)
Unrecognized pension and OPEB benefit ⁽²⁾	0.5	0.2
Total other comprehensive income (loss)	1.2	(0.2)
Comprehensive Income	\$ 527.9	\$ 400.1

⁽¹⁾Net unrealized gain (loss) on available-for-sale debt securities, net of \$0.2 million tax expense and \$0.1 million tax benefit in the first quarter of 2025 and 2024, respectively.

⁽²⁾Unrecognized pension and OPEB benefit, net of \$0.1 million of tax expense and \$0.1 million tax expense in the first quarter of 2025 and 2024, respectively.

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Condensed Consolidated Balance Sheets (unaudited)

<i>(in millions)</i>	March 31, 2025	December 31, 2024
ASSETS		
Property, Plant and Equipment		
Plant	\$ 35,312.5	\$ 34,152.9
Accumulated depreciation and amortization	(8,822.6)	(8,699.0)
Net Property, Plant and Equipment ⁽¹⁾	26,489.9	25,453.9
Investments and Other Assets		
Unconsolidated affiliates	6.8	6.5
Available-for-sale debt securities (amortized cost of \$85.5 and \$91.9, allowance for credit losses of \$0.2 and \$0.1, respectively)	81.2	86.7
Other investments	84.6	85.5
Total Investments and Other Assets	172.6	178.7
Current Assets		
Cash and cash equivalents	259.4	156.6
Restricted cash	44.3	42.0
Accounts receivable	1,135.3	987.9
Allowance for credit losses	(29.6)	(23.7)
Accounts receivable, net	1,105.7	964.2
Gas storage	42.8	179.6
Materials and supplies, at average cost	183.0	173.3
Electric production fuel, at average cost	35.5	36.2
Exchange gas receivable	70.2	45.7
Regulatory assets	268.0	319.9
Prepayments	138.2	138.5
Other current assets	37.5	24.2
Total Current Assets ⁽¹⁾	2,184.6	2,080.2
Other Assets		
Regulatory assets	2,162.3	2,157.4
Goodwill	1,485.9	1,485.9
Deferred charges and other	609.8	432.0
Total Other Assets	4,258.0	4,075.3
Total Assets	\$ 33,105.1	\$ 31,788.1

⁽¹⁾Includes \$1,307.1 million and \$1,323.8 million at March 31, 2025 and December 31, 2024, respectively, of net property, plant and equipment assets and \$62.0 million and \$65.0 million at March 31, 2025 and December 31, 2024, respectively, of current assets of consolidated VIEs that may be used only to settle obligations of the consolidated VIEs. Refer to Note 4, "Noncontrolling Interests," for additional information.

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)
**NiSource Inc.
Condensed Consolidated Balance Sheets (unaudited) (continued)**

<i>(in millions, except share amounts)</i>	March 31, 2025	December 31, 2024
CAPITALIZATION AND LIABILITIES		
Capitalization		
Stockholders' Equity		
Common stock - \$0.01 par value, 750,000,000 shares authorized; 470,618,280 and 469,822,472 shares outstanding, respectively	\$ 4.7	\$ 4.7
Treasury stock	(99.9)	(99.9)
Additional paid-in capital	9,522.6	9,521.5
Retained deficit	(501.4)	(711.7)
Accumulated other comprehensive loss	(29.2)	(30.4)
Total NiSource Stockholders' Equity	8,896.8	8,684.2
Noncontrolling interest in consolidated subsidiaries	2,049.2	1,984.1
Total Stockholders' Equity	10,946.0	10,668.3
Long-term debt, excluding amounts due within one year	12,833.1	12,074.5
Total Capitalization	23,779.1	22,742.8
Current Liabilities		
Current portion of long-term debt	1,281.0	1,281.2
Short-term borrowings	771.0	604.6
Accounts payable	726.3	863.1
Dividends payable - common stock	134.4	—
Customer deposits and credits	143.2	268.8
Taxes accrued	215.9	173.4
Interest accrued	142.3	157.0
Asset retirement obligations	50.7	84.6
Exchange gas payable	59.1	91.8
Regulatory liabilities	233.5	150.5
Accrued compensation and employee benefits	141.5	268.2
Other accruals	343.0	170.2
Total Current Liabilities ⁽¹⁾	4,241.9	4,113.4
Other Liabilities		
Deferred income taxes	2,353.9	2,281.6
Accrued liability for postretirement and postemployment benefits	204.0	207.5
Regulatory liabilities	1,461.7	1,431.2
Asset retirement obligations	727.8	698.6
Other noncurrent liabilities and deferred credits	336.7	313.0
Total Other Liabilities ⁽¹⁾	5,084.1	4,931.9
Commitments and Contingencies (Refer to Note 14, "Other Commitments and Contingencies")		
Total Capitalization and Liabilities	\$ 33,105.1	\$ 31,788.1

⁽¹⁾Includes \$51.5 million and \$53.7 million at March 31, 2025 and December 31, 2024, respectively, of current liabilities and \$53.8 million and \$58.3 million at March 31, 2025 and December 31, 2024, respectively, of other liabilities, and finance leases of \$40.3 million and \$40.4 million at March 31, 2025 and December 31, 2024 respectively, of consolidated VIEs that creditors do not have recourse to our general credit. Refer to Note 4, "Noncontrolling Interests," for additional information.

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)
NiSource Inc.
Condensed Statements of Consolidated Cash Flows (unaudited)

Three Months Ended March 31, <i>(in millions)</i>	2025	2024
Operating Activities		
Net Income	\$ 526.7	\$ 400.3
Adjustments to Reconcile Net Income to Net Cash from Operating Activities:		
Depreciation and amortization	258.6	242.1
Deferred income taxes and investment tax credits	91.3	61.6
Payments for asset retirement obligations	(10.4)	(12.0)
Other adjustments	7.1	7.8
Changes in Assets and Liabilities:		
Components of working capital ⁽¹⁾	(205.3)	(235.2)
Regulatory assets/liabilities	10.3	18.4
Deferred charges and other noncurrent assets	—	(18.0)
Other noncurrent liabilities and deferred credits	8.1	(8.8)
Net Cash Flows from Operating Activities	686.4	456.2
Investing Activities		
Capital expenditures	(637.3)	(589.5)
Milestone payments to renewable generation asset developer	(554.2)	(110.6)
Advanced deposits	(125.3)	—
Other investing activities	(35.9)	(22.9)
Net Cash Flows used for Investing Activities	(1,352.7)	(723.0)
Financing Activities		
Proceeds from issuance of long-term debt	741.5	644.4
Repayments of finance lease obligations	(5.5)	(7.2)
Repayment of short-term debt (maturity > 90 days)	—	(1,650.0)
Net change in commercial paper and other short-term borrowings	166.4	(176.3)
Issuance of common stock, net of issuance costs	3.2	2.7
Redemption of preferred stock	—	(486.1)
Preferred stock redemption premium	—	(14.0)
Equity costs, premiums and other debt related costs	(15.4)	(57.6)
Contributions from NIPSCO minority interest holders	34.8	—
Distributions to tax equity partners	(4.1)	(3.0)
Distribution to NIPSCO minority interest holders	(17.5)	—
Dividends paid - common stock	(132.0)	(118.6)
Dividends paid - preferred stock	—	(8.1)
Net Cash Flows from (used for) Financing Activities	771.4	(1,873.8)
Change in cash, cash equivalents and restricted cash	105.1	(2,140.6)
Cash, cash equivalents and restricted cash at beginning of period	198.6	2,281.1
Cash, Cash Equivalents and Restricted Cash at End of Period	\$ 303.7	\$ 140.5

⁽¹⁾ Refer to Note 18, "Supplemental Disclosures of Cash Flow Information," for additional information.

Reconciliation to Balance Sheet

Three Months Ended March 31, <i>(in millions)</i>	2025
Cash and cash equivalents	259.4
Restricted cash	44.3
Total Cash, Cash Equivalents and Restricted Cash	303.7

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Condensed Statements of Consolidated Equity (unaudited)

<i>(in millions)</i>	Common Stock	Preferred Stock	Treasury Stock	Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest in Consolidated Subsidiaries	Total
Balance as of January 1, 2025	\$ 4.7	\$ —	\$ (99.9)	\$ 9,521.5	\$ (711.7)	\$ (30.4)	\$ 1,984.1	\$ 10,668.3
Comprehensive Income:								
Net income	—	—	—	—	474.8	—	51.9	526.7
Other comprehensive gain, net of tax	—	—	—	—	—	1.2	—	1.2
Dividends:								
Common stock (\$0.56 per share)	—	—	—	—	(264.5)	—	—	(264.5)
Noncontrolling Interests:								
Contributions from noncontrolling interests	—	—	—	—	—	—	34.8	34.8
Distributions to noncontrolling interests	—	—	—	—	—	—	(21.6)	(21.6)
Stock issuances (redemptions):								
Employee stock purchase plan	—	—	—	1.7	—	—	—	1.7
Long-term incentive plan	—	—	—	(3.3)	—	—	—	(3.3)
401(k) and profit sharing	—	—	—	2.7	—	—	—	2.7
Balance as of March 31, 2025	\$ 4.7	\$ —	\$ (99.9)	\$ 9,522.6	\$ (501.4)	\$ (29.2)	\$ 2,049.2	\$ 10,946.0

<i>(in millions)</i>	Common Stock	Preferred Stock	Treasury Stock	Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest in Consolidated Subsidiaries	Total
Balance as of January 1, 2024	\$ 4.5	\$ 486.1	\$ (99.9)	\$ 8,879.5	\$ (967.0)	\$ (33.6)	\$ 1,866.7	\$ 10,136.3
Comprehensive Income:								
Net income	—	—	—	—	365.0	—	35.3	400.3
Other comprehensive loss, net of tax	—	—	—	—	—	(0.2)	—	(0.2)
Dividends:								
Common stock (\$0.53 per share)	—	—	—	—	(237.6)	—	—	(237.6)
Preferred stock (See Note 6)	—	—	—	—	(8.1)	—	—	(8.1)
Noncontrolling Interests:								
Distributions to noncontrolling interests	—	—	—	—	—	—	(3.0)	(3.0)
Stock issuances (redemptions):								
Series B and B-1 Preferred stock redemption	—	(486.1)	—	—	—	—	—	(486.1)
Series B and B-1 Preferred stock redemption premium	—	—	—	—	(14.0)	—	—	(14.0)
Employee stock purchase plan	—	—	—	1.4	—	—	—	1.4
Long-term incentive plan	—	—	—	3.3	—	—	—	3.3
401(k) and profit sharing	—	—	—	2.6	—	—	—	2.6
Balance as of March 31, 2024	\$ 4.5	\$ —	\$ (99.9)	\$ 8,886.8	\$ (861.7)	\$ (33.8)	\$ 1,899.0	\$ 9,794.9

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc. Condensed Statements of Consolidated Equity (unaudited) (continued)

Shares (in thousands)	Preferred	Common		
	Shares	Shares	Treasury	Outstanding
Balance as of January 1, 2025	—	473,785	(3,963)	469,822
Issued:				
Employee stock purchase plan	—	46	—	46
Long-term incentive plan	—	682	—	682
401(k) and profit sharing	—	68	—	68
Balance as of March 31, 2025	—	474,581	(3,963)	470,618

Shares (in thousands)	Preferred	Common		
	Shares	Shares	Treasury	Outstanding
Balance as of January 1, 2024	40	451,345	(3,963)	447,382
Issued:				
Employee stock purchase plan	—	53	—	53
Long-term incentive plan	—	663	—	663
401(k) and profit sharing	—	100	—	100
Redeemed:				
Series B and B-1 Preferred Stock	(40)	—	—	—
Balance as of March 31, 2024	—	452,161	(3,963)	448,198

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

1. Basis of Accounting Presentation

Our accompanying Condensed Consolidated Financial Statements (unaudited) reflect all normal recurring adjustments that are necessary, in the opinion of management, to present fairly the results of operations in accordance with GAAP in the United States of America. The accompanying financial statements include the accounts of us, our majority-owned subsidiaries, and VIEs of which we are the primary beneficiary after the elimination of all intercompany accounts and transactions.

The accompanying financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024. Income for interim periods may not be indicative of results for the calendar year due to weather variations and other factors.

The Condensed Consolidated Financial Statements (unaudited) have been prepared pursuant to the rules and regulations of the SEC. Certain information and note disclosures normally included in annual financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to those rules and regulations, although we believe that the disclosures made in this Quarterly Report on Form 10-Q are adequate to make the information herein not misleading.

2. Recent Accounting Pronouncements

Recently Issued Accounting Pronouncements

In November 2024, the FASB issued ASU 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40)*. This pronouncement requires disaggregated disclosure of income statement expenses for public business entities. The ASU requires disclosure in tabular format of disaggregation of relevant expense captions presented on the income statement by certain natural expense categories with certain related qualitative disclosures within the notes to the financial statements. The ASU does not change the expense captions an entity presents on the income statement. The ASU is effective for fiscal years beginning after December 15, 2026 and interim reporting periods within annual reporting periods beginning after December 15, 2027, as defined in ASU 2025-01, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40)*. We are currently evaluating the impacts this amendment will have on our required disclosures.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. This pronouncement enhances required income tax disclosures. The pronouncement will require disclosure of specific categories and reconciling items included in the rate reconciliation, disaggregation between federal, state and local income taxes paid, and disclosure of income taxes paid by jurisdictions over a certain threshold. Additionally, the pronouncement eliminates certain required disclosures related to unrecognized tax benefits. This ASU is effective for annual periods beginning after December 15, 2024, with early adoption permitted, and is to be applied on a prospective basis with retrospective application permitted. We will implement and provide the required disclosures in our Annual Report on Form 10-K for the year ended December 31, 2025.

Recently Adopted Accounting Pronouncements

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*. This pronouncement enhances annual and interim disclosure requirements over reportable segments, primarily through enhanced disclosures about significant segment expenses. Specifically, the pronouncement requires disclosure of significant segment expenses that are regularly provided to the Chief Operating Decision Maker ("CODM") and included within each reported measure of segment profit or loss, disclosure of an amount for other segment items representing the difference between segment revenue and segment expenses already disclosed, disclosure of all required annual disclosures for interim periods and disclosure of title and position of the CODM and how the CODM uses reported measures. The pronouncement also allows for more than one measure of segment profit if the CODM uses more than one measure in assessing segment performance. This pronouncement is effective for annual periods beginning after December 15, 2023 and interim periods within fiscal years beginning after December 15, 2024. The Company adopted this pronouncement as of December 31, 2024 with retrospective application and updated its disclosures to include significant expenses regularly provided to the CODM, the CODM's title and how the CODM utilizes reported measures. See Note 16, "Business Segment Information," for further discussion.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

3. Revenue Recognition

Revenue Disaggregation and Reconciliation. We disaggregate revenue from contracts with customers based upon reportable segment, as well as by customer class. The Columbia Operations segment provides regulated natural gas service and transportation for residential, commercial and industrial customers in Ohio, Pennsylvania, Virginia, Kentucky, and Maryland. The NIPSCO Operations segment provides regulated gas and electric service in the northern part of Indiana.

The tables below reconcile revenue disaggregation by customer class to segment revenue, as well as to revenues reflected on the Condensed Statements of Consolidated Income (unaudited):

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Three months ended March 31, 2025
(in millions)

	Columbia Operations	NIPSCO Operations	Corporate and Other	Total
Gas Distribution				
Residential	\$ 851.2	\$ 291.4	\$ —	\$ 1,142.6
Commercial	306.5	103.1	—	409.6
Industrial	47.9	31.4	—	79.3
Off-system	22.3	—	—	22.3
Wholesale	1.1	—	—	1.1
Miscellaneous ⁽¹⁾	10.9	4.7	—	15.6
Subtotal	\$ 1,239.9	\$ 430.6	\$ —	\$ 1,670.5
Electric Generation and Power Delivery				
Residential	\$ —	\$ 167.9	\$ —	\$ 167.9
Commercial	—	160.1	—	160.1
Industrial	—	142.6	—	142.6
Wholesale	—	7.6	—	7.6
Public Authority	—	2.2	—	2.2
Miscellaneous ⁽¹⁾	—	(1.4)	—	(1.4)
Subtotal	\$ —	\$ 479.0	\$ —	\$ 479.0
Total Customer Revenues⁽²⁾	1,239.9	909.6	—	2,149.5
Other Revenues⁽³⁾	0.7	31.8	1.2	33.7
Total Operating Revenues	\$ 1,240.6	\$ 941.4	\$ 1.2	\$ 2,183.2

⁽¹⁾Amounts included in Columbia Operations primarily relate to earnings share mechanisms and late fees. Amounts included in NIPSCO Operations primarily relate to late fees and property rentals.
⁽²⁾Customer revenue amounts exclude intersegment revenues. See Note 16, "Business Segment Information," for discussion of intersegment revenues.

⁽³⁾Amounts included in Columbia Operations primarily relate to alternative revenue programs including weather normalization adjustment mechanisms. Amounts included in NIPSCO Operations primarily relate to alternative revenue programs including weather normalization adjustment mechanisms, MISO multi-value projects and revenue from non-jurisdictional transmission assets. Amounts included in Corporate and Other primarily relate to products and services revenue.

Three months ended March 31, 2024
(in millions)

	Columbia Operations	NIPSCO Operations	Corporate and Other	Total
Gas Distribution				
Residential	\$ 628.0	\$ 212.1	\$ —	\$ 840.1
Commercial	220.4	74.7	—	295.1
Industrial	40.1	23.8	—	63.9
Off-system	12.8	—	—	12.8
Wholesale	0.8	—	—	0.8
Miscellaneous ⁽¹⁾	8.2	7.9	—	16.1
Subtotal	\$ 910.3	\$ 318.5	\$ —	\$ 1,228.8
Electric Generation and Power Delivery				
Residential	\$ —	\$ 143.8	\$ —	\$ 143.8
Commercial	—	142.9	—	142.9
Industrial	—	115.9	—	115.9
Wholesale	—	6.3	—	6.3
Public Authority	—	2.1	—	2.1
Miscellaneous ⁽¹⁾	—	3.2	—	3.2
Subtotal	\$ —	\$ 414.2	\$ —	\$ 414.2
Total Customer Revenues⁽²⁾	910.3	732.7	—	1,643.0
Other Revenues⁽³⁾	43.4	19.7	0.2	63.3
Total Operating Revenues	\$ 953.7	\$ 752.4	\$ 0.2	\$ 1,706.3

⁽¹⁾Amounts included in Columbia Operations primarily relate to earnings share mechanisms and late fees. Amounts included in NIPSCO Operations, primarily relate to revenue refunds, public repairs and property rentals. ⁽²⁾Customer revenue amounts exclude intersegment revenues. See Note 16, "Business Segment Information," for discussion of intersegment revenues.

⁽³⁾Amounts included in Columbia Operations primarily relate to alternative revenue programs including weather normalization adjustment mechanisms. Amounts included in NIPSCO Operations primarily relate to alternative revenue programs including weather normalization adjustment mechanisms, MISO multi-value projects and revenue from non-jurisdictional transmission assets.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Customer Accounts Receivable. Accounts receivable on our Condensed Consolidated Balance Sheets (unaudited) includes both billed and unbilled amounts, as well as certain amounts that are not related to customer revenues. Unbilled amounts of accounts receivable relate to a portion of a customer's consumption of gas or electricity from the date of the last cycle billing through the last day of the month (balance sheet date). Factors taken into consideration when estimating unbilled revenue include historical usage, customer rates, and weather. A significant portion of our operations are subject to seasonal fluctuations in sales. During the heating season, primarily from November through March, revenues and receivables from gas sales are more significant than in other months. The opening and closing balances of customer receivables for the three months ended March 31, 2025 are presented in the table below. We had no significant contract assets or liabilities during the period. Additionally, we have not incurred any significant costs to obtain or fulfill contracts.

<i>(in millions)</i>	Customer Accounts Receivable, Billed (less reserve)	Customer Accounts Receivable, Unbilled (less reserve)
Balance as of December 31, 2024	\$ 525.1	\$ 408.1
Balance as of March 31, 2025	777.4	299.5

Utility revenues are billed to customers monthly on a cycle basis. We expect that substantially all customer accounts receivable will be collected following customer billing, as this revenue consists primarily of periodic, tariff-based billings for service and usage. We maintain common utility credit risk mitigation practices, including requiring deposits and actively pursuing collection of past due amounts. Our regulated operations also utilize certain regulatory mechanisms that facilitate recovery of bad debt costs within tariff-based rates, which provides further evidence of collectibility. It is probable that substantially all of the consideration to which we are entitled from customers will be collected upon satisfaction of performance obligations.

Allowance for Credit Losses. To evaluate for expected credit losses, customer account receivables are pooled based on similar risk characteristics, such as customer type, geography, payment terms, and related macro-economic risks. Expected credit losses are established using a model that considers historical collections experience, current information, and reasonable and supportable forecasts. Internal and external inputs are used in our credit model including, but not limited to, energy consumption trends, revenue projections, actual charge-offs data, recoveries data, shut-offs, customer delinquencies, final bill data, and inflation. We continuously evaluate available information relevant to assessing collectability of current and future receivables. We evaluate creditworthiness of specific customers periodically or following changes in facts and circumstances. When we become aware of a specific commercial or industrial customer's inability to pay, an allowance for expected credit losses is recorded for the relevant amount. We also monitor other circumstances that could affect our overall expected credit losses including, but not limited to, creditworthiness of overall population in service territories, adverse conditions impacting an industry sector, and current economic conditions.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

At each reporting period, we record expected credit losses to an allowance for credit losses account. When deemed to be uncollectible, customer accounts are written-off. A rollforward of our allowance for credit losses as of March 31, 2025 and December 31, 2024 are presented in the table below:

<i>(in millions)</i>	Columbia Operations	NIPSCO Operations	Corporate and Other	Total
Balance as of January 1, 2025	\$ 9.8	\$ 13.9	\$ —	\$ 23.7
Current period provisions	9.1	4.1	—	13.2
Write-offs charged against allowance	(7.8)	(2.6)	—	(10.4)
Recoveries of amounts previously written off	2.9	0.2	—	3.1
Balance as of March 31, 2025	\$ 14.0	\$ 15.6	\$ —	\$ 29.6

<i>(in millions)</i>	Columbia Operations	NIPSCO Operations	Corporate and Other	Total
Balance as of January 1, 2024	\$ 10.2	\$ 11.9	\$ 0.8	\$ 22.9
Current period provisions	26.7	12.1	—	38.8
Write-offs charged against allowance	(43.9)	(11.0)	(0.8)	(55.7)
Recoveries of amounts previously written off	16.8	0.9	—	17.7
Balance as of December 31, 2024	\$ 9.8	\$ 13.9	\$ —	\$ 23.7

4. Noncontrolling Interests

Variable Interest Entities. A VIE is an entity in which the controlling interest is determined through means other than a majority voting interest. NIPSCO is the managing member and operator of two wind JVs, Rosewater and Indiana Crossroads Wind, which have 102 MW and 302 MW of nameplate capacity, respectively. NIPSCO is also the managing member and operator of two solar JVs, Indiana Crossroads Solar and Dunns Bridge I, which have a nameplate capacity of 200 MW and 265 MW, respectively. We have determined that these JVs are VIEs. NIPSCO controls decisions that are significant to these entities' ongoing operations and economic results. Therefore, we have concluded that NIPSCO is the primary beneficiary and have consolidated all four entities.

Members of each respective JV include NIPSCO (who is the managing member) and a tax equity partner. Earnings, tax attributes and cash flows are allocated to both NIPSCO and the tax equity partner in varying percentages by category and over the life of the partnership. NIPSCO and each tax equity partner contributed cash to the respective JV. Once the tax equity partner has earned their negotiated rate of return and have reached a stated contractual date, NIPSCO has the option to purchase the remaining interest in the respective JV, at fair market value, from the tax equity partner. NIPSCO has an obligation to purchase 100% of the electricity generated by each commercially operational JV.

We did not provide any financial or other support during the quarter that was not contractually required.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Our Condensed Consolidated Balance Sheets (unaudited) included the following assets and liabilities associated with VIEs.

<i>(in millions)</i>	March 31, 2025	December 31, 2024
Net property, plant and equipment	\$ 1,307.1	\$ 1,323.8
Current assets	62.0	65.0
Total assets ⁽¹⁾	1,369.1	1,388.8
Current liabilities	51.5	53.7
Asset retirement obligations	53.8	58.3
Finance lease obligations	40.3	40.4
Total liabilities ⁽¹⁾⁽²⁾	\$ 145.6	\$ 152.4

⁽¹⁾The assets of each consolidated VIE can only be used to settle obligations of the respective consolidated VIE. The creditors of the liabilities of the VIEs do not have recourse to the general credit of the primary beneficiary.

⁽²⁾In addition to the amounts disclosed above there is a de minimis amount of other noncurrent assets and liabilities at Rosewater as of March 31, 2025.

Voting Interest Entities. We retain a controlling financial interest in NIPSCO Holdings II and its subsidiaries and consolidate their financial results. During the first quarter of 2025, we received \$34.8 million of contributions and we made \$17.5 million of distributions to our NIPSCO minority interest holders based on their relative ownership percentages. There were no contributions or distributions made during the first quarter of 2024.

5. Earnings Per Share

The calculations of basic and diluted EPS are based on the weighted average number of shares of common stock and potential common stock outstanding during the period. Diluted EPS includes the incremental effects of the various long-term incentive compensation plans and ATM forward sale agreements under the treasury stock method when the impact would be dilutive (See Note 6, "Equity,").

We use the two-class method of computing earnings per share because we have participating securities in the form of non-vested restricted stock units with a non-forfeitable right to dividend equivalents, for which vesting is predicated solely on the passage of time. The calculation of earnings per share using the two-class method excludes income attributable to these participating securities from the numerator and excludes the dilutive impact of those shares from the denominator.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

The following table presents the calculation of our basic and diluted EPS:

(in millions, except per share amounts)	Three Months Ended March 31,	
	2025	2024
Numerator:		
Net Income Available to Common Shareholders	\$ 474.8	\$ 344.3
Less: Income allocated to participating securities	0.8	0.3
Net Income Available to Common Shareholders - Basic	474.0	344.0
Net Income Available to Common Shareholders - Diluted	\$ 474.0	\$ 344.0
Denominator:		
Average common shares outstanding - Basic	470.4	447.9
Dilutive potential common shares:		
Shares contingently issuable under employee stock plans	1.4	0.9
Shares restricted under employee stock plans	0.7	0.4
ATM forward sale agreements	—	0.2
Average Common Shares - Diluted	472.5	449.4
Earnings per common share:		
Basic	\$ 1.01	\$ 0.77
Diluted	\$ 1.00	\$ 0.77

6. Equity

ATM Program. In February 2024, we entered into eight separate equity distribution agreements pursuant to which we are able to sell up to an aggregate of \$900.0 million of our common stock.

In February 2025, we executed a forward sale agreement, which allows us to issue a fixed number of shares at a price to be settled in the future. The forward purchaser under our forward sale agreement borrowed 2,000,000 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$40.10 per share. We may settle the forward sale agreement in shares, cash or net shares by December 31, 2025. Had we settled all the shares under the forward sale agreement at March 31, 2025, we would have received approximately \$79.8 million, based on a net price of \$39.92 per share.

In March 2025, we executed a forward sale agreement, which allows us to issue a fixed number of shares at a price to be settled in the future. The forward purchaser under our forward sale agreement borrowed 1,707,320 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$41.00 per share. We may settle the forward sale agreement in shares, cash or net shares by December 31, 2025. Had we settled all the shares under the forward sale agreement at March 31, 2025, we would have received approximately \$69.7 million, based on a net price of \$40.80 per share.

As of March 31, 2025, the ATM program (inclusive of the forward sale agreements) had approximately \$147.5 million of equity available for issuance. The program expires on December 31, 2025.

Series B and B-1 Preferred Stock. Dividends declared per share for the Series B Preferred Stock were zero and \$406.25 during the three months ended March 31, 2025 and 2024, respectively.

On March 15, 2024, we redeemed all 20,000 outstanding shares of Series B Preferred Stock for a redemption price of \$25,000 per share and all 20,000 outstanding shares of Series B-1 Preferred Stock for a redemption price of \$0.01 per share or \$500.0 million in total.

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)****7. Short-Term Borrowings**

We generate short-term borrowings from our revolving credit facility, commercial paper program, and accounts receivable transfer programs. Each of these borrowing sources is described further below.

Revolving Credit Facility. We maintain a revolving credit facility to fund ongoing working capital requirements, including the provision of liquidity support for our commercial paper program, provide for issuance of letters of credit and also for general corporate purposes. Our revolving credit facility has a program limit of \$1.85 billion and is comprised of a syndicate of banks. We had no outstanding borrowings under this facility as of March 31, 2025 and December 31, 2024.

Commercial Paper Program. Our commercial paper program has a program limit of \$1.85 billion. We had \$521.0 million and \$604.6 million of commercial paper outstanding with weighted-average interest rates of 4.75% and 4.73% as of March 31, 2025 and December 31, 2024, respectively.

Accounts Receivable Transfer Programs. Columbia of Ohio, NIPSCO, and Columbia of Pennsylvania each maintain a receivables agreement whereby they transfer their customer accounts receivables to third-party financial institutions through consolidated special purpose entities. The three agreements expire between August 2025 and May 2026 and may be further extended if mutually agreed to by the parties thereto.

All receivables transferred to third parties are valued at face value, which approximates fair value due to their short-term nature. The amount of the undivided percentage ownership interest in the accounts receivables transferred is determined in part by required loss reserves under the agreements.

Transfers of accounts receivable are accounted for as secured borrowings resulting in the recognition of short-term borrowings on the Condensed Consolidated Balance Sheets (unaudited). As of March 31, 2025, the maximum amount of debt that could be borrowed related to our accounts receivable programs was \$375.0 million.

We had \$250.0 million and zero of short-term borrowings related to the securitization transactions as of March 31, 2025 and December 31, 2024, respectively.

For the three months ended March 31, 2025, \$250.0 million was recorded as cash flows from financing activities related to the change in short-term borrowings due to securitization transactions. For the three months ended March 31, 2024, \$337.6 million was recorded as cash flows used for financing activities related to the change in short-term borrowings due to securitization transactions. Columbia of Ohio, NIPSCO and Columbia of Pennsylvania remain responsible for collecting on the receivables securitized, and the receivables cannot be transferred to another party.

Items listed above, are presented net in the Condensed Statements of Consolidated Cash Flows (unaudited) as their maturities are less than 90 days.

8. Long-Term Debt

On March 27, 2025, we completed the issuance and sale of \$750.0 million of 5.850% senior unsecured notes maturing in 2055, which resulted in approximately \$739.6 million of net proceeds after discount and debt issuance costs.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

9. Regulatory Matters

Regulatory Assets and Liabilities. We follow the accounting and reporting requirements of ASC Topic 980, which provides that regulated entities account for and report assets and liabilities consistent with the economic effect of regulatory rate-making procedures when the rates established are designed to recover the costs of providing the regulated service and it is probable that such rates will be charged and collected from customers. Certain expenses and credits subject to utility regulation or rate determination normally reflected in income or expense are deferred on the balance sheet and are recognized in the income statement as the related amounts are included in customer rates and recovered from or refunded to customers. We assess the probability of collection for all of our regulatory assets each period. The offset to the regulatory liability associated with our renewable investments included in regulated rates is recorded in "Depreciation and amortization" on the Condensed Statements of Consolidated Income (unaudited).

Renewable generation filings. In February 2025, NIPSCO filed a petition with the IURC to, after notice and hearing, issue an order modifying its February 13, 2023 order that approved a power purchase agreement related to the Templeton project and allow for NIPSCO to fully own the Templeton project. A final order expected in October 2025.

NIPSCO Generation filing. In January 2025, NIPSCO Generation, a subsidiary of NIPSCO Holdings II, filed a declination of jurisdiction petition with the IURC related to the ownership, development, financing, construction and operation of generation facilities. This is an administrative filing and is a step in NIPSCO's effort to set up a framework to accommodate megaload customers, including data centers. An order is expected in the third quarter of 2025.

NIPSCO Electric rate case filing. On February 7, 2025, NIPSCO and certain intervening parties filed a Joint Stipulation and Settlement Agreement with the IURC. Under the Settlement Agreement, new rates are implemented in 2 steps, with implementation of Step 1 rates effective no later than September 2025 and Step 2 rates to be effective no later than March 2026.

10. Risk Management Activities

We are exposed to certain risks relating to our ongoing business operations; namely commodity price risk and interest rate risk. We recognize that the prudent and selective use of derivatives may help to limit volatility in the price of natural gas and manage interest rate exposure.

Risk management assets and liabilities on our derivatives are presented on the Condensed Consolidated Balance Sheets (unaudited) as shown below:

(in millions)	March 31, 2025		December 31, 2024	
	Assets	Liabilities	Assets	Liabilities
Current ⁽¹⁾				
Derivatives not designated as hedging instruments	\$ 31.5	\$ 2.2	\$ 9.1	\$ 2.3
Total	\$ 31.5	\$ 2.2	\$ 9.1	\$ 2.3
Noncurrent ⁽²⁾				
Derivatives not designated as hedging instruments	\$ 20.2	\$ 1.4	\$ 17.9	\$ 1.2
Total	\$ 20.2	\$ 1.4	\$ 17.9	\$ 1.2

⁽¹⁾Current assets and liabilities are presented in "Other current assets" and "Other accruals", respectively, on the Condensed Consolidated Balance Sheets (unaudited).

⁽²⁾Noncurrent assets and liabilities are presented in "Deferred charges and other" and "Other noncurrent liabilities and deferred credits", respectively, on the Condensed Consolidated Balance Sheets (unaudited).

Our derivative instruments are subject to enforceable master netting arrangements or similar agreements. No collateral was either received or posted related to our outstanding derivative positions at March 31, 2025. If the above gross asset and liability positions were presented net of amounts owed or receivable from counterparties, we would report a net asset position of \$48.1 million and \$23.5 million at March 31, 2025 and December 31, 2024, respectively.

Derivatives Not Designated as Hedging Instruments

Commodity price risk management. We, along with our utility customers, are exposed to variability in cash flows associated with natural gas purchases and volatility in natural gas prices. We purchase natural gas for sale and delivery to our retail, commercial and industrial customers, and for most customers the variability in the market price of gas is passed through in their

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)**

rates. Some of our utility subsidiaries offer programs whereby variability in the market price of gas is assumed by the respective utility. The objective of our commodity price risk programs is to mitigate the gas cost variability on behalf of our customers, associated with natural gas purchases or sales by economically hedging the various gas cost components using a combination of futures, options, forwards or other derivative contracts. At March 31, 2025 and December 31, 2024, we had 73.3 MMDth and 77.8 MMDth, respectively, of net energy derivative volumes outstanding related to our natural gas hedges.

NIPSCO has received IURC approval to lock in a fixed price for its natural gas customers using long-term forward purchase instruments and is limited to 20% of NIPSCO's average annual GCA purchase volume. As of March 31, 2025, the remaining terms of these instruments range from one to two years. Likewise, Columbia of Pennsylvania has received approval for a 24-month rolling hedge program. The hedging program was executed in December 2023, with an effective date of April 1, 2024 and will continue in perpetuity. The program is designed to financially hedge approximately 20% of the customers' annual demand. All gains and losses on these derivative contracts are deferred as regulatory liabilities or assets and are remitted to or collected from customers through the relevant cost recovery mechanism.

The following table summarizes the gains and losses associated with the commodity price risk programs deferred as regulatory assets and liabilities:

<i>(in millions)</i>	March 31, 2025		December 31, 2024	
Regulatory Assets				
Losses on commodity price risk programs	\$	3.7	\$	6.5
Regulatory Liabilities				
Gains on commodity price risk programs		59.7		28.7

Our derivative instruments measured at fair value as of March 31, 2025 and December 31, 2024 do not contain any credit-risk-related contingent features.

Derivatives Designated as Hedging Instruments

Interest rate risk management. As of March 31, 2025 and December 31, 2024 we had no active interest rate swap positions. The overall net loss related to our multiple settled interest rate swaps is recorded in AOCI. We amortize the net loss over the life of the debt associated with these swaps as we recognize interest expense. These amounts are immaterial for the three months ended March 31, 2025 and 2024 and are recorded in "Interest expense, net" on the Condensed Statements of Consolidated Income (unaudited). Amounts expected to be reclassified to earnings during the next twelve months are immaterial. See Note 15, "Accumulated Other Comprehensive Loss," for additional information.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

11. Fair Value

A. Fair Value Measurements

Recurring Fair Value Measurements

The following tables present financial assets and liabilities measured and recorded at fair value on our Condensed Consolidated Balance Sheets (unaudited) on a recurring basis and their level within the fair value hierarchy as of March 31, 2025 and December 31, 2024:

Recurring Fair Value Measurements March 31, 2025 (in millions)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of March 31, 2025
Assets				
U.S. Treasury debt securities ⁽¹⁾	\$ 41.5	\$ —	\$ —	\$ 41.5
Risk management assets	—	51.7	—	51.7
Available-for-sale debt securities	—	81.2	—	81.2
Total	\$ 41.5	\$ 132.9	\$ —	\$ 174.4
Liabilities				
Risk management liabilities	\$ —	\$ 3.6	\$ —	\$ 3.6
Total	\$ —	\$ 3.6	\$ —	\$ 3.6

⁽¹⁾ Treasury bills are presented in "Cash and cash equivalents" and "Restricted cash" on the Consolidated Balance Sheets.

Recurring Fair Value Measurements December 31, 2024 (in millions)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of December 31, 2024
Assets				
U.S. Treasury debt securities ⁽¹⁾	\$ 80.1	\$ —	\$ —	\$ 80.1
Risk management assets	—	27.0	—	27.0
Available-for-sale debt securities	—	86.7	—	86.7
Total	\$ 80.1	\$ 113.7	\$ —	\$ 193.8
Liabilities				
Risk management liabilities	\$ —	\$ 3.5	\$ —	\$ 3.5
Total	\$ —	\$ 3.5	\$ —	\$ 3.5

⁽¹⁾ Treasury bills are presented in "Cash and cash equivalents" and "Restricted cash" on the Consolidated Balance Sheets.

Risk Management Assets and Liabilities. Risk management assets and liabilities include exchange-traded NYMEX futures and NYMEX options and non-exchange-based forward purchase contracts.

Level 1- When utilized, exchange-traded derivative contracts are based on unadjusted quoted prices in active markets and are classified within Level 1. These financial assets and liabilities are secured with cash on deposit with the exchange; therefore, nonperformance risk has not been incorporated into these valuations. These financial assets and liabilities are deemed to be cleared and settled daily by NYMEX as the related cash collateral is posted with the exchange. As a result of this exchange rule, NYMEX derivatives are considered to have no fair value at the balance sheet date for financial reporting purposes, and are presented in Level 1 net of posted cash; however, the derivatives remain outstanding and are subject to future commodity price fluctuations until they are settled in accordance with their contractual terms.

Level 2- Certain non-exchange-traded derivatives are valued using broker or over-the-counter, on-line exchanges. In such cases, these non-exchange-traded derivatives are classified within Level 2. Non-exchange-based derivative instruments include swaps, forwards, and options. In certain instances, these instruments may utilize models to measure fair value. We use a similar model

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)**

to value similar instruments. Valuation models utilize various inputs that include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, other observable inputs for the asset or liability and market-corroborated inputs, (i.e., inputs derived principally from or corroborated by observable market data by correlation or other means). Where observable inputs are available for substantially the full term of the asset or liability, the instrument is categorized within Level 2.

Level 3- Certain derivatives trade in less active markets with a lower availability of pricing information and models may be utilized in the valuation. When such inputs have a significant impact on the measurement of fair value, the instrument is categorized within Level 3.

Credit risk is considered in the fair value calculation of derivative instruments that are not exchange-traded. Credit exposures are adjusted to reflect collateral agreements that reduce exposures. As of March 31, 2025 and December 31, 2024, there were no material transfers between fair value hierarchies. Additionally, there were no changes in the method or significant assumptions used to estimate the fair value of our financial instruments.

NIPSCO and Columbia of Pennsylvania have entered into long-term forward natural gas purchase instruments to lock in a fixed price for natural gas customers. We value these contracts using a pricing model that incorporates market-based information when available, as these instruments trade less frequently and are classified within Level 2 of the fair value hierarchy. For additional information, see Note 10, "Risk Management Activities."

Available-for-Sale Debt Securities. Available-for-sale debt securities are investments pledged as collateral for trust accounts related to our wholly owned insurance company. We value U.S. Treasury, corporate debt and mortgage-backed securities using a matrix pricing model that incorporates market-based information. These securities trade less frequently and are classified within Level 2.

Our available-for-sale debt securities impairments are recognized periodically using an allowance approach. At each reporting date, we utilize a quantitative and qualitative review process to assess the impairment of available-for-sale debt securities at the individual security level. For securities in a loss position, we evaluate our intent to sell or whether it is more-likely-than-not that we will be required to sell the security prior to the recovery of its amortized cost. If either criteria is met, the loss is recognized in earnings immediately, with the offsetting entry to the carrying value of the security. If both criteria are not met, we perform an analysis to determine whether the unrealized loss is related to credit factors. The analysis focuses on a variety of factors that include, but are not limited to, downgrade on ratings of the security, defaults in the current reporting period or projected defaults in the future, the security's yield spread over treasuries, and other relevant market data. If the unrealized loss is not related to credit factors, it is included in other comprehensive income. If the unrealized loss is related to credit factors, the loss is recognized as credit loss expense in earnings during the period, with an offsetting entry to the allowance for credit losses. The amount of the credit loss recorded to the allowance account is limited by the amount at which the security's fair value is less than its amortized cost basis. If certain amounts recorded in the allowance for credit losses are deemed uncollectible, the allowance on the uncollectible portion will be charged off, with an offsetting entry to the carrying value of the security. Subsequent improvements to the estimated credit losses of available-for-sale debt securities will be recognized immediately in earnings. Continuous credit monitoring and portfolio credit balancing mitigates our risk of credit losses on our available-for-sale debt securities.

The amortized cost, gross unrealized gains and losses, allowance for credit losses, and fair value of available-for-sale securities at March 31, 2025 and December 31, 2024 were:

March 31, 2025 <i>(in millions)</i>	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses ⁽¹⁾	Allowance for Credit Losses	Fair Value
Available-for-sale debt securities					
Corporate/Other debt securities	\$ 85.5	\$ 0.6	\$ (4.7)	\$ (0.2)	\$ 81.2
Total	\$ 85.5	\$ 0.6	\$ (4.7)	\$ (0.2)	\$ 81.2

December 31, 2024 <i>(in millions)</i>	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses ⁽²⁾	Allowance for Credit Losses	Fair Value
Available-for-sale debt securities					
Corporate/Other debt securities	\$ 91.9	\$ 0.5	\$ (5.6)	\$ (0.1)	\$ 86.7
Total	\$ 91.9	\$ 0.5	\$ (5.6)	\$ (0.1)	\$ 86.7

⁽¹⁾Fair value of Corporate/Other debt securities in an unrealized loss position without an allowance for credit losses is \$63.7 million at March 31, 2025.

⁽²⁾Fair value of Corporate/Other debt securities in an unrealized loss position without an allowance for credit losses is \$70.1 million at December 31, 2024.

The cost of maturities sold is based upon specific identification. Net realized gains and losses on available-for-sale securities were \$0.0 million and \$0.4 million for the three months ended March 31, 2025 and 2024, respectively.

Non-recurring Fair Value Measurements

We measure the fair value of certain assets, primarily goodwill, on a non-recurring basis, typically when events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable.

B. Other Fair Value Disclosures for Financial Instruments. The carrying amount of cash and cash equivalents, restricted cash, notes receivable, customer deposits and short-term borrowings is a reasonable estimate of fair value due to their liquid or short-term nature. Our long-term borrowings are recorded at historical amounts.

The following method and assumptions were used to estimate the fair value of each class of financial instruments.

Long-term Debt. The fair value of outstanding long-term debt is estimated based on the quoted market prices for the same or similar securities. Certain premium costs associated with the early settlement of long-term debt are not taken into consideration in determining fair value. These fair value measurements are classified within Level 2 of the fair value hierarchy. As of March 31, 2025, there was no change in the method or significant assumptions used to estimate the fair value of long-term debt.

The carrying amount and estimated fair values of these financial instruments were as follows:

<i>(in millions)</i>	Carrying Amount as of March 31, 2025	Estimated Fair Value as of March 31, 2025	Carrying Amount as of Dec. 31, 2024	Estimated Fair Value as of Dec. 31, 2024
Long-term debt (including current portion)	\$ 14,114.1	\$ 13,292.4	\$ 13,355.7	\$ 12,505.2

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

12. Income Taxes

Our interim effective tax rates reflect the estimated annual effective tax rates for 2025 and 2024 applied to year-to-date pretax income, adjusted for tax expense associated with certain discrete items. The effective tax rates for the three months ended March 31, 2025 and 2024 were 16.7% and 16.0%, respectively. These effective tax rates differ from the federal statutory tax rate of 21% primarily due to net income attributable to noncontrolling interest, amortization of excess deferred income taxes, federal tax credits net of deferred regulatory liabilities, state income taxes, and other permanent book-to-tax differences.

The increase in the three month effective tax rate of 0.7% in 2025 compared to 2024 is primarily driven by higher state income taxes and an increase to pretax income, which reduced the relative impact of permanent differences.

As of March 31, 2025, there have been no material changes to our unrecognized tax benefits or possible changes that could reasonably be expected to occur during the next twelve months. See Note 15 to the Company's Consolidated Financial Statements in the Annual Report on Form 10-K for the year ended December 31, 2024, for a discussion of these unrecognized tax benefits.

13. Pension and Other Postemployment Benefits

We provide defined contribution plans and noncontributory defined benefit retirement plans that cover certain of our employees. Benefits under the defined benefit retirement plans reflect the employees' compensation, years of service and age at retirement. Additionally, we provide health care and life insurance benefits for certain retired employees. The majority of employees may become eligible for these benefits if they reach retirement age while working for us. The expected cost of such benefits is accrued during the employees' years of service. We determined that, for certain rate-regulated subsidiaries, the future recovery of postretirement benefit costs is probable, and we record regulatory assets and liabilities for amounts that would otherwise have been recorded to expense or accumulated other comprehensive loss. Current rates of rate-regulated companies include postretirement benefit costs, including amortization of the regulatory assets and liabilities that arose prior to inclusion of these costs in rates. For most plans, cash contributions are remitted to grantor trusts.

For the three months ended March 31, 2025 and 2024, we contributed \$0.5 million and \$0.7 million, respectively to our pension plans and \$4.9 million and \$5.4 million, respectively to our OPEB plans.

The following table provides the components of the plans' actuarially determined net periodic benefit cost for the three months ended March 31, 2025 and 2024:

Three Months Ended March 31, (in millions)	Pension Benefits		OPEB	
	2025	2024	2025	2024
Components of Net Periodic Benefit Cost⁽¹⁾				
Service cost	\$ 4.9	\$ 5.4	\$ 1.0	\$ 1.3
Interest cost	16.0	16.3	5.6	5.4
Expected return on assets	(23.1)	(23.8)	(4.2)	(4.0)
Amortization of prior service credit	—	—	(0.4)	(0.4)
Recognized actuarial loss	6.4	7.2	0.4	0.8
Total Net Periodic Benefit Cost	\$ 4.2	\$ 5.1	\$ 2.4	\$ 3.1

⁽¹⁾The service cost component and all non-service cost components of net periodic benefit (income) cost are presented in "Operation and maintenance" and "Other, net," respectively, on the Condensed Statements of Consolidated Income (unaudited).

14. Other Commitments and Contingencies

A. Guarantees and Indemnities. We and certain of our subsidiaries enter into various agreements providing financial or performance assurance to third parties on behalf of certain subsidiaries as a part of normal business. Such agreements include guarantees and stand-by letters of credit. These agreements are entered into primarily to support or enhance the creditworthiness otherwise attributed to a subsidiary on a stand-alone basis, thereby facilitating the extension of sufficient credit to accomplish the subsidiaries' intended commercial purposes. As of March 31, 2025 and December 31, 2024, we had issued stand-by letters of credit of \$9.4 million for the benefit of third parties.

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)**

We provide guarantees related to our future performance under BTAs for our renewable generation projects. At March 31, 2025 and December 31, 2024, our guarantees for multiple BTAs totaled \$465.4 million and \$1,127.5 million, respectively. The amount of each guaranty will decrease upon the substantial completion of the construction of the facilities. See "- D. Other Matters - Generation Transition," below for more information.

We provide guarantees related to some of our rail and pipeline service agreements. As of March 31, 2025 and December 31, 2024, if we do not meet our contractual obligations under the terms of these agreements we would be required to pay up to a maximum of \$61.7 million.

B. Legal Proceedings. From time to time, various legal and regulatory claims and proceedings are pending or threatened against the Company and its subsidiaries. While the amounts claimed may be substantial, the Company is unable to predict with certainty the ultimate outcome of such claims and proceedings. The Company establishes reserves whenever it believes it to be appropriate for pending litigation matters. However, the actual results of resolving the pending litigation matters may be substantially higher than the amounts reserved. If one or more matters were decided against us, the effects could be material to our results of operations in the period in which we would be required to record or adjust the related liability and could also be material to our cash flows in the periods that we would be required to pay such liability. Due to the inherent uncertainty of litigation, there can be no assurance that the resolution of any particular claim, proceeding or investigation would not have a material adverse effect on our results of operations, financial position or liquidity.

Other Claims and Proceedings. We are also party to other claims, regulatory and legal proceedings arising in the ordinary course of business in each state in which we have operations, and based upon an investigation of these matters and discussion with legal counsel, we believe the ultimate outcome of such other legal proceedings to be individually, or in aggregate, not material at this time.

C. Environmental Matters. Our operations are subject to environmental statutes and regulations related to air quality, water quality, hazardous waste and solid waste. We believe that we are in substantial compliance with the environmental regulations currently applicable to our operations.

It is management's continued intent to address environmental issues in cooperation with regulatory authorities in such a manner as to achieve mutually acceptable compliance plans. However, there can be no assurance that fines and penalties will not be incurred. Management expects a majority of environmental assessment and remediation costs and asset retirement costs, further described below, to be recoverable through rates.

As of March 31, 2025 and December 31, 2024, we had recorded a liability of \$90.4 million and \$91.8 million, respectively, to cover environmental remediation at various sites. This liability is included in "Other accruals" and "Other noncurrent liabilities and deferred credits" in the Condensed Consolidated Balance Sheets (unaudited). We recognize costs associated with environmental remediation obligations when the incurrence of such costs is probable and the amounts can be reasonably estimated. The original estimates for remediation activities may differ materially from the amount ultimately expended. The actual future expenditures depend on many factors, including laws and regulations, the nature and extent of impact and the method of remediation. These expenditures are not currently estimable at some sites. We periodically adjust our liability as information is collected and estimates become more refined.

CERCLA. Our subsidiaries are potentially responsible parties at waste disposal sites under CERCLA and similar state laws. Under CERCLA, each potentially responsible party can be held jointly, severally and strictly liable for the remediation costs as the EPA, or state, can allow the parties to pay for remedial action or perform remedial action themselves and request reimbursement from the potentially responsible parties. Our affiliates have retained CERCLA environmental liabilities, including remediation liabilities, associated with certain current and former operations. At this time, we cannot estimate the full cost of remediating properties that have not yet been investigated, but it is possible that the future costs could be material to the Condensed Consolidated Financial Statements (unaudited).

MGP. We maintain a program to identify and investigate former MGP sites where our subsidiaries or predecessors may have liability. The program has identified 51 such sites where liability is probable. Remedial actions at many of these sites are being overseen by state or federal environmental agencies through consent agreements or voluntary remediation agreements.

We utilize a probabilistic model to estimate our future remediation costs related to MGP sites. The model was prepared with the assistance of a third party and incorporates our experience and general industry experience with remediating MGP sites. We complete an annual refresh of the model in the second quarter of each fiscal year. Our total estimated liability related to the facilities subject to remediation was \$83.8 million and \$86.4 million at March 31, 2025 and December 31, 2024, respectively.

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)**

The liability represents our best estimate of the probable cost to remediate the MGP sites. Our model indicates that it is reasonably possible that remediation costs could vary by as much as \$16.3 million in addition to the costs noted above. Remediation costs are estimated based on the best available information, applicable remediation standards at the balance sheet date and experience with similar facilities.

CCRs. NIPSCO continues to meet the compliance requirements established by the EPA for the regulation of CCRs. The CCR rule requirements currently in effect required revisions to previously recorded legal obligations associated with the retirement of certain NIPSCO facilities. The actual asset retirement costs related to the CCR rule may vary substantially from the estimates used to record the increased asset retirement obligation due to the uncertainty about the requirements that will be established by environmental authorities, compliance strategies that will be used and the preliminary nature of available data used to estimate costs. As allowed by the rule, NIPSCO will continue to collect data over time to determine the specific compliance solutions and associated costs and, as a result, the actual costs may vary.

On May 8, 2024, the EPA finalized changes to the current CCR regulations ("Legacy CCR Rule") which address inactive surface impoundments at inactive facilities, referred to as legacy impoundments, and CCR management units ("CCRMUs") at inactive and active facilities. The rule largely requires these newly regulated units to conform to existing requirements, such as groundwater monitoring, closure requirements, and post-closure care. Facility evaluations for CCRMUs are required by February 2026 and 2027. NIPSCO continues to assess whether existing legal obligations associated with the retirement of certain facilities must be revised and to estimate probable additional required asset retirement costs. NIPSCO expects to receive recovery of any such costs through existing and future depreciation rates.

D. Other Matters.

Generation Transition. NIPSCO has executed several BTAs with developers to construct renewable generation facilities. In October 2024, NIPSCO contracted with a developer to convert the previously approved Templeton PPA to a BTA and in February 2025, has filed a CPCN with the IURC, seeking approval of the full ownership BTA structure. Other than Templeton BTA, NIPSCO has received IURC approval for all of its BTAs. In addition to IURC approval, NIPSCO's purchase obligation under certain BTAs is dependent on timely completion of construction. Certain agreements require NIPSCO to make partial payments upon the developer's completion of significant construction milestones. With respect to BTAs for which tax equity partnerships are utilized, once the tax equity partner has earned its negotiated rate of return and we have reached the agreed upon contractual date, NIPSCO has the option to purchase at fair market value the remaining interest in the JV from the tax equity partner.

In January 2025, Fairbanks achieved mechanical completion, resulting in NIPSCO making a \$336.6 million payment to the developer. The company recorded a liability totaling \$144.1 million on the Condensed Consolidated Balance Sheets (unaudited) as other accruals, which will be paid to the developer upon substantial completion. In January 2025, Dunns Bridge II achieved substantial completion, resulting in NIPSCO making a \$217.6 million payment to the developer in February 2025.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

15. Accumulated Other Comprehensive Loss

The following tables display the components of Accumulated Other Comprehensive Loss, net of tax:

<i>(in millions)</i>	Gains and Losses on Securities ⁽¹⁾	Gains and Losses on Cash Flow Hedges ⁽¹⁾	Pension and OPEB Items ⁽¹⁾	Accumulated Other Comprehensive Loss ⁽¹⁾
Balance as of January 1, 2025	\$ (4.0)	\$ (13.2)	\$ (13.2)	\$ (30.4)
Other comprehensive income before reclassifications	0.8	—	0.3	1.1
Amounts reclassified from accumulated other comprehensive loss	—	(0.1)	0.2	0.1
Net current-period other comprehensive income (loss)	0.8	(0.1)	0.5	1.2
Balance as of March 31, 2025	\$ (3.2)	\$ (13.3)	\$ (12.7)	\$ (29.2)

⁽¹⁾All amounts are net of tax. Amounts in parentheses indicate debits.

<i>(in millions)</i>	Gains and Losses on Securities ⁽¹⁾	Gains and Losses on Cash Flow Hedges ⁽¹⁾	Pension and OPEB Items ⁽¹⁾	Accumulated Other Comprehensive Loss ⁽¹⁾
Balance as of January 1, 2024	\$ (7.3)	\$ (12.8)	\$ (13.5)	\$ (33.6)
Other comprehensive loss before reclassifications	(0.6)	(0.2)	(0.1)	(0.9)
Amounts reclassified from accumulated other comprehensive loss	0.3	0.1	0.3	0.7
Net current-period other comprehensive income (loss)	(0.3)	(0.1)	0.2	(0.2)
Balance as of March 31, 2024	\$ (7.6)	\$ (12.9)	\$ (13.3)	\$ (33.8)

⁽¹⁾All amounts are net of tax. Amounts in parentheses indicate debits.

16. Business Segment Information

Our reportable segments reflect the manner in which our business is managed and our resources are allocated. Our operations are divided into two primary reportable segments, the Columbia Operations and the NIPSCO Operations segments. Columbia Operations aggregates the results of the fully regulated and wholly owned subsidiaries of NiSource Gas Distribution Group, Inc. (a holding company that owns Columbia of Kentucky, Columbia of Maryland, Columbia of Ohio, Columbia of Pennsylvania, and Columbia of Virginia). Each Columbia distribution company is an operating segment which we aggregate to form the Columbia Operations reportable segment. NIPSCO Operations includes the results of NIPSCO Holdings I and its majority-owned subsidiaries, including NIPSCO, which has fully regulated gas and electric operations in northern Indiana.

The remainder of our operations, which are not significant enough on a stand-alone basis to warrant treatment as a reportable segment, are presented as "Corporate and Other" and primarily are comprised of interest expense on holding company debt, and unallocated corporate costs and activities. Refer to Note 3, "Revenue Recognition," for additional information on our segments and their sources of revenues. The following table provides information about our reportable segments. We use operating income as the primary measurement of performance for each of the reportable segments and make decisions on financing, dividends and taxes at the corporate level on a consolidated basis. We provide this measure to our Chief Operating Decision Maker, the CEO, who utilizes it to assess performance and allocation resources at the operating segment level based on budget-to-actual and actual-to-actual variances. Segment revenues include intersegment sales to affiliated subsidiaries, which are eliminated in consolidation. Affiliated sales are recognized on the basis of prevailing market, regulated prices or at levels provided for under contractual agreements. Operating income is derived from revenues and expenses directly associated with each segment.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Three Months Ended March 31, 2025

(in millions)	Columbia Operations	NIPSCO Operations	Total of Reportable Segments
Operating Revenues			
External Revenue	\$ 1,240.6	\$ 941.4	\$ 2,182.0
Intersegment Revenue	3.2	0.3	3.5
Total Operating Revenue	\$ 1,243.8	\$ 941.7	\$ 2,185.5
Cost of energy	379.8	267.7	647.5
O&M	243.0	202.0	445.0
Depreciation	108.2	141.3	249.5
Total other taxes	67.0	18.5	85.5
Other segment items ⁽¹⁾	—	0.3	0.3
Operating Income	\$ 445.8	\$ 311.9	\$ 757.7

⁽¹⁾Other segment items consists of Loss on Sale or Impairment of Assets and other segment income or expenses deemed insignificant which are used to reach our measurement of segment profit or loss, Operating Income.

Three Months Ended March 31, 2024

(in millions)	Columbia Operations	NIPSCO Operations	Total of Reportable Segments
Operating Revenues			
External Revenue	\$ 953.7	\$ 752.4	\$ 1,706.1
Intersegment Revenue	3.2	0.3	3.5
Total Operating Revenue	956.9	752.7	1,709.6
Cost of energy	228.8	196.2	425.0
O&M	210.7	191.3	402.0
Depreciation	98.2	132.7	230.9
Total other taxes	57.2	16.1	73.3
Operating Income	\$ 362.0	\$ 216.4	\$ 578.4

The following table provides information about the assets of our reportable segments included in the Condensed Consolidated Balance Sheet (unaudited):

(in millions)	March 31, 2025	December 31, 2024
Assets		
Columbia Operations	\$ 14,962.2	\$ 14,769.5
NIPSCO Operations	16,807.4	15,823.5
Corporate and Other	1,335.5	1,195.1
Consolidated Assets	\$ 33,105.1	\$ 31,788.1

ITEM 1. FINANCIAL STATEMENTS (continued)
NiSource Inc.
Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

To reconcile the segment tables above to consolidated NiSource:

	Three Months Ended March 31, 2025				
(in millions)	Total Reportable Segments	Corporate and Other	Eliminations	Consolidated NiSource	
Total Operating Revenue	\$ 2,185.5	\$ 145.4	\$ (147.7)	\$	2,183.2
Operating Income	757.7	1.7	—		759.4

	Three Months Ended March 31, 2024				
(in millions)	Total Reportable Segments	Corporate and Other	Eliminations	Consolidated NiSource	
Total Operating Revenue	\$ 1,709.6	\$ 140.1	\$ (143.4)	\$	1,706.3
Operating Income	578.4	5.0	—		583.4

17. Other, Net

The following table displays the components of Other, Net included on the Condensed Statements of Consolidated Income (unaudited):

	Three Months Ended March 31,	
(in millions)	2025	2024
Interest income	\$ 2.0	\$ 2.5
AFUDC equity	9.2	11.3
Pension and other postretirement non-service cost	(3.8)	(2.2)
Miscellaneous	(1.6)	(2.4)
Total Other, net	\$ 5.8	\$ 9.2

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

18. Supplemental Disclosures of Cash Flow Information

The following table displays the components of Working Capital on the Statements of Consolidated Cash flows (unaudited):

<i>(in millions)</i>	Three Months Ended March 31,	
	2025	2024
Accounts receivable	\$ (141.5)	\$ 16.4
Inventories	127.7	173.8
Accounts payable	(59.3)	(90.6)
Customer deposits and credits	(125.6)	(104.9)
Taxes accrued	34.2	7.5
Interest accrued	(14.8)	12.4
Exchange gas receivable/payable	40.9	(114.0)
Other accruals	28.6	(7.4)
Prepayments and other current assets	(20.0)	(67.7)
Accrued compensation and employee benefits	(75.5)	(60.7)
Total change in working capital	\$ (205.3)	\$ (235.2)

Three Months Ended March 31, <i>(in millions)</i>	2025	2024
Non-cash transactions:		
Capital expenditures included in current liabilities	\$ 394.2	\$ 239.7
Dividends declared but not paid	134.4	119.0

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

NiSource Inc.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

EXECUTIVE SUMMARY

This Management's Discussion and Analysis of Financial Condition and Results of Operations ("Management's Discussion") includes management's analysis of past financial results and certain potential factors that may affect future results, potential future risks and approaches that may be used to manage those risks. See "Note regarding forward-looking statements" at the beginning of this report for a list of factors that may cause results to differ materially.

Management's Discussion is designed to provide an understanding of our operations and financial performance and should be read in conjunction with our Annual Report on Form 10-K for the fiscal year ended December 31, 2024.

We are an energy holding company under the Public Utility Holding Company Act of 2005 whose utility subsidiaries are fully regulated natural gas and electric utility companies serving customers in six states. We generate substantially all of our operating income through these rate-regulated businesses, which are summarized for financial reporting purposes into two primary reportable segments: Columbia Operations and NIPSCO Operations. Refer to "Note 16, "Business Segment Information," for further discussion of our business segments.

Our vision is to be a premier, innovative and trusted energy partner. We exist to deliver safe, reliable energy that drives value to our customers. In order to achieve this goal, we seek to develop strategies that benefit all stakeholders as we (i) support long-term infrastructure investment and safety programs to better serve our customers, (ii) align our tariff structures with our cost structure, and (iii) drive value and enable growth in an evolving energy ecosystem. These strategies focus on improving safety and reliability, enhancing customer experience, pursuing regulatory and legislative initiatives to increase accessibility for customers currently not on our gas and electric service, ensuring customer affordability and reducing emissions while generating sustainable returns. The safety of our customers, communities and employees remains our focus. Serving as a guiding practice for our SMS, NiSource is certified in conformance to the American Petroleum Institute Recommended Practice 1173, which is the foundation to our journey towards operational excellence.

Energy Transition: We continue to advance our energy transition strategy, primarily through the continuation and enhancement of existing programs, such as retiring and replacing remaining coal-fired electric generation by 2028 with a balanced mix of low- or zero-emission electric generation, ongoing pipe replacement and modernization programs, and deployment of advanced leak detection and repair. Our electric generation transition, initiated through our 2018 Integrated Resource Plan ("2018 Plan") is well underway, and we are continually adjusting to the dynamic energy landscape. As of March 31, 2025, we have placed in service owned renewable and storage projects, developed under BTAs, with combined nameplate capacities of 1,500 MW and 101 MW respectively. Renewable PPA projects with a combined nameplate capacity of 600 MW have also been placed in service. In addition, renewable BTA projects with combined nameplate capacities of 650 MW, and renewable PPA projects with a combined nameplate capacity of 600 MW were under development as of March 31, 2025, all of which have received IURC approval, with the exception of the Templeton project, which is currently pending approval. The capacity figure for BTA projects in development includes the Templeton project. In October 2024, NIPSCO contracted with a developer to convert the previously approved Templeton PPA to a BTA and in February 2025 filed a CPCN with the IURC. In 2024, the IURC approved full ownership of the Cavalry, Dunns Bridge II, Fairbanks and Gibson and the cost of the Fairbanks project as contemplated in contractual actions. Full ownership of these projects allows NIPSCO to leverage provisions of the IRA, monetize renewable tax credits more effectively, and provide enhanced benefits to customers as compared to the previous tax equity partnership structure approved by the IURC. We remain on track to retire R.M. Schahfer's remaining two coal units by the end of 2025. For additional information, see "Results and Discussion of Operations - NIPSCO Operations," in this Management's Discussion, and see item 1A. Risk Factors in this Quarterly Report on Form 10-Q.

NIPSCO's 2021 Integrated Resource Plan ("2021 Plan") lays out a timeline to retire the Michigan City Generating Station by the end of 2028. The 2021 Plan calls for the replacement of the retiring units with a diverse portfolio of resources including demand side management resources, incremental solar, stand-alone energy storage and upgrades to existing facilities at the Sugar Creek Generating Station, among other steps. In 2024, Sugar Creek completed an Advanced Gas Path Tech upgrade that enhanced its overall production capabilities. Additionally, the 2021 Plan calls for a new natural gas peaking facility to replace existing vintage gas peaking facilities at the R.M. Schahfer Generating Station to support system reliability and resiliency, and upgrades to the electric transmission system. In October 2024, we received approval for the issuance of a CPCN for an approximately 400 MW natural gas peaking generation facility from the IURC to replace R.M. Schahfer's existing peaking facilities. The planned retirement of the two vintage gas peaking facilities at the R.M. Schahfer Generating Station is also expected to occur by the end of 2028. Final retirement dates for these units, as well as Michigan City, will be subject to MISO approval.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)**NiSource Inc.**

NIPSCO's 2024 Integrated Resource Plan ("2024 Plan") was submitted to the IURC on December 9, 2024. The 2024 Plan maintains the retirement decisions and capacity additions identified in the 2018 and 2021 Integrated Resource Plans and calls for additional generation resources through 2029 to support capacity requirements. The 2024 Plan informs future generation investments required to ensure reliability for NIPSCO's customers and incorporates factors such as anticipated load growth from data centers and other economic development opportunities, new EPA emissions rules, and evolving MISO resource accreditation rules. Customer interest related to data center development in our northern Indiana service territory has accelerated. We believe data center development can enhance our local tax base, diversify the employment base across the state of Indiana, and provide greater value to existing customers and shareholders. We are evaluating the potential for data center development in our service territory, including ways to effectively manage the potential power demand, generation sources, and transmission capabilities to meet potential load growth from any data center customer, while at the same time focusing on our environmental goals. We expect the management of large load growth would require new generation resources. We plan to move as efficiently as possible while maintaining the integrity of our commercial, planning, regulatory, procurement and operational execution processes.

We continue to enhance safety and reduce methane emissions on our gas systems through modernization programs and utilization of advanced leak detection and repair. In addition, we plan to advance other low- or zero-emission energy resources and technologies, such as hydrogen and renewable natural gas.

Transformation: Our enterprise-wide transformation roadmap focuses on operational excellence, safety, operation and maintenance management, and unlocking efficiencies. We are committed to identifying and implementing initiatives that will enable us to streamline work and improve logistics company-wide. These efforts include investments in proven technologies backed with standardized processes that will change the way we plan, schedule, and execute work in the field and how we engage and provide service to our customers. Taken together, all of our optimization initiatives will prioritize safety and continue to optimize our long-term growth profile. We are making progress towards our transformation goals with a successful completion of the first phase of our WAM program, an enterprise resource planning system that will optimize the scheduling, dispatch, and execution of our field operations. This phase of the program implemented the solution within our electric distribution and transmission operations, while remaining phases for gas distribution operations and generation operations are anticipated to be completed by the end of 2025. In addition to transforming technology to enhance our employee and customer experiences, these programs will also ensure we remain on modern systems that help reduce enterprise risk related to end-of-life systems.

Economic Environment: We continue to monitor risks related to order and delivery lead times for construction and other materials, potential unavailability of materials due to global shortages in raw materials, and decreased construction labor productivity in the event of disruptions in the availability of materials. We continue to see increasing prices associated with certain materials and supplies and are tracking the potential impact of new and proposed tariffs. To the extent that work plan delays occur or our costs increase, our business operations, results of operations, cash flows, and financial condition could be materially adversely affected.

We are faced with increased competition for employee and contractor talent in the current labor market which has resulted in increased costs to attract and retain talent. We are ensuring that we use all internal human capital programs (development, leadership enablement programs, succession, performance management) to promote retention of our current employees along with having a competitive and attractive appeal for potential recruits. Our flexible work arrangements, where possible, support a broader talent footprint for sourcing talent needed and for remaining competitive.

We continue to evaluate our financing plan to manage interest expense and exposure to rates. For more information on interest rate risk, see "Market Risk Disclosures".

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

Summary of Consolidated Financial Results

A summary of our consolidated financial results for the three months ended March 31, 2025 and 2024 are presented below:

(in millions, except per share amounts)	Three Months Ended March 31,		
	2025	2024	Favorable (Unfavorable)
Operating Revenues	\$ 2,183.2	\$ 1,706.3	\$ 476.9
Operating Expenses			
Cost of energy	647.5	425.0	(222.5)
Other Operating Expenses	776.3	697.9	(78.4)
Total Operating Expenses	1,423.8	1,122.9	(300.9)
Operating Income	759.4	583.4	176.0
Total Other Deductions, Net	(127.0)	(107.1)	(19.9)
Income Taxes	105.7	76.0	(29.7)
Net Income	526.7	400.3	126.4
Net income attributable to noncontrolling interest	51.9	35.3	(16.6)
Net Income Attributable to NiSource	474.8	365.0	109.8
Preferred dividends and redemption premium	—	(20.7)	20.7
Net Income Available to Common Shareholders	474.8	344.3	130.5
Earnings Per Share			
Basic Earnings Per Share	\$ 1.01	\$ 0.77	\$ 0.24
Diluted Earnings Per Share	\$ 1.00	\$ 0.77	\$ 0.23

The majority of the costs of energy in both segments are tracked costs that are passed through directly to the customer, resulting in an equal and offsetting amount reflected in operating revenues.

The increase in net income available to common shareholders for the three months ended March 31, 2025 was primarily due to higher revenues driven by our capital investments, partially offset by higher operating expenses, including increased depreciation expense attributed to our net plant balances and higher interest expense. See Note 6, "Equity," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information.

For additional information on operating income variance drivers see "Results and Discussion of Segment Operations" for Columbia Operations and NIPSCO Operations in this Management's Discussion.

Income Taxes

Refer to Note 12, "Income Taxes," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on income taxes and the change in the effective tax rates for the periods presented.

We continue to monitor and evaluate the impacts of final or proposed income tax regulations issued on provisions of the IRA including but not limited to renewable energy tax credits.

RESULTS AND DISCUSSION OF SEGMENT OPERATIONS

Presentation of Segment Information

Columbia Operations aggregates the results of the fully regulated and wholly owned subsidiaries of NiSource Gas Distribution Group, Inc. Each Columbia distribution company is an operating segment which we aggregate to form the Columbia Operations reportable segment. NIPSCO Operations aggregates the results of NIPSCO Holdings I, and its majority-owned subsidiaries, including NIPSCO, which has both fully regulated gas and electric operations in northern Indiana. The remainder of our operations, which are not significant enough on a stand-alone basis to warrant treatment as a reportable segment, are presented as "Corporate and Other" within the Notes to the Condensed Consolidated Financial Statements (unaudited) and primarily are comprised of interest expense on holding company debt, and unallocated corporate costs and activities.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
**NiSource Inc.
Columbia Operations**

Financial and operational data for the Columbia Operations segment for the three months ended March 31, 2025 and 2024 are presented below.

<i>(in millions)</i>	Three Months Ended March 31,		
	2025	2024	Favorable (Unfavorable)
Operating Revenues	\$ 1,243.8	\$ 956.9	\$ 286.9
Operating Expenses			
Cost of energy	379.8	228.8	(151.0)
Operation and maintenance	243.0	210.7	(32.3)
Depreciation and amortization	108.2	98.2	(10.0)
Other taxes	67.0	57.2	(9.8)
Total Operating Expenses	798.0	594.9	(203.1)
Operating Income	\$ 445.8	\$ 362.0	\$ 83.8
Revenues			
Residential	\$ 858.0	\$ 665.8	\$ 192.2
Commercial	308.1	225.3	82.8
Industrial	48.2	40.4	7.8
Off-System	22.3	12.7	9.6
Other	7.2	12.7	(5.5)
Total	\$ 1,243.8	\$ 956.9	\$ 286.9
Sales and Transportation (MMDth)			
Residential	90.8	77.0	13.8
Commercial	61.9	54.3	7.6
Industrial	72.1	68.5	3.6
Off-System	5.9	7.3	(1.4)
Other	0.2	0.2	—
Total	230.9	207.3	23.6
Heating Degree Days⁽¹⁾	2,670	2,284	386
Normal Heating Degree Days⁽¹⁾	2,666	2,739	(73)
% Warmer than Normal	— %	(17)%	
% Colder than prior year	17 %		
Columbia Operations Customers			
Residential	2,233,968	2,222,345	11,623
Commercial	189,918	189,394	524
Industrial	1,988	1,980	8
Other	5	5	—
Total	2,425,879	2,413,724	

⁽¹⁾ Heating degree figures represent averages of the five jurisdictions served by Columbia Operations.

Comparability of operation and maintenance expenses, depreciation and amortization, and other taxes may be impacted by regulatory, depreciation, and tax trackers that allow for the recovery in rates of certain costs.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc. Columbia Operations

The underlying reasons for changes in our operating revenues for the three months ended March 31, 2025 compared to the same period in 2024 are presented below.

	Favorable (Unfavorable)
	Three Months Ended March 31, 2025 vs 2024
Changes in Operating Revenues (in millions)	
New rates from base rate proceedings and regulatory capital programs	\$ 73.2
The effects of weather in 2025 compared to 2024	27.2
The effects of customer growth	1.6
The effects of customer usage	(6.3)
Other	(0.2)
Change in operating revenues (before cost of energy and other tracked items)	\$ 95.5
Operating revenues offset in operating expense	
Higher cost of energy billed to customers	151.0
Higher tracker deferrals within operation and maintenance, depreciation, and tax	40.4
Total change in operating revenues	\$ 286.9

Weather

In general, we calculate the weather-related revenue variance based on changing customer demand driven by weather variance from normal heating degree days, net of weather normalization mechanisms. Our composite heating degree days reported do not directly correlate to the weather-related dollar impact on the results of Columbia Operations. Heating degree days experienced during different times of the year or in different operating locations may have more or less impact on volume and dollars depending on when and where they occur. When the detailed results are combined for reporting, there may be weather-related dollar impacts on operations when there is not an apparent or significant change in our aggregated composite heating degree day comparison.

Sales

The increase in total volumes for the three months ended March 31, 2025, compared to the same period in 2024, is primarily attributable to an increase for residential and commercial customers due to colder weather.

Commodity Price Impact

Cost of energy for the Columbia Operations segment is principally comprised of the cost of natural gas procured on behalf of and sold to customers while providing transportation services. All of our Columbia Operations companies have state-approved recovery mechanisms that provide a means for full recovery of prudently incurred gas costs. These are tracked costs that are passed through directly to the customer, and the gas costs included in revenues are matched with the gas cost expense recorded in the period. Any difference in actual costs incurred and amounts billed to customers is recorded on the Condensed Consolidated Balance Sheets (unaudited) as under-recovered or over-recovered gas cost to be included in future customer billings. Therefore, increases in these tracked operating expenses are offset by increases in operating revenues and have essentially no impact on net income. Certain Columbia Operations companies continue to offer choice opportunities, where customers can choose to purchase gas from a third-party supplier, through regulatory initiatives in their respective jurisdictions.

The underlying reasons for changes in our operating expenses for the three months ended March 31, 2025 compared to the same period in 2024 are presented below.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.
Columbia Operations

	Favorable (Unfavorable)
	Three Months Ended March 31, 2025 vs 2024
Changes in Operating Expenses <i>(in millions)</i>	
Higher depreciation and amortization expense	\$ (10.0)
Higher employee and administrative related expenses	(6.0)
Higher property tax	(3.0)
Other	7.3
Change in operating expenses (before cost of energy and other tracked items)	\$ (11.7)
Operating expenses offset in operating revenue	
Higher cost of energy billed to customers	(151.0)
Higher tracker deferrals within operation and maintenance, depreciation, and tax	(40.4)
Total change in operating expense	\$ (203.1)

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
**NiSource Inc.
NIPSCO Operations**

Financial and operational data for the NIPSCO Operations segment, which services both gas and electric customers, for the three months ended March 31, 2025 and 2024 are presented below.

<i>(in millions)</i>	Three Months Ended March 31,		
	2025	2024	Favorable (Unfavorable)
NIPSCO Operations			
Operating Revenues	\$ 941.7	\$ 752.7	\$ 189.0
Operating Expenses			
Cost of energy	267.7	196.2	(71.5)
Operation and maintenance	202.0	191.3	(10.7)
Depreciation and amortization	141.3	132.7	(8.6)
Loss on impairment	0.3	—	(0.3)
Other taxes	18.5	16.1	(2.4)
Total Operating Expenses	629.8	536.3	(93.5)
Operating Income	\$ 311.9	\$ 216.4	\$ 95.5

<i>(in millions)</i>	Three Months Ended March 31,		
	2025	2024	Favorable (Unfavorable)
NIPSCO Electric			
Revenues			
Residential	\$ 167.9	\$ 143.8	\$ 24.1
Commercial	160.1	142.9	17.2
Industrial	142.8	116.1	26.7
Wholesale and Other	30.4	31.2	(0.8)
Total	\$ 501.2	\$ 434.0	\$ 67.2
Sales (GWh)			
Residential	810.4	764.9	45.5
Commercial	884.8	878.7	6.1
Industrial	2,136.0	1,832.7	303.3
Wholesale and Other	180.5	172.6	7.9
Total	4,011.7	3,648.9	362.8
NIPSCO Electric Customers			
Residential	431,351	428,035	3,316
Commercial	59,286	58,883	403
Industrial	2,112	2,120	(8)
Wholesale and Other	707	711	(4)
Total	493,456	489,749	3,707

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
**NiSource Inc.
NIPSCO Operations**

<i>(in millions)</i>	Three Months Ended March 31,		
	2025	2024	Favorable (Unfavorable)
NIPSCO Gas			
Revenues			
Residential	\$ 298.7	\$ 212.1	\$ 86.6
Commercial	105.1	74.7	30.4
Industrial	31.4	23.8	7.6
Other	5.3	8.1	(2.8)
Total	\$ 440.5	\$ 318.7	\$ 121.8
Sales and Transportation Volumes (MMDth)			
Residential	32.7	28.6	4.1
Commercial	20.3	17.7	2.6
Industrial	73.8	70.2	3.6
Total	126.8	116.5	10.3
Heating Degree Days	3,015	2,643	372
Normal Heating Degree Days	3,079	3,141	(62)
% Warmer than Normal	(2)%	(16)%	
% Colder than prior year	14 %		
NIPSCO Gas Customers			
Residential	803,206	797,326	5,880
Commercial	66,699	66,485	214
Industrial	2,721	2,784	(63)
Total	872,626	866,595	6,031

Comparability of operation and maintenance expenses and depreciation and amortization may be impacted by regulatory and depreciation trackers that allow for the recovery in rates of certain costs.

The underlying reasons for changes in our operating revenues for the three months ended March 31, 2025 compared to the same period in 2024 are presented below.

	Favorable (Unfavorable)
Changes in Operating Revenues (in millions)	Three Months Ended March 31, 2025 vs 2024
New rates from base rate proceedings, regulatory capital and DSM programs	\$ 82.1
The effects of weather in 2025 compared to 2024	28.2
The effects of customer usage	3.8
The effects of customer growth	3.4
Renewable JV revenue, fully offset by JV operating expense and noncontrolling interest net income (loss)	(4.1)
Other	(0.1)
Change in operating revenues (before cost of energy and other tracked items)	\$ 113.3
Operating revenues offset in operating expense	
Higher cost of energy billed to customers	71.5
Higher tracker deferrals within operation and maintenance, depreciation and tax	4.2
Total change in operating revenues	\$ 189.0

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.
NIPSCO Operations

Weather

The results of operations for the NIPSCO Operations segment include income from both electric and gas service lines. In general, we calculate the weather-related revenue variance based on changing customer demand driven by weather variance from normal cooling degree days and normal heating degree days, net of weather normalization mechanisms. Our composite cooling and heating degree days reported do not directly correlate to the weather-related dollar impact on the results of NIPSCO Operations. Cooling and heating degree days experienced during different times of the year or in different operating locations may have more or less impact on volume and dollars depending on when they occur. When the detailed results are combined for reporting, there may be weather-related dollar impacts on operations when there is not an apparent or significant change in our aggregated composite cooling and heating degree day comparison.

Sales

The increase in total volumes sold to electric customers for the three months ended March 31, 2025 compared to the same period in 2024 was primarily attributable to increased residential and industrial usage.

The increase in total volumes sold to gas customers for the three months ended March 31, 2025 compared to the same period in 2024 was primarily attributable to increases for residential and commercial customers due to colder weather.

Commodity Price Impact

Cost of energy for the NIPSCO Operations segment's electric activities is principally comprised of the cost of coal, natural gas purchased for internal generation of electricity, transportation of coal and natural gas, and the cost of power purchased from generators of electricity for its generation and transmission activities. For its gas distribution activities, NIPSCO Operations' cost of energy is principally comprised of the cost of natural gas procured on behalf of and sold to customers while providing transportation and distribution services. NIPSCO Operations has state-approved recovery mechanisms that provide a means for full recovery of prudently incurred costs of energy. The majority of these costs of energy are passed through directly to the customer, and the costs of energy included in operating revenues are matched with the cost of energy expense recorded in the period. Any difference in actual costs incurred and amounts billed to customers is recorded on the Condensed Consolidated Balance Sheets (unaudited) as under-recovered or over-recovered fuel and gas costs to be included in future customer billings. Therefore, increases in these tracked operating expenses are offset by increases in operating revenues and have essentially no impact on net income.

The underlying reasons for changes in our operating expenses for the three months ended March 31, 2025 compared to the same period in 2024 are presented below.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc. NIPSCO Operations

	Favorable (Unfavorable)
	Three Months Ended March 31, 2025 vs 2024
Changes in Operating Expenses (in millions)	
Higher depreciation and amortization expense driven by new base rates	\$ (9.2)
Higher outside services expenses	(4.0)
Higher environmental remediation costs	(2.5)
Higher employee and administrative expenses	(2.0)
Other	(1.0)
Change in operating expenses (before cost of energy and other tracked items)	\$ (18.7)
Operating expenses offset in operating revenue	
Higher cost of energy billed to customers	(71.5)
Higher tracker deferrals within operation and maintenance, depreciation and tax	(3.3)
Total change in operating expense	\$ (93.5)

Electric Supply and Generation Transition

NIPSCO continues to execute on an electric generation transition consistent with the 2018 Plan and 2021 Plan and maintained in the 2024 Plan, which outlines the path to retire the remaining two coal units at R.M. Schahfer by the end of 2025 and the remaining coal-fired generation at Michigan City by the end of 2028, to be replaced by lower-cost, reliable and cleaner options. NIPSCO is evaluating the impacts of federal and state executive orders on its generation transition plans.

The current replacement plan primarily includes renewable sources of energy, including wind, solar, battery storage, and flexible natural gas resources to be obtained through a combination of NIPSCO ownership and PPAs. NIPSCO has sold, and may in the future sell, renewable energy credits from its renewable generation to third parties to offset customer costs. NIPSCO has executed several PPAs to purchase 100% of the output from renewable generation facilities at a fixed price per MWh. Each facility supplying the energy will have an associated nameplate capacity, and payments under the PPAs will not begin until the associated generation facility is constructed by the owner/seller. NIPSCO has also executed several BTAs with developers to construct renewable generation facilities.

Since 2020, two wind PPA projects and six owned projects (two wind, two solar and two solar plus storage) have been placed into service totaling 2,201 MW of nameplate capacity, including Dunns Bridge II which was placed into service in January 2025. See "Executive Summary - Energy Transition" in this Management's Discussion for additional information. We expect the majority of our remaining BTA and PPA projects to be placed in service between 2025 and 2027.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.
NIPSCO Operations

Remaining Renewables Projects	Transaction Type	Technology	Nameplate Capacity (MW)	Storage Capacity (MW)
Fairbanks	BTA	Solar	250	—
Gibson	BTA	Solar	200	—
Templeton	BTA ⁽¹⁾	Wind	200	—
Appleseed	20 year PPA	Solar	200	—
Green River	20 year PPA	Solar	200	—
Carpenter	20 year PPA	Wind	200	—

⁽¹⁾ Pending regulatory approval.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)**NiSource Inc.****Liquidity and Capital Resources**

We continually evaluate the availability of adequate financing to fund our ongoing business operations, working capital and core safety and infrastructure investment programs. Our financing is sourced through cash flow from operations and the issuance of debt and/or equity. External debt financing is provided primarily through the issuance of long-term debt, accounts receivable securitization programs and our \$1.85 billion commercial paper program, which is backstopped by our committed revolving credit facility with a total availability from third-party lenders of \$1.85 billion. We believe these sources provide adequate capital to fund our operating activities and capital expenditures in 2025 and beyond. Sources of financing activities for the quarter ended March 31, 2025 are as follows:

ATM program

- As of December 31, 2024 the ATM program had approximately \$297.7 million of equity available for issuance through December 31, 2025.
 - In February 2025, we executed a forward sale agreement, which allows us to issue a fixed number of shares at a price to be settled in the future. The forward purchaser under our forward sale agreement borrowed 2,000,000 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$40.10 per share.
 - In March 2025, we executed a forward sale agreement, which allows us to issue a fixed number of shares at a price to be settled in the future. The forward purchaser under our forward sale agreement borrowed 1,707,320 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$41.00 per share.
 - As of March 31, 2025, the ATM program (inclusive of the forward sale agreements) had approximately \$147.5 million of equity available for issuance.

Long-Term Debt

- On March 27, 2025 we completed the issuance and sale of \$750.0 million of 5.850% senior unsecured notes maturing in 2055, which resulted in approximately \$739.6 million of net proceeds after discount and debt issuance costs.

See Note 6, "Equity," Note 7, "Short-Term Borrowings," and Note 8, "Long-Term Debt," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for more information on our financing activities.

Cash Flow Activities

The following table summarizes our cash flow activities:

<i>(in millions)</i>	Three Months Ended March 31,		
	2025	2024	Change in 2025 vs 2024
Cash from (used for):			
Operating Activities	\$ 686.4	\$ 456.2	\$ 230.2
Investing Activities	(1,352.7)	(723.0)	(629.7)
Financing Activities	771.4	(1,873.8)	2,645.2

Operating Activities

The increase in cash from operating activities was primarily driven by year over year change in exchange gas receivables, higher net income, accounts payable, prepayments and other current assets, partially offset by higher accounts receivables due to colder weather.

Investing Activities

Year over year increase in investing activities was primarily comprised of milestone payments to renewable generation asset developers for certain of our BTA projects and advanced deposits.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

We remain on track to make capital investments totaling \$4.0 billion to \$4.3 billion during the 2025 period. We also expect to invest approximately \$19.4 billion during the 2025-2029 period, including capital investments to support our generation transition strategy. These forecasted capital investments are subject to continuing review and adjustment. Actual capital expenditures may vary from these estimates.

Regulatory Capital Programs. We are in the process of upgrading and modernizing our electric system to enhance safety and reliability by addressing aged infrastructure and deploying advanced grid technologies. We are also upgrading and modernizing our gas infrastructure to enhance safety and reliability by reducing leaks. An ancillary benefit of these programs is the reduction of GHG emissions. In 2025, we continue to move forward on core infrastructure investment programs supported by complementary regulatory and customer initiatives across all six states of our operating area.

The following table describes the most recent vintage of our regulatory programs to recover infrastructure replacement and other federally mandated compliance investments:

(in millions)

Company	Program	Capital Investment	Investment Period	Filing Date	Costs Covered ⁽¹⁾
Approved					
Columbia of Ohio	IRP - 2025	\$ 978.7	4/21-12/24	2/27/2025	Replacement of hazardous service lines, cast iron, wrought iron, uncoated steel, and bare steel pipe.
Columbia of Ohio	PHMSA IRP - 2025	\$ 78.2	1/23-12/24	2/28/2025	Investments necessary to comply with the PHMSA Mega Rule.
Columbia of Ohio	CEP - 2024	\$ 763.3	4/21-12/23	2/26/2024	Assets not included in the IRP or PHMSA IRP.
Columbia of Virginia	SAVE - 2025	\$ 89.0	10/24-12/25	8/15/2024	Replacement projects that (1) enhance system safety or reliability, or (2) reduce, or potentially reduce, greenhouse gas emissions. Includes costs associated with Advanced Leak Detection and Repair.
Columbia of Kentucky	SMRP - 2024	\$ 81.9	1/23-12/24	10/13/2023	Replacement of mains and inclusion of system safety investments.
NIPSCO - Electric ⁽²⁾	TDSIC - 5	\$ 346.9	7/22-3/24	5/28/2024	New or replacement projects undertaken for the purpose of safety, reliability, system modernization or economic development.
NIPSCO - Electric ⁽²⁾	TDSIC - 6	\$ 555.0	7/22-9/24	11/26/2024	New or replacement projects undertaken for the purpose of safety, reliability, system modernization or economic development.
NIPSCO - Electric ⁽³⁾	GCT - 1	\$ 149.4	9/23-10/25	12/16/2024	New gas peaker generation project costs forecasted through Oct. 2025.
NIPSCO - Gas ⁽⁴⁾	TDSIC - 8	\$ 8.3	1/23-2/24	4/30/2024	New or replacement projects undertaken for the purpose of safety, reliability, system modernization or economic development.
NIPSCO - Gas ⁽⁴⁾	FMCA - 3	\$ 27.0	1/23-6/24	8/27/2024	Project costs to comply with federal mandates.
Pending Commission Approval					
Columbia of Kentucky ⁽⁵⁾	SMRP - 2025	\$ 128.5	1/23-12/25	10/15/2024	Replacement of mains and inclusion of system safety investments.
NIPSCO - Gas	FMCA - 4	\$ 9.4	6/24-12/24	2/25/2025	Project costs to comply with federal mandates.
Columbia of Ohio	CEP - 2025	\$ 1,030.0	4/21-12/24	2/27/2025	Assets not included in the IRP or PHMSA IRP.

⁽¹⁾Programs do not include any costs already included in base rates.

⁽²⁾TDSIC-5 was effective October 2024 through March 2025. An order was received for TDSIC-6 on March 26, 2025, and billing began in April 2025.

⁽³⁾Capital investment is based on a projected amount. The capital investment has not all been incurred to date and represents a forecasted average for the billing period.

⁽⁴⁾The capital investment remaining after the Step 2 Compliance Filing, on February 13, 2025, is \$5.8 million for TDSIC-8 and \$2.3 million for FMCA-3.

⁽⁵⁾Rates went into effect January 2, 2025, subject to refund.

NIPSCO Gas filed a FMCA CPCN on April 21, 2025. The petition is seeking recovery of spend incurred related to certain federally mandated Pipeline Safety IV Compliance Plan costs. The request includes \$244.1 million of estimated capital, including indirect costs and AFUDC.

Financing Activities

Common Stock. Refer to Note 6, "Equity," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on common stock.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

Long-Term Debt. Refer to Note 8, "Long-Term Debt," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on long-term debt activity.

Short-Term Debt. Refer to Note 7, "Short-Term Borrowings," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on short-term debt activity.

Noncontrolling Interest. Refer to Note 4, "Noncontrolling Interests," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on contributions and distributions from noncontrolling interests.

Sources of Liquidity

The following table displays our liquidity position as of March 31, 2025 and December 31, 2024:

(in millions)	March 31, 2025	December 31, 2024
Current Liquidity		
Revolving Credit Facility	\$ 1,850.0	\$ 1,850.0
Accounts Receivable Programs ⁽¹⁾	375.0	175.0
Less:		
Commercial Paper	521.0	604.6
Accounts Receivable Programs Utilized	250.0	—
Letters of Credit Outstanding Under Credit Facility	0.5	9.4
Add:		
Cash and Cash Equivalents	259.4	156.6
Net Available Liquidity	\$ 1,712.9	\$ 1,567.6

⁽¹⁾Represents the lesser of the seasonal limit or maximum borrowings supportable by the underlying receivables.

Debt Covenants. We are subject to a financial covenant under our revolving credit facility, which requires us to maintain a debt to capitalization ratio that does not exceed 70.0%. As of March 31, 2025, the ratio was 53.8%.

Credit Ratings. The credit rating agencies periodically review our ratings, taking into account factors such as our capital structure and earnings profile. The following table includes our and NIPSCO's credit ratings and ratings outlook as of March 31, 2025. There were no changes to the below credit ratings or outlooks since February 2020.

A credit rating is not a recommendation to buy, sell, or hold securities, and may be subject to revision or withdrawal at any time by the assigning rating organization.

	S&P		Moody's		Fitch	
	Rating	Outlook	Rating	Outlook	Rating	Outlook
NiSource	BBB+	Stable	Baa2	Stable	BBB	Stable
NIPSCO	BBB+	Stable	Baa1	Stable	BBB	Stable
Commercial Paper	A-2	Stable	P-2	Stable	F2	Stable

Certain of our subsidiaries have agreements that contain "ratings triggers" that require increased collateral if our credit rating or the credit ratings of certain of our subsidiaries are below investment grade. These agreements are primarily for insurance purposes and for the physical purchase or sale of power. As of March 31, 2025, the collateral requirement that would be required in the event of a downgrade below the ratings trigger levels would amount to approximately \$146.1 million. In addition to agreements with ratings triggers, there are other agreements that contain "adequate assurance" or "material adverse change" provisions that could necessitate additional credit support such as letters of credit and cash collateral to transact business.

Equity. Our authorized capital stock consists of 770,000,000 shares, \$0.01 par value, 750,000,000 are common stock and 20,000,000 are preferred stock. As of March 31, 2025, 470,618,280 shares of common stock were outstanding and no preferred stock were outstanding.

NiSource Inc.

Contractual Obligations. A summary of contractual obligations is included in the Company's Annual Report on Form 10-K for the year ended December 31, 2024. Except for our March 2025 debt issuance, there were no additional material changes from year-end during the three months ended March 31, 2025. Refer to Note 8, "Long-Term Debt," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information regarding the debt issuances.

Guarantees, Indemnities and Other Off Balance Sheet Arrangements. We and certain of our subsidiaries enter into various agreements providing financial or performance assurance to third parties on behalf of certain subsidiaries as a part of normal business. Such agreements include guarantees and stand-by letters of credit. Refer to Note 14, "Other Commitments and Contingencies," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information about such arrangements.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

Regulatory, Environmental and Safety Matters

Cost Recovery and Trackers

Comparability of our line item operating results is impacted by regulatory trackers that allow for the recovery in rates of certain costs such as those described below. Increases in the costs that are subject to approved regulatory tracker mechanisms generally lead to increased regulatory assets, which ultimately result in a corresponding increases in operating revenues and expenses and, therefore, have essentially no impact on total operating income results. Certain approved regulatory tracker mechanisms allow for abbreviated regulatory proceedings in order for the operating companies to quickly implement revised rates and recover associated costs.

A portion of the Columbia Operations' and NIPSCO Operations' revenue is related to the recovery of gas costs, the review and recovery of which occurs through standard regulatory proceedings. All states in our operating area require periodic review of actual gas procurement activity to determine prudence and to confirm the recovery of prudently incurred energy commodity costs supplied to customers.

We recognize that energy efficiency reduces emissions, conserves natural resources and saves our customers money. Our gas distribution companies offer programs such as energy efficiency upgrades, home checkups and weatherization services. The increased efficiency of natural gas appliances and improvements in home building codes and standards contributes to a long-term trend of declining average use per customer. While we are looking to expand offerings so the energy efficiency programs can benefit as many customers as possible, our gas distribution operations utilities have pursued changes in rate design to more effectively match recoveries with costs incurred. Columbia of Ohio has adopted a straight fixed variable rate design for residential and small commercial customers that closely links the recovery of fixed costs with fixed charges. Columbia of Maryland and Columbia of Virginia have regulatory approval for weather and revenue normalization adjustments for certain customer classes, which adjust monthly revenues that exceed or fall short of approved levels. Columbia of Pennsylvania continues to operate its pilot residential weather normalization adjustment and also has a fixed customer charge. This weather normalization adjustment only adjusts revenues when actual weather compared to normal varies by more than 3%. Columbia of Kentucky charges certain customer classes a mix of fixed and weather normalized volumetric rates during the peak heating season. NIPSCO Gas and Electric include a fixed customer charge for residential and small commercial and industrial customer classes. NIPSCO Gas has also received approval and implemented a weather normalization adjustment for certain of its customer classes.

A portion of the NIPSCO Operations' revenue is related to the recovery of fuel costs to generate power and the fuel costs related to purchased power. These costs are recovered through a FAC, which is updated quarterly to reflect actual costs incurred to supply electricity to customers.

While increased efficiency of electric appliances and improvements in home building codes and standards have similarly impacted the average use per electric customer in recent years, NIPSCO expects future growth in per customer usage as a result of increasing electric applications, such as electric vehicles. These ongoing changes in use of electricity will likely lead to development of innovative rate designs, and NIPSCO will continue efforts to design rates that increase the certainty of recovery of fixed costs.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

**NiSource Inc.
Regulatory, Environmental and Safety Matters**

Rate Case Actions

The following table describes current rate case actions as applicable in each of our jurisdictions net of tracker impacts:

(in millions)

Company	Approved ROE	Requested Incremental Revenue	Approved Incremental Revenue	Filing Date	Rates Effective
Approved Rate Cases					
Columbia of Pennsylvania ⁽¹⁾	None specified	\$ 124.1	\$ 74.0	March 15, 2024	December 2024
Columbia of Maryland	9.80 %	\$ 10.7	\$ 7.8	September 24, 2024	April 2025
Columbia of Kentucky	9.75 %	\$ 23.8	\$ 14.3	May 16, 2024	January 2025
Columbia of Virginia ⁽²⁾	None specified	\$ 40.5	\$ 25.8	April 29, 2022	October 2022
Columbia of Ohio	9.60 %	\$ 221.4	\$ 68.3	June 30, 2021	March 2023
NIPSCO - Gas ⁽³⁾	9.75 %	\$ 161.9	\$ 120.9	October 25, 2023	August 2024
NIPSCO - Electric ⁽⁴⁾	9.80 %	\$ 291.8	\$ 261.9	September 19, 2022	August 2023
Pending Rate Cases					
NIPSCO - Electric ⁽⁵⁾	In process	\$ 368.7	In process	September 12, 2024	September 2025
Columbia of Virginia ⁽⁶⁾	In process	\$ 37.2	In process	April 29, 2024	October 2024
Columbia of Pennsylvania	In process	\$ 110.5	In process	March 20, 2025	December 2025

⁽¹⁾No approved ROE is identified for this matter since the approved revenue increase is the result of a black box settlement under which parties agree upon the amount of increase.

⁽²⁾The approved rate case resulted in a black box settlement, representing a settlement to a specific revenue increase but not a specified ROE. The settlement provides use of a 9.70% ROE for future SAVE filings.

⁽³⁾New rates were implemented in 2 steps, with implementation of Step 1 rates effective in August 2024 and Step 2 rates effective in February 2025.

⁽⁴⁾New rates were implemented in 2 steps, with implementation of Step 1 rates effective in August 2023 and Step 2 rates effective in March 2024.

⁽⁵⁾On February 7, 2025, NIPSCO and certain intervening parties filed a Joint Stipulation and Settlement Agreement with the IURC reflecting an annual revenue increase of \$257.0 million. New rates proposed to be implemented in 2 steps, with implementation of Step 1 rates effective no later than September 2025 and Step 2 rates to be effective no later than March 2026.

⁽⁶⁾Rates are effective on an as filed basis and subject to refund. Columbia of Virginia and certain intervening parties, filed a Joint Stipulation and Proposed Recommendation for settlement on December 5, 2024, for an annual revenue increase of \$28.2 million, net of SAVE. A hearing examiner's report was received on February 27, 2025 recommending the adoption of Joint Stipulation and Proposed Recommendation without modification.

PHMSA Legislation and Regulations

To fulfill our vision of being a trusted energy provider, we follow safety practices required by regulations and we implement our Safety Management System ("SMS"). SMS serves as the framework to identify and reduce risks and ensure consistent safety processes, procedures and operations across the organization.

As directed by law in the Protecting Our Infrastructure of Pipelines and Enhancing Safety (PIPES) Act of 2020, PHMSA has revised, and continues to revise, the pipeline safety regulations focused on public safety and environmental hazard mitigation. Specific areas of focus for upcoming rulemaking include leak detection and repair criteria (the "LDAR" rule) and regulations that require operators to upgrade their existing low-pressure regulating stations with enhanced safeguards and update distribution integrity management plans, emergency response plans, and operation and maintenance plans (the Safety of Gas Distribution Pipelines, or "SGDP" rule).

In May 2023, PHMSA proposed regulatory revisions under the PIPES Act of 2020 to minimize methane emissions and improve public safety. Under these proposed revisions, our subsidiaries would be required to detect and repair an increased number of gas leaks, reduce the time to repair leaks, increase leak survey, and expand our existing advanced leak detection program. In January 2025, PHMSA withdrew the final LDAR rule and it has not gone into effect.

In September 2023, PHMSA proposed additional regulatory revisions under the PIPES Act of 2020 to enhance distribution system safety through equipment and procedural expectations in the form of the SGDP rule. Operators will be required to incorporate additional protections for low pressure distribution systems that prevent over-pressurization, amend construction procedures designed to minimize the risk of incidents caused by system over-pressurization, and update distribution integrity management programs to cover and prepare for over-pressurization incidents. PHMSA did not progress the SGDP rulemaking in 2024.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)**NiSource Inc.****Regulatory, Environmental and Safety Matters**

We continue to evaluate and monitor PHMSA legislation and regulations but cannot predict the impact of changing pipeline safety regulations on our business at this time.

Environmental and Climate Change Issues

On March 12, 2025, the EPA announced it will undertake 31 deregulatory actions to advance the administration's policy priorities as directed by various Executive Orders. These actions will address multiple existing water, waste, air and climate regulations including, but not limited to, GHG rules and the Legacy CCR rule. NiSource will continue to monitor these matters and assess the impacts to our business as regulations are proposed and finalized, or as otherwise required by law.

Physical Climate Risks. Increased frequency of severe and extreme weather events associated with climate change could materially impact our facilities, energy sales, and results of operations. We are unable to predict these events. However, we perform assessments of physical risk, including physical climate risk, to our business. More extreme and volatile temperatures, increased storm intensity and flooding, and more volatile precipitation leading to changes in lake and river levels are among the weather events that are most likely to impact our business. Efforts to mitigate these physical risks continue to be implemented.

Transition Climate Risks and Opportunities. We actively engage with and monitor the impact that proposed legislative and regulatory programs related to GHG emissions, at both the federal and state levels, would have on our business.

Regarding federal policies, we continue to monitor the status of climate change-related legislation and regulation, including the IIJA and IRA and the potential forthcoming budget reconciliation legislation from Congress in 2025. We have identified and pursued potential opportunities associated with the IIJA and the IRA that align with our strategy. These opportunities include tax incentives for renewable generation and storage projects, tax credit transferability and grant funding for grid resiliency, hydrogen hubs and leak detection. The new federal administration has signaled through executive actions a desire to roll-back several climate-related policies including funding for IIJA and IRA programs. We continue to evaluate and monitor how these changes will impact our business.

In May 2024, the EPA published final GHG standards and guidelines for fossil fuel-fired power plants. The rules are not expected to impact NIPSCO's existing electric generation, but, depending on the outcome of ongoing litigation and potential future changes to the rules, may impose certain operational limitations on other existing and new electric generation. Through the 2024 NIPSCO IRP process, we assessed that cost to electric customers would be approximately \$675 million greater due to these rules.

We also continue to monitor evolving state policies related to GHG emissions. The Climate Solutions Now Act of 2022 requires Maryland to reduce GHG emissions by 60% by 2031 (from 2006 levels), and it requires the state to reach net zero emissions by 2045. The Maryland Department of the Environment ("MDE") adopted a plan to achieve its 2031 goal and is required to adopt a plan for their 2045 net zero goal by 2030. The Act also enacts a state policy to move to broader electrification of both existing buildings and new construction. In December 2024, the MDE issued updated final Building Energy Performance Standards, which would require net zero direct GHG emissions from large buildings by 2040 with interim targets, or payments of an alternative compliance fee. Columbia of Maryland is advocating for compliance pathways that use RNG, hydrogen, new technologies and emissions offsets. Under an executive order, Maryland is also developing a Clean Heat Standard and a Zero-Emission Heating Equipment Standard that are intended to transition gas appliances to electric heat pumps. Separately, the PSC has also initiated a proceeding related to Near-Term, Priority Actions and Comprehensive, Long-Term Planning for Maryland's Gas Companies. Columbia of Maryland cannot predict the final impact of these policies on our business at this time.

Net Zero Goal. In November 2022, we announced a goal of net zero GHG emissions by 2040 covering both Scope 1 and Scope 2 GHG emissions ("Net Zero Goal"). Our Net Zero Goal builds on GHG emission reductions achieved to-date. We plan to achieve our Net Zero Goal primarily through continuation and enhancement of existing programs, such as retiring and replacing coal-fired electric generation with low- or zero-emission electric generation, ongoing pipe replacement and modernization programs, and deployment of advanced leak-detection technologies. In addition, we plan to advance other low- and zero-emission energy resources and technologies, which may include hydrogen, renewable natural gas, long-duration storage, and/or deployment of carbon capture and utilization technologies, if and when these become technologically and economically feasible. Carbon offsets and renewable energy credits may also be used to support achievement of our Net Zero Goal. As of the end of 2024, we had reduced Scope 1 GHG emissions by approximately 72% from 2005 levels.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)**NiSource Inc.****Regulatory, Environmental and Safety Matters**

Our GHG emissions projections, including achieving a Net Zero Goal, are subject to various assumptions that involve risks and uncertainties, and did not include any assumptions related to data center development and associated load growth. We remain committed to our Net Zero Goal, however, certain of our interim goals may evolve as we assess and respond to business opportunities such as data centers. Achievement of our Net Zero Goal by 2040 will require supportive regulatory and legislative policies, favorable stakeholder environments and advancement of technologies that are not currently economically or technologically feasible to deploy at scale, as well as execution of our business plan. Otherwise, our actual results or ability to achieve our Net Zero Goal, including by 2040, may differ materially.

Market Risk Disclosures

Risk is an inherent part of our businesses. The extent to which we properly and effectively identify, assess, monitor and manage each of the various types of risk involved in our businesses is critical to our profitability. We seek to identify, assess, monitor and manage, in accordance with defined policies and procedures, the following principal market risks that are involved in our businesses: commodity price risk, interest rate risk and credit risk. We manage risk through a multi-faceted process with oversight by the Risk Management Committee that requires constant communication, judgment and knowledge of specialized products and markets. Our senior management takes an active role in the risk management process and has developed policies and procedures that require specific administrative and business functions to assist in the identification, assessment and control of various risks. These may include, but are not limited to market, operational, financial, compliance and strategic risk types. In recognition of the increasingly varied and complex nature of the energy business, our risk management process, policies and procedures continue to evolve and are subject to ongoing review and modification.

Commodity Price Risk

Our gas and electric subsidiaries have commodity price risk primarily related to the purchases of natural gas and power. To manage this market risk, our subsidiaries use derivatives, including commodity futures contracts, swaps, forwards and options. We do not participate in speculative energy trading activity.

Commodity price risk resulting from derivative activities at our rate-regulated subsidiaries is limited and does not bear signification exposure to earnings risk, since our current regulatory mechanisms allow recovery of prudently incurred purchased power, fuel and gas costs through the rate-making process, including gains or losses on these derivative instruments. These changes are included in the GCA and FAC regulatory rate-recovery mechanisms. If these mechanisms were to be adjusted or eliminated, these subsidiaries may begin providing services without the benefit of the traditional rate-making process and may be more exposed to commodity price risk. For additional information, see "Results and Discussion of Segment Operations" in this Management's Discussion.

Our subsidiaries are required to make cash margin deposits with their brokers to cover actual and potential losses in the value of outstanding exchange traded derivative contracts. The amount of these deposits, some of which are reflected in our restricted cash balance, may fluctuate significantly during periods of high volatility in the energy commodity markets.

Refer to Note 10, "Risk Management Activities," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for further information on our commodity price risk assets and liabilities as of March 31, 2025 and December 31, 2024.

Interest Rate Risk

We are exposed to interest rate risk as a result of changes in interest rates on borrowings under our revolving credit agreement, commercial paper program, and accounts receivable programs, which have interest rates that are indexed to short-term market interest rates. Based upon average borrowings and debt obligations subject to fluctuations in short-term market interest rates, an increase (or decrease) in short-term interest rates of 100 basis points (1%) would have increased (or decreased) interest expense by \$2.5 million for the three months ended March 31, 2025 and \$2.6 million for the three months ended March 31, 2024, respectively. We are also exposed to interest rate risk as a result of changes in benchmark rates that can influence the interest rates of future long-term debt issuances. From time to time we may enter into forward interest rate instruments to lock in long term interest costs and/ or rates.

Credit Risk

Due to the nature of the industry, credit risk is embedded in many of our business activities. Our extension of credit is governed by a Corporate Credit Risk Management Policy which establishes guidelines for documenting management approval levels for

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

credit limits, evaluating creditworthiness, and credit risk mitigation efforts. Exposures to credit risks are monitored by the risk management function, which is independent of commercial operations. Credit risk arises due to the possibility that a customer, supplier or counterparty will not be able or willing to fulfill its obligations on a transaction on or before the settlement date. For derivative-related contracts, credit risk arises when counterparties are obligated to deliver or purchase defined commodity units of gas or power to us at a future date per execution of contractual terms and conditions. Exposure to credit risk is measured in terms of both current obligations and the market value of forward positions net of any posted collateral such as cash and letters of credit.

The financial status of our banking partners is periodically assessed through traditional credit ratings provided by major credit rating agencies.

Other Information

Critical Accounting Estimates

A summary of our critical accounting estimates is included in the Company's Annual Report on Form 10-K for the year ended December 31, 2024. There were no material changes made as of March 31, 2025.

Recently Issued Accounting Pronouncements

Refer to Note 2, "Recent Accounting Pronouncements," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information about recently issued and adopted accounting pronouncements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Quantitative and qualitative disclosures about market risk are reported in Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations - Market Risk Disclosures."

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our chief executive officer and our chief financial officer are responsible for evaluating the effectiveness of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)). Our disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed by us in reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure and is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. Based upon that evaluation, our chief executive officer and chief financial officer concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were effective to provide reasonable assurance that financial information was processed, recorded and reported accurately.

Changes in Internal Controls

There have been no changes in our internal control over financial reporting during the most recently completed quarter covered by this report that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II

ITEM 1. LEGAL PROCEEDINGS

For a description of our legal proceedings, see Note 14, "Other Commitments and Contingencies - B. Legal Proceedings," in the Notes to the Condensed Consolidated Financial Statements (unaudited).

ITEM 1A. RISK FACTORS

Please refer to the risk factors set forth in Part I, Item 1A of the Annual Report on Form 10-K for the year ended December 31, 2024. There have been no material changes to such risk factors.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

Director and Officer Trading Arrangements

During the quarter ended March 31, 2025, none of our directors or executive officers adopted or terminated a Rule 10b5-1 trading plan or adopted or terminated a non-Rule 10b5-1 trading arrangement (as defined in Item 408(c) of Regulation S-K).

ITEM 6. EXHIBITS

NiSource Inc.

- (4.4) Form of 5.850% Notes due 2055 (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on March 27, 2025).
- (31.1) [Certification of Chief Executive Officer pursuant to Rule 13a-14\(a\)/15d-14\(a\), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.](#)*
- (31.2) [Certification of Chief Financial Officer pursuant to Rule 13a-14\(a\)/15d-14\(a\), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.](#)*
- (32.1) [Certification of Chief Executive Officer pursuant to 18. U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 \(furnished herewith\).](#)*
- (32.2) [Certification of Chief Financial Officer pursuant to 18. U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 \(furnished herewith\).](#)*
- (101.INS) Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
- (101.SCH) Inline XBRL Schema Document
- (101.CAL) Inline XBRL Calculation Linkbase Document
- (101.LAB) Inline XBRL Labels Linkbase Document
- (101.PRE) Inline XBRL Presentation Linkbase Document
- (101.DEF) Inline XBRL Definition Linkbase Document
- (104) Cover page Interactive Data File (formatted as inline XBRL, and contained in Exhibit 101.)

* Exhibit filed herewith.

** Schedules and similar attachments to this Exhibit have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company agrees to furnish supplementally a copy of any omitted schedule or exhibit to the U.S. Securities and Exchange Commission (the "SEC") upon request

SIGNATURE

NiSource Inc.

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

NiSource Inc.

(Registrant)

Date: May 7, 2025

By:

/s/ Gunnar J. Gode

Gunnar J. Gode

Vice President, Chief Accounting Officer
(Principal Accounting Officer)

**Certification Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002**

I, Lloyd M. Yates, certify that:

1. I have reviewed this Quarterly Report of NiSource Inc. on Form 10-Q of NiSource Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2025

By:

/s/ Lloyd M. Yates

Lloyd M. Yates

President and Chief Executive Officer

**Certification Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002**

I, Shawn Anderson, certify that:

1. I have reviewed this Quarterly Report of NiSource Inc. on Form 10-Q of NiSource Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2025

By: /s/ Shawn Anderson

Shawn Anderson
Executive Vice President and Chief Financial Officer

**Certification Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of NiSource Inc. (the “Company”) on Form 10-Q for the year ending March 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Lloyd M. Yates, Chief Executive Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Lloyd M. Yates

Lloyd M. Yates
President and Chief Executive Officer

Date: May 7, 2025

**Certification Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of NiSource Inc. (the “Company”) on Form 10-Q for the year ending March 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Shawn Anderson, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Shawn Anderson

Shawn Anderson

Executive Vice President and Chief Financial Officer

Date: May 7, 2025

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2025

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 001-16189

NiSource Inc.

(Exact name of registrant as specified in its charter)

DE

(State or other jurisdiction of
incorporation or organization)

801 East 86th Avenue
Merrillville, IN

(Address of principal executive offices)

35-2108964

(I.R.S. Employer
Identification No.)

46410

(Zip Code)

(877) 647-5990

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

	Title of Each Class	Trading	Name of Each Exchange on Which
		Symbol(s)	Registered
Common Stock, par value \$0.01 per share		NI	NYSE

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files.)

Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Emerging growth company ☐ Non-accelerated filer ☐ Smaller reporting company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: Common Stock, \$0.01 Par Value: 470,855,009 shares outstanding at July 30, 2025.

NISOURCE INC.
FORM 10-Q QUARTERLY REPORT
FOR THE QUARTER ENDED JUNE 30, 2025

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DEFINED TERMS

The following is a list of frequently used abbreviations or acronyms that are found in this report:

NiSource Subsidiaries and Affiliates (not exhaustive)

Columbia of Kentucky	Columbia Gas of Kentucky, Inc.
Columbia of Maryland	Columbia Gas of Maryland, Inc.
Columbia of Ohio	Columbia Gas of Ohio, Inc.
Columbia of Pennsylvania	Columbia Gas of Pennsylvania, Inc.
Columbia of Virginia	Columbia Gas of Virginia, Inc.
NIPSCO	Northern Indiana Public Service Company LLC
NIPSCO Holdings I	NIPSCO Holdings I LLC
NIPSCO Holdings II	NIPSCO Holdings II LLC
NIPSCO GenCo	NIPSCO Generation LLC
NiSource ("we," "us" or "our")	NiSource Inc.
Rosewater	Rosewater Wind Generation LLC and its wholly owned subsidiary, Rosewater Wind Farm LLC
Indiana Crossroads Wind	Indiana Crossroads Wind Generation LLC and its wholly owned subsidiary, Indiana Crossroads Wind Farm LLC
Indiana Crossroads Solar	Indiana Crossroads Solar Generation LLC and its wholly owned subsidiary, Meadow Lake Solar Park LLC
Dunns Bridge I	Dunn's Bridge I Solar Generation LLC and its wholly owned subsidiary, Dunns Bridge Solar Center, LLC
Gibson	Gibson Solar LLC
Fairbanks	Fairbanks Solar Generation LLC

Abbreviations and Other

AFUDC	Allowance for funds used during construction
AOI	Accumulated Other Comprehensive Income (Loss)
ASC	Accounting Standards Codification
ASU	Accounting Standards Update
ATM	At-the-market
BIP	BIP Blue Buyer L.L.C
BIP Blue Buyer VCOC L.L.C	BIP Blue Buyer VCOC L.L.C., a Delaware limited liability company and also an affiliate of Blackstone
Blackstone	Blackstone Infrastructure Partners L.P
BTA	Build-transfer agreement
CCRs	Coal Combustion Residuals
CEP	Ohio Capital Expenditure Program
CERCLA	Comprehensive Environmental Response Compensation and Liability Act (also known as Superfund)
CODM	Chief Operating Decision Maker
Columbia Operations	Reportable segment comprised of the results of NiSource Gas Distribution company, including all of its Columbia Gas distribution companies and related subsidiaries
CPCN	Certificate of Public Convenience and Necessity
DSIC	Distribution System Improvement Charge
DSM	Demand Side Management
Dunns Bridge II	Dunn's Bridge II Solar Generation Center
EPA	United States Environmental Protection Agency

	<u>DEFINED TERMS</u>
EPS	Earnings per share
ERP	Enterprise Resource Planning
FAC	Fuel adjustment clause
FASB	Financial Accounting Standards Board
FMCA	Indiana Federally Mandated Cost Adjustment mechanism
GAAP	Generally Accepted Accounting Principles
GCA	Gas cost adjustment
GHG	Greenhouse gases
GWh	Gigawatt hours
IRA	Inflation Reduction Act of 2022
IRP	Ohio Infrastructure Replacement Program
IURC	Indiana Utility Regulatory Commission
JV	Joint Venture
LIFO	Last In, First Out
LIHEAP	Low Income Heating Energy Assistance Program
MGP	Manufactured Gas Plant
MISO	Midcontinent Independent System Operator
MMDth	Million dekatherms
MW	Megawatts
MWh	Megawatt hours
NIPSCO Electric	The electric generation and transmission activities of the NIPSCO Operations reportable segment
NIPSCO Gas	The gas distribution activities of the NIPSCO Operations reportable segment
NIPSCO Minority Interest Transaction	A transaction between NiSource, NIPSCO Holdings II (sole owner of NIPSCO) and an affiliate of Blackstone pursuant to a purchase and sale agreement entered into on June 17, 2023, that offered equity interests in NIPSCO Holdings II in exchange for capital contributions by the parties.
NIPSCO Operations	Reportable segment comprised of the results of NIPSCO Holdings I, NIPSCO Holdings II, and NIPSCO and all related subsidiaries
NYMEX	New York Mercantile Exchange
OBBBA	One Big Beautiful Bill Act
OPEB	Other Postemployment Benefits
PHMSA	Pipeline and Hazardous Materials Safety Administration
PPA	Power Purchase Agreement
RNG	Renewable Natural Gas
SAVE	Steps to Advance Virginia's Energy Plan
Scope 1 GHG Emissions	Direct emissions from sources owned or controlled by us (e.g., emissions from our combustion of fuel, vehicles, and process emissions and fugitive emissions)
Scope 2 GHG Emissions	Indirect emissions from sources owned or controlled by us
SEC	Securities and Exchange Commission
SMRP	Kentucky Safety Modification and Replacement Program
SMS	Safety Management System
TCJA	An Act to provide for reconciliation pursuant to titles II and V of the concurrent resolution on the budget for fiscal year 2018 (commonly known as the Tax Cuts and Jobs Act of 2017)

TDSIC
Templeton
VIE
WAM

DEFINED TERMS

Indiana Transmission, Distribution and Storage System Improvement Charge
Templeton Wind Energy Center
Variable Interest Entity
Work and Asset Management enterprise resourcing system

Note regarding forward-looking statements

This Quarterly Report on Form 10-Q 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 Quarterly Report on Form 10-Q include, among other things:

- our ability to execute our business plan or growth strategy, including utility infrastructure investments, or business opportunities, such as data center development and related generation sources and transmission capabilities to meet potential load growth;
- our ability to manage data center growth in our service territories;
- potential incidents and other operating risks associated with our business;
- our ability to work successfully with our third-party investors;
- our ability to adapt to, and manage costs related to, advances in technology, including alternative energy sources and changes in laws and regulations;
- our increased dependency on 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 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 demand;
- our ability to attract, retain or re-skill a qualified, diverse workforce and maintain good labor relations;
- our ability to manage new initiatives and organizational changes;
- the performance and quality of third-party suppliers and service providers;
- our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals, including our Net Zero Goal (as defined below), including any future associated impact from business opportunities such as data center development as those opportunities evolve;
- potential cybersecurity attacks or security breaches;
- increased requirements and costs related to cybersecurity;
- the actions of activist stockholders;
- any damage to our reputation;
- the impacts of natural disasters, potential terrorist attacks or other catastrophic events;
- the physical impacts of climate change and the transition to a lower carbon future;

- our debt obligations;
- any changes to our credit rating or the credit rating of certain of our subsidiaries;
- adverse economic and capital market conditions, including increases in inflation or interest rates, recession, or changes in investor sentiment;
- economic regulation and the impact of regulatory rate reviews;
- our ability to obtain expected financial or regulatory outcomes;
- 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;
- the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation;
- compliance with changes in, or new interpretations of applicable laws, regulations and tariffs, including impacts of state and federal orders on our ability to carry out our business plan and growth strategy;
- the cost of compliance with environmental laws and regulations and the costs of associated liabilities;
- changes in tax laws or the interpretation thereof;
- and other matters set forth in Part I, Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operation," and Part II, Item 1A, "Risk Factors," of this report, and Part I, Item 1, "Business," Part I, 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 fiscal year ended December 31, 2024, some 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.

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PART I

ITEM 1. FINANCIAL STATEMENTS

NiSource Inc.

Condensed Statements of Consolidated Income (unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
<i>(in millions, except per share amounts)</i>	2025	2024	2025	2024
Operating Revenues				
Customer revenues	\$ 1,246.5	\$ 1,054.1	\$ 3,396.0	\$ 2,697.1
Other revenues	36.5	30.6	70.2	93.9
Total Operating Revenues	1,283.0	1,084.7	3,466.2	2,791.0
Operating Expenses				
Cost of energy	261.8	164.7	909.3	589.7
Operation and maintenance	396.2	357.7	824.0	736.1
Depreciation and amortization	286.7	253.5	545.3	495.6
Loss on impairment of assets	0.4	2.9	0.7	2.9
Loss on sale of assets, net	0.8	1.6	0.8	1.6
Other taxes	74.2	67.3	163.8	144.7
Total Operating Expenses	1,020.1	847.7	2,443.9	1,970.6
Operating Income	262.9	237.0	1,022.3	820.4
Other Income (Deductions)				
Interest expense, net	(139.1)	(129.3)	(271.9)	(245.6)
Other, net	0.5	13.0	6.3	22.2
Total Other Deductions, Net	(138.6)	(116.3)	(265.6)	(223.4)
Income before Income Taxes	124.3	120.7	756.7	597.0
Income Taxes	23.8	17.6	129.5	93.6
Net Income	100.5	103.1	627.2	503.4
Net income (loss) attributable to noncontrolling interest	(1.7)	17.3	50.2	52.6
Net Income Attributable to NiSource	102.2	85.8	577.0	450.8
Preferred dividends	—	—	—	(6.7)
Preferred redemption premium	—	—	—	(14.0)
Net Income Available to Common Shareholders	\$ 102.2	\$ 85.8	\$ 577.0	\$ 430.1
Earnings Per Share				
Basic Earnings Per Share	\$ 0.22	\$ 0.19	\$ 1.22	\$ 0.96
Diluted Earnings Per Share	\$ 0.22	\$ 0.19	\$ 1.22	\$ 0.95
Basic Average Common Shares Outstanding	471.0	448.5	470.6	448.2
Diluted Average Common Shares	472.1	450.2	472.3	449.8

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Condensed Statements of Consolidated Comprehensive Income (unaudited)

<i>(in millions, net of taxes)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net Income	\$ 100.5	\$ 103.1	\$ 627.2	\$ 503.4
Other comprehensive income:				
Net unrealized gain (loss) on available-for-sale debt securities ⁽¹⁾	1.0	—	1.8	(0.3)
Reclassification adjustment for cash flow hedges ⁽²⁾	(0.1)	(0.1)	(0.2)	(0.2)
Unrecognized pension and OPEB benefit ⁽³⁾	0.1	0.3	0.6	0.5
Total other comprehensive income	1.0	0.2	2.2	—
Comprehensive Income	\$ 101.5	\$ 103.3	\$ 629.4	\$ 503.4

⁽¹⁾Net unrealized gain (loss) on available-for-sale debt securities, net of \$0.3 million tax expense and \$0.0 million tax expense in the second quarter of 2025 and 2024, respectively, and \$0.5 million tax expense and \$0.1 million of tax benefit for the six months ended 2025 and 2024, respectively.

⁽²⁾Reclassification adjustment for cash flow hedges, net of \$0.1 million tax benefit and \$0.0 million tax benefit in the second quarter of 2025 and 2024, respectively, and \$0.1 million of tax benefit and \$0.0 million tax benefit for the six months ended 2025 and 2024, respectively.

⁽³⁾Unrecognized pension and OPEB benefit, net of \$0.1 million of tax expense and \$0.1 million tax expense in the second quarter of 2025 and 2024, respectively, and \$0.2 million of tax expense and \$0.2 million tax expense for the six months ended 2025 and 2024, respectively.

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Condensed Consolidated Balance Sheets (unaudited)

<i>(in millions)</i>	June 30, 2025	December 31, 2024
ASSETS		
Property, Plant and Equipment		
Plant	\$ 36,448.3	\$ 34,152.9
Accumulated depreciation and amortization	(8,996.8)	(8,699.0)
Net Property, Plant and Equipment ⁽¹⁾	27,451.5	25,453.9
Investments and Other Assets		
Unconsolidated affiliates	7.8	6.5
Available-for-sale debt securities (amortized cost of \$147.9 and \$91.9, allowance for credit losses of \$0.1 and \$0.1, respectively)	144.9	86.7
Other investments	107.0	85.5
Total Investments and Other Assets	259.7	178.7
Current Assets		
Cash and cash equivalents	335.4	156.6
Restricted cash	30.2	42.0
Accounts receivable	805.9	987.9
Allowance for credit losses	(27.3)	(23.7)
Accounts receivable, net	778.6	964.2
Gas storage	148.2	179.6
Materials and supplies, at average cost	187.7	173.3
Electric production fuel, at average cost	32.1	36.2
Exchange gas receivable	33.0	45.7
Regulatory assets	287.1	319.9
Prepayments	143.5	138.5
Other current assets	23.0	24.2
Total Current Assets ⁽¹⁾	1,998.8	2,080.2
Other Assets		
Regulatory assets	2,178.4	2,157.4
Goodwill	1,485.9	1,485.9
Deferred charges and other	654.6	432.0
Total Other Assets	4,318.9	4,075.3
Total Assets	\$ 34,028.9	\$ 31,788.1

⁽¹⁾Includes \$1,295.7 million and \$1,323.8 million at June 30, 2025 and December 31, 2024, respectively, of net property, plant and equipment assets and \$60.9 million and \$65.0 million at June 30, 2025 and December 31, 2024, respectively, of current assets of consolidated VIEs that may be used only to settle obligations of the consolidated VIEs. Refer to Note 4, "Noncontrolling Interests," for additional information.

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)
**NiSource Inc.
Condensed Consolidated Balance Sheets (unaudited) (continued)**

<i>(in millions, except share amounts)</i>	June 30, 2025	December 31, 2024
CAPITALIZATION AND LIABILITIES		
Capitalization		
Stockholders' Equity		
Common stock - \$0.01 par value, 750,000,000 shares authorized; 470,784,423 and 469,822,472 shares outstanding, respectively	\$ 4.7	\$ 4.7
Treasury stock	(99.9)	(99.9)
Additional paid-in capital	9,538.0	9,521.5
Retained deficit	(532.1)	(711.7)
Accumulated other comprehensive loss	(28.2)	(30.4)
Total NiSource Stockholders' Equity	8,882.5	8,684.2
Noncontrolling interest in consolidated subsidiaries	2,114.4	1,984.1
Total Stockholders' Equity	10,996.9	10,668.3
Long-term debt, excluding amounts due within one year	14,473.8	12,074.5
Total Capitalization	25,470.7	22,742.8
Current Liabilities		
Current portion of long-term debt	1,282.2	1,281.2
Short-term borrowings	—	604.6
Accounts payable	683.9	863.1
Dividends payable - common stock	135.1	—
Customer deposits and credits	159.9	268.8
Taxes accrued	172.4	173.4
Interest accrued	177.8	157.0
Asset retirement obligations	58.2	84.6
Exchange gas payable	80.7	91.8
Regulatory liabilities	194.9	150.5
Accrued compensation and employee benefits	161.3	268.2
Other accruals	305.9	170.2
Total Current Liabilities ⁽¹⁾	3,412.3	4,113.4
Other Liabilities		
Deferred income taxes	2,387.2	2,281.6
Accrued liability for postretirement and postemployment benefits	200.5	207.5
Regulatory liabilities	1,459.0	1,431.2
Asset retirement obligations	754.8	698.6
Other noncurrent liabilities and deferred credits	344.4	313.0
Total Other Liabilities ⁽¹⁾	5,145.9	4,931.9
Commitments and Contingencies (Refer to Note 15, "Other Commitments and Contingencies")		
Total Capitalization and Liabilities	\$ 34,028.9	\$ 31,788.1

⁽¹⁾Includes \$53.9 million and \$53.7 million at June 30, 2025 and December 31, 2024, respectively, of current liabilities and \$54.4 million and \$58.3 million at June 30, 2025 and December 31, 2024, respectively, of other liabilities, and finance leases of \$40.2 million and \$40.4 million at June 30, 2025 and December 31, 2024 respectively, of consolidated VIEs that creditors do not have recourse to our general credit. Refer to Note 4, "Noncontrolling Interests," for additional information.

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)
NiSource Inc.
Condensed Statements of Consolidated Cash Flows (unaudited)

Six Months Ended June 30, (in millions)	2025	2024
Operating Activities		
Net Income	\$ 627.2	\$ 503.4
Adjustments to Reconcile Net Income to Net Cash from Operating Activities:		
Depreciation and amortization	545.3	495.6
Deferred income taxes and investment tax credits	120.4	85.1
Loss on sale of assets	0.8	1.6
Payments for asset retirement obligations	(31.3)	(35.0)
Other adjustments	22.3	2.5
Changes in Assets and Liabilities:		
Components of working capital ⁽¹⁾	(64.8)	(116.2)
Regulatory assets/liabilities	(23.7)	(5.9)
Deferred charges and other noncurrent assets	(14.9)	(32.7)
Other noncurrent liabilities and deferred credits	0.5	3.3
Net Cash Flows from Operating Activities	1,181.8	901.7
Investing Activities		
Capital expenditures	(1,295.5)	(1,219.3)
Milestone payments to renewable generation asset developers	(958.0)	(320.8)
Advanced deposits	(160.9)	—
Other investing activities	(151.9)	(53.9)
Net Cash Flows used for Investing Activities	(2,566.3)	(1,594.0)
Financing Activities		
Proceeds from issuance of long-term debt	2,362.0	1,734.5
Repayments of finance lease obligations	(10.9)	(13.5)
Repayment of short-term debt (maturity > 90 days)	—	(1,650.0)
Net change in commercial paper and other short-term borrowings	(604.6)	(754.6)
Issuance of common stock, net of issuance costs	6.8	5.6
Redemption of preferred stock	—	(486.1)
Preferred stock redemption premium	—	(14.0)
Equity costs, premiums and other debt related costs	(17.7)	(60.0)
Contributions from NIPSCO minority interest holders	134.3	59.7
Distributions to tax equity partners	(9.8)	(8.2)
Distribution to NIPSCO minority interest holders	(44.4)	(20.2)
Dividends paid - common stock	(264.2)	(237.9)
Dividends paid - preferred stock	—	(8.2)
Net Cash Flows from (used for) Financing Activities	1,551.5	(1,452.9)
Change in cash, cash equivalents and restricted cash	167.0	(2,145.2)
Cash, cash equivalents and restricted cash at beginning of period	198.6	2,281.1
Cash, Cash Equivalents and Restricted Cash at End of Period	\$ 365.6	\$ 135.9

⁽¹⁾ Refer to Note 19, "Supplemental Disclosures of Cash Flow Information," for additional information.

Reconciliation to Balance Sheet

Six Months Ended June 30, (in millions)	2025
Cash and cash equivalents	335.4
Restricted cash	30.2
Total Cash, Cash Equivalents and Restricted Cash	365.6

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Condensed Statements of Consolidated Equity (unaudited)

<i>(in millions)</i>	Common Stock	Preferred Stock	Treasury Stock	Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest in Consolidated Subsidiaries	Total
Balance as of April 1, 2025	\$ 4.7	\$ —	\$ (99.9)	\$ 9,522.6	\$ (501.4)	\$ (29.2)	\$ 2,049.2	\$ 10,946.0
Comprehensive Income:								
Net income (loss)	—	—	—	—	102.2	—	(1.7)	100.5
Other comprehensive gain, net of tax	—	—	—	—	—	1.0	—	1.0
Dividends:								
Common stock (\$0.280 per share)	—	—	—	—	(132.9)	—	—	(132.9)
Noncontrolling Interests:								
Contributions from noncontrolling interests	—	—	—	—	—	—	99.5	99.5
Distributions to noncontrolling interests	—	—	—	—	—	—	(32.6)	(32.6)
Stock issuances:								
Employee stock purchase plan	—	—	—	1.9	—	—	—	1.9
Long-term incentive plan	—	—	—	11.4	—	—	—	11.4
401(k) and profit sharing	—	—	—	2.1	—	—	—	2.1
Balance as of June 30, 2025	\$ 4.7	\$ —	\$ (99.9)	\$ 9,538.0	\$ (532.1)	\$ (28.2)	\$ 2,114.4	\$ 10,996.9

<i>(in millions)</i>	Common Stock	Preferred Stock	Treasury Stock	Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest in Consolidated Subsidiaries	Total
Balance as of January 1, 2025	\$ 4.7	\$ —	\$ (99.9)	\$ 9,521.5	\$ (711.7)	\$ (30.4)	\$ 1,984.1	\$ 10,668.3
Comprehensive Income:								
Net income	—	—	—	—	577.0	—	50.2	627.2
Other comprehensive gain, net of tax	—	—	—	—	—	2.2	—	2.2
Dividends:								
Common stock (\$0.840 per share)	—	—	—	—	(397.4)	—	—	(397.4)
Noncontrolling Interests:								
Contributions from noncontrolling interests	—	—	—	—	—	—	134.3	134.3
Distributions to noncontrolling interests	—	—	—	—	—	—	(54.2)	(54.2)
Stock issuances:								
Employee stock purchase plan	—	—	—	3.6	—	—	—	3.6
Long-term incentive plan	—	—	—	8.1	—	—	—	8.1
401(k) and profit sharing	—	—	—	4.8	—	—	—	4.8
Balance as of June 30, 2025	\$ 4.7	\$ —	\$ (99.9)	\$ 9,538.0	\$ (532.1)	\$ (28.2)	\$ 2,114.4	\$ 10,996.9

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ITEM 1. FINANCIAL STATEMENTS (continued)

<i>(in millions)</i>	Common Stock	Preferred Stock	Treasury Stock	Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest in Consolidated Subsidiaries	Total
Balance as of April 1, 2024	\$ 4.5	\$ —	\$ (99.9)	\$ 8,886.8	\$ (861.7)	\$ (33.8)	\$ 1,899.0	\$ 9,794.9
Comprehensive Income:								
Net income	—	—	—	—	85.8	—	17.3	103.1
Other comprehensive gain, net of tax	—	—	—	—	—	0.2	—	0.2
Dividends:								
Common stock (\$0.265 per share)	—	—	—	—	(120.3)	—	—	(120.3)
Noncontrolling Interests:								
Contributions from noncontrolling interests	—	—	—	—	—	—	59.7	59.7
Distributions to noncontrolling interest	—	—	—	—	—	—	(25.4)	(25.4)
Stock issuances:								
Employee stock purchase plan	—	—	—	1.6	—	—	—	1.6
Long-term incentive plan	—	—	—	3.6	—	—	—	3.6
401(k) and profit sharing	—	—	—	2.2	—	—	—	2.2
Balance as of June 30, 2024	\$ 4.5	\$ —	\$ (99.9)	\$ 8,894.2	\$ (896.2)	\$ (33.6)	\$ 1,950.6	\$ 9,819.6

<i>(in millions)</i>	Common Stock	Preferred Stock	Treasury Stock	Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest in Consolidated Subsidiaries	Total
Balance as of January 1, 2024	\$ 4.5	\$ 486.1	\$ (99.9)	\$ 8,879.5	\$ (967.0)	\$ (33.6)	\$ 1,866.7	\$ 10,136.3
Comprehensive Income:								
Net income	—	—	—	—	450.8	—	52.6	503.4
Dividends:								
Common stock (\$0.795 per share)	—	—	—	—	(357.9)	—	—	(357.9)
Preferred stock (See Note 6)	—	—	—	—	(8.1)	—	—	(8.1)
Noncontrolling Interests:								
Contributions from noncontrolling interests	—	—	—	—	—	—	59.7	59.7
Distributions to noncontrolling interest	—	—	—	—	—	—	(28.4)	(28.4)
Stock issuances (redemptions):								
Series B and B-1 Preferred stock redemption	—	(486.1)	—	—	—	—	—	(486.1)
Series B and B-1 Preferred stock redemption premium	—	—	—	—	(14.0)	—	—	(14.0)
Employee stock purchase plan	—	—	—	3.0	—	—	—	3.0
Long-term incentive plan	—	—	—	6.9	—	—	—	6.9
401(k) and profit sharing	—	—	—	4.8	—	—	—	4.8
Balance as of June 30, 2024	\$ 4.5	\$ —	\$ (99.9)	\$ 8,894.2	\$ (896.2)	\$ (33.6)	\$ 1,950.6	\$ 9,819.6

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Condensed Statements of Consolidated Equity (unaudited) (continued)

Shares (in thousands)	Preferred	Common		
	Shares	Shares	Treasury	Outstanding
Balance as of April 1, 2025	—	474,581	(3,963)	470,618
Issued:				
Employee stock purchase plan	—	48	—	48
Long-term incentive plan	—	62	—	62
401(k) and profit sharing	—	56	—	56
Balance as of June 30, 2025	—	474,747	(3,963)	470,784

Shares (in thousands)	Preferred	Common		
	Shares	Shares	Treasury	Outstanding
Balance as of January 1, 2025	—	473,785	(3,963)	469,822
Issued:				
Employee stock purchase plan	—	94	—	94
Long-term incentive plan	—	744	—	744
401(k) and profit sharing	—	124	—	124
Balance as of June 30, 2025	—	474,747	(3,963)	470,784

Shares (in thousands)	Preferred	Common		
	Shares	Shares	Treasury	Outstanding
Balance as of April 1, 2024	—	452,161	(3,963)	448,198
Issued:				
Employee stock purchase plan	—	58	—	58
Long-term incentive plan	—	66	—	66
401(k) and profit sharing	—	77	—	77
Balance as of June 30, 2024	—	452,362	(3,963)	448,399

Shares (in thousands)	Preferred	Common		
	Shares	Shares	Treasury	Outstanding
Balance as of January 1, 2024	40	451,345	(3,963)	447,382
Issued:				
Employee stock purchase plan	—	111	—	111
Long-term incentive plan	—	729	—	729
401(k) and profit sharing	—	177	—	177
Redeemed:				
Series B and B-1 Preferred Stock	(40)	—	—	—
Balance as of June 30, 2024	—	452,362	(3,963)	448,399

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)****1. Basis of Accounting Presentation**

Our accompanying Condensed Consolidated Financial Statements (unaudited) reflect all normal recurring adjustments that are necessary, in the opinion of management, to present fairly the results of operations in accordance with GAAP in the United States of America. The accompanying financial statements include the accounts of us, our majority-owned subsidiaries, and VIEs of which we are the primary beneficiary after the elimination of all intercompany accounts and transactions.

The accompanying financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024. Income for interim periods may not be indicative of results for the calendar year due to weather variations and other factors.

The Condensed Consolidated Financial Statements (unaudited) have been prepared pursuant to the rules and regulations of the SEC. Certain information and note disclosures normally included in annual financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to those rules and regulations, although we believe that the disclosures made in this Quarterly Report on Form 10-Q are adequate to make the information herein not misleading.

2. Recent Accounting Pronouncements**Recently Issued Accounting Pronouncements**

In November 2024, the FASB issued ASU 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40)*. This pronouncement requires disaggregated disclosure of income statement expenses for public business entities. The ASU requires disclosure in tabular format of disaggregation of relevant expense captions presented on the income statement by certain natural expense categories with certain related qualitative disclosures within the notes to the financial statements. The ASU does not change the expense captions an entity presents on the income statement. The ASU is effective for fiscal years beginning after December 15, 2026 and interim reporting periods within annual reporting periods beginning after December 15, 2027, as defined in ASU 2025-01, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40)*. We are currently evaluating the impacts this amendment will have on our required disclosures.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. This pronouncement enhances required income tax disclosures. The pronouncement will require disclosure of specific categories and reconciling items included in the rate reconciliation, disaggregation between federal, state and local income taxes paid, and disclosure of income taxes paid by jurisdictions over a certain threshold. Additionally, the pronouncement eliminates certain required disclosures related to unrecognized tax benefits. This ASU is effective for annual periods beginning after December 15, 2024, with early adoption permitted, and is to be applied on a prospective basis with retrospective application permitted. We will implement and provide the required disclosures in our Annual Report on Form 10-K for the year ended December 31, 2025.

Recently Adopted Accounting Pronouncements

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*. This pronouncement enhances annual and interim disclosure requirements over reportable segments, primarily through enhanced disclosures about significant segment expenses. Specifically, the pronouncement requires disclosure of significant segment expenses that are regularly provided to the CODM and included within each reported measure of segment profit or loss, disclosure of an amount for other segment items representing the difference between segment revenue and segment expenses already disclosed, disclosure of all required annual disclosures for interim periods and disclosure of title and position of the CODM and how the CODM uses reported measures. The pronouncement also allows for more than one measure of segment profit if the CODM uses more than one measure in assessing segment performance. This pronouncement was effective for annual periods beginning after December 15, 2023 and interim periods within fiscal years beginning after December 15, 2024. NiSource adopted this pronouncement as of December 31, 2024 with retrospective application and updated its disclosures to include significant expenses regularly provided to the CODM, the CODM's title and how the CODM utilizes reported measures. See Note 17, "Business Segment Information," for further discussion.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

3. Revenue Recognition

Revenue Disaggregation and Reconciliation. We disaggregate revenue from contracts with customers based upon reportable segment, as well as by customer class. The Columbia Operations segment provides regulated natural gas service and transportation for residential, commercial and industrial customers in Ohio, Pennsylvania, Virginia, Kentucky, and Maryland. The NIPSCO Operations segment provides regulated gas and electric service in the northern part of Indiana.

The tables below reconcile revenue disaggregation by customer class to segment revenue, as well as to revenues reflected on the Condensed Statements of Consolidated Income (unaudited):

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Three months ended June 30, 2025
(in millions)

	Columbia Operations	NIPSCO Operations	Corporate and Other	Total
Gas Distribution				
Residential	\$ 397.0	\$ 114.2	\$ —	\$ 511.2
Commercial	126.2	45.5	—	171.7
Industrial	37.6	22.6	—	60.2
Off-system	22.8	—	—	22.8
Miscellaneous ⁽¹⁾	8.7	3.3	—	12.0
Subtotal	\$ 592.3	\$ 185.6	\$ —	\$ 777.9
Electric Generation and Power Delivery				
Residential	\$ —	\$ 163.9	\$ —	\$ 163.9
Commercial	—	161.0	—	161.0
Industrial	—	133.5	—	133.5
Wholesale	—	11.9	—	11.9
Miscellaneous ⁽¹⁾	—	(1.7)	—	(1.7)
Subtotal	\$ —	\$ 468.6	\$ —	\$ 468.6
Total Customer Revenues⁽²⁾	592.3	654.2	—	1,246.5
Other Revenues⁽³⁾	8.9	26.4	1.2	36.5
Total Operating Revenues	\$ 601.2	\$ 680.6	\$ 1.2	\$ 1,283.0

⁽¹⁾Amounts included in Columbia Operations primarily relate to earnings share mechanisms and late fees. Amounts included in NIPSCO Operations primarily relate to late fees and property rentals.

⁽²⁾Customer revenue amounts exclude intersegment revenues. See Note 17, "Business Segment Information," for discussion of intersegment revenues.

⁽³⁾Amounts included in Columbia Operations primarily relate to alternative revenue programs including weather normalization adjustment mechanisms. Amounts included in NIPSCO Operations primarily relate to alternative revenue programs including weather normalization adjustment mechanisms, MISO multi-value projects and revenue from non-jurisdictional transmission assets. Amounts included in Corporate and Other primarily relate to products and services revenue.

Three months ended June 30, 2024
(in millions)

	Columbia Operations	NIPSCO Operations	Corporate and Other	Total
Gas Distribution				
Residential	\$ 332.3	\$ 78.6	\$ —	\$ 410.9
Commercial	96.9	30.7	—	127.6
Industrial	33.0	16.1	—	49.1
Off-system	10.6	—	—	10.6
Wholesale	0.2	—	—	0.2
Miscellaneous ⁽¹⁾	4.3	2.6	—	6.9
Subtotal	\$ 477.3	\$ 128.0	\$ —	\$ 605.3
Electric Generation and Power Delivery				
Residential	\$ —	\$ 156.9	\$ —	\$ 156.9
Commercial	—	154.4	—	154.4
Industrial	—	119.7	—	119.7
Wholesale	—	11.2	—	11.2
Public Authority	—	1.9	—	1.9
Miscellaneous ⁽¹⁾	—	4.7	—	4.7
Subtotal	\$ —	\$ 448.8	\$ —	\$ 448.8
Total Customer Revenues⁽²⁾	477.3	576.8	—	1,054.1
Other Revenues⁽³⁾	10.1	20.4	0.1	30.6
Total Operating Revenues	\$ 487.4	\$ 597.2	\$ 0.1	\$ 1,084.7

⁽¹⁾Amounts included in Columbia Operations primarily relate to earnings share mechanisms and late fees. Amounts included in NIPSCO Operations, primarily relate to revenue refunds, public repairs and property rentals. ⁽²⁾Customer revenue amounts exclude intersegment revenues. See Note 17, "Business Segment Information," for discussion of intersegment revenues.

⁽³⁾Amounts included in Columbia Operations primarily relate to alternative revenue programs including weather normalization adjustment mechanisms. Amounts included in NIPSCO Operations primarily relate to alternative revenue programs including weather normalization adjustment mechanisms, MISO multi-value projects and revenue from non-jurisdictional transmission assets.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Six months ended June 30, 2025
(in millions)

	Columbia Operations	NIPSCO Operations	Corporate and Other	Total
Gas Distribution				
Residential	\$ 1,248.2	\$ 405.6	\$ —	\$ 1,653.8
Commercial	432.7	148.6	—	581.3
Industrial	85.5	54.0	—	139.5
Off-system	45.1	—	—	45.1
Miscellaneous ⁽¹⁾	20.7	8.0	—	28.7
Subtotal	\$ 1,832.2	\$ 616.2	\$ —	\$ 2,448.4
Electric Generation and Power Delivery				
Residential	\$ —	\$ 331.8	\$ —	\$ 331.8
Commercial	—	321.1	—	321.1
Industrial	—	276.1	—	276.1
Wholesale	—	19.5	—	19.5
Miscellaneous ⁽¹⁾	—	(0.9)	—	(0.9)
Subtotal	\$ —	\$ 947.6	\$ —	\$ 947.6
Total Customer Revenues⁽²⁾	1,832.2	1,563.8	—	3,396.0
Other Revenues⁽³⁾	9.6	58.2	2.4	70.2
Total Operating Revenues	\$ 1,841.8	\$ 1,622.0	\$ 2.4	\$ 3,466.2

⁽¹⁾Amounts included in Columbia Operations primarily relate to earnings share mechanisms and late fees. Amounts included in NIPSCO Operations primarily relate to late fees and property rentals.

⁽²⁾Customer revenue amounts exclude intersegment revenues. See Note 17, "Business Segment Information," for discussion of intersegment revenues.

⁽³⁾Amounts included in Columbia Operations primarily relate to alternative revenue programs including weather normalization adjustment mechanisms. Amounts included in NIPSCO Operations primarily relate to alternative revenue programs including weather normalization adjustment mechanisms, MISO multi-value projects and revenue from non-jurisdictional transmission assets. Amounts included in Corporate and Other primarily relate to products and services revenue.

Six months ended June 30, 2024
(in millions)

	Columbia Operations	NIPSCO Operations	Corporate and Other	Total
Gas Distribution				
Residential	\$ 960.3	\$ 290.7	\$ —	\$ 1,251.0
Commercial	317.3	105.4	—	422.7
Industrial	73.1	39.9	—	113.0
Off-system	23.4	—	—	23.4
Wholesale	1.0	—	—	1.0
Miscellaneous ⁽¹⁾	12.5	10.5	—	23.0
Subtotal	\$ 1,387.6	\$ 446.5	\$ —	\$ 1,834.1
Electric Generation and Power Delivery				
Residential	\$ —	\$ 300.7	\$ —	\$ 300.7
Commercial	—	297.3	—	297.3
Industrial	—	235.6	—	235.6
Wholesale	—	17.5	—	17.5
Public Authority	—	4.0	—	4.0
Miscellaneous ⁽¹⁾	—	7.9	—	7.9
Subtotal	\$ —	\$ 863.0	\$ —	\$ 863.0
Total Customer Revenues⁽²⁾	1,387.6	1,309.5	—	2,697.1
Other Revenues⁽³⁾	53.5	40.1	0.3	93.9
Total Operating Revenues	\$ 1,441.1	\$ 1,349.6	\$ 0.3	\$ 2,791.0

⁽¹⁾Amounts included in Columbia Operations primarily relate to earnings share mechanisms and late fees. Amounts included in NIPSCO Operations, primarily relate to revenue refunds, public repairs and property rentals. ⁽²⁾Customer revenue amounts exclude intersegment revenues. See Note 17, "Business Segment Information," for discussion of intersegment revenues.

⁽³⁾Amounts included in Columbia Operations primarily relate to alternative revenue programs including weather normalization adjustment mechanisms. Amounts included in NIPSCO Operations primarily relate to alternative revenue programs including weather normalization adjustment mechanisms, MISO multi-value projects and revenue from non-jurisdictional transmission assets.

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)**

Customer Accounts Receivable. Accounts receivable on our Condensed Consolidated Balance Sheets (unaudited) includes both billed and unbilled amounts, as well as certain amounts that are not related to customer revenues. Unbilled amounts of accounts receivable relate to a portion of a customer's consumption of gas or electricity from the date of the last cycle billing through the last day of the month (balance sheet date). Factors taken into consideration when estimating unbilled revenue include historical usage, customer rates, and weather. A significant portion of our operations are subject to seasonal fluctuations in sales. During the heating season, primarily from November through March, revenues and receivables from gas sales are more significant than in other months. The balances of customer receivables as of June 30, 2025 and December 31, 2024 are presented in the table below. We had no significant contract assets or liabilities during the period. Additionally, we have not incurred any significant costs to obtain or fulfill contracts.

<i>(in millions)</i>	Customer Accounts Receivable, Billed (less reserve)	Customer Accounts Receivable, Unbilled (less reserve)
Balance as of December 31, 2024	\$ 525.1	\$ 408.1
Balance as of June 30, 2025	519.6	235.8

Utility revenues are billed to customers monthly on a cycle basis. We expect that substantially all customer accounts receivable will be collected following customer billing, as this revenue consists primarily of periodic, tariff-based billings for service and usage. We maintain common utility credit risk mitigation practices, including requiring deposits and actively pursuing collection of past due amounts. Our regulated operations also utilize certain regulatory mechanisms that facilitate recovery of bad debt costs within tariff-based rates, which provides further evidence of collectibility. It is probable that substantially all of the consideration to which we are entitled from customers will be collected upon satisfaction of performance obligations.

Allowance for Credit Losses. To evaluate for expected credit losses, customer account receivables are pooled based on similar risk characteristics, such as customer type, geography, payment terms, and related macro-economic risks. Expected credit losses are established using a model that considers historical collections experience, current information, and reasonable and supportable forecasts. Internal and external inputs are used in our credit model including, but not limited to, energy consumption trends, revenue projections, actual charge-offs data, recoveries data, shut-offs, customer delinquencies, final bill data, and inflation. We continuously evaluate available information relevant to assessing collectability of current and future receivables. We evaluate creditworthiness of specific customers periodically or following changes in facts and circumstances. When we become aware of a specific commercial or industrial customer's inability to pay, an allowance for expected credit losses is recorded for the relevant amount. We also monitor other circumstances that could affect our overall expected credit losses including, but not limited to, creditworthiness of overall population in service territories, adverse conditions impacting an industry sector, and current economic conditions.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

At each reporting period, we record expected credit losses to an allowance for credit losses account. When deemed to be uncollectible, customer accounts are written-off. A rollforward of our allowance for credit losses as of June 30, 2025 and December 31, 2024 are presented in the table below:

<i>(in millions)</i>	Columbia Operations	NIPSCO Operations	Corporate and Other	Total
Balance as of January 1, 2025	\$ 9.8	\$ 13.9	\$ —	\$ 23.7
Current period provisions	20.4	7.1	—	27.5
Write-offs charged against allowance	(23.1)	(5.5)	—	(28.6)
Recoveries of amounts previously written off	4.3	0.4	—	4.7
Balance as of June 30, 2025	\$ 11.4	\$ 15.9	\$ —	\$ 27.3

<i>(in millions)</i>	Columbia Operations	NIPSCO Operations	Corporate and Other	Total
Balance as of January 1, 2024	\$ 10.2	\$ 11.9	\$ 0.8	\$ 22.9
Current period provisions	26.7	12.1	—	38.8
Write-offs charged against allowance	(43.9)	(11.0)	(0.8)	(55.7)
Recoveries of amounts previously written off	16.8	0.9	—	17.7
Balance as of December 31, 2024	\$ 9.8	\$ 13.9	\$ —	\$ 23.7

4. Noncontrolling Interests

Variable Interest Entities. A VIE is an entity in which the controlling interest is determined through means other than a majority voting interest. NIPSCO is the managing member and operator of two wind JVs, Rosewater and Indiana Crossroads Wind, which have 102 MW and 302 MW of nameplate capacity, respectively. NIPSCO is also the managing member and operator of two solar JVs, Indiana Crossroads Solar and Dunns Bridge I, which have a nameplate capacity of 200 MW and 265 MW, respectively. We have determined that these JVs are VIEs. NIPSCO controls decisions that are significant to these entities' ongoing operations and economic results. Therefore, we have concluded that NIPSCO is the primary beneficiary and have consolidated all four entities.

Members of each respective JV include NIPSCO (who is the managing member) and a tax equity partner. Earnings, tax attributes and cash flows are allocated to both NIPSCO and the tax equity partner in varying percentages by category and over the life of the partnership. NIPSCO and each tax equity partner contributed cash to the respective JV. Once the tax equity partner has earned their negotiated rate of return and have reached a stated contractual date, NIPSCO has the option to purchase the remaining interest in the respective JV, at fair market value, from the tax equity partner. NIPSCO has an obligation to purchase 100% of the electricity generated by each commercially operational JV.

We did not provide any financial or other support during the quarter that was not contractually required.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Our Condensed Consolidated Balance Sheets (unaudited) included the following assets and liabilities associated with VIEs.

<i>(in millions)</i>	June 30, 2025	December 31, 2024
Net property, plant and equipment	\$ 1,295.7	\$ 1,323.8
Current assets	60.9	65.0
Total assets ⁽¹⁾	1,356.6	1,388.8
Current liabilities	53.9	53.7
Asset retirement obligations	54.4	58.3
Finance lease obligations	40.2	40.4
Total liabilities ⁽¹⁾⁽²⁾	\$ 148.5	\$ 152.4

⁽¹⁾The assets of each consolidated VIE can only be used to settle obligations of the respective consolidated VIE. The creditors of the liabilities of the VIEs do not have recourse to the general credit of the primary beneficiary.

⁽²⁾In addition to the amounts disclosed above there is a de minimis amount of other noncurrent assets and liabilities at Rosewater as of June 30, 2025.

Voting Interest Entities. We retain a controlling financial interest in NIPSCO Holdings II and its subsidiaries and consolidate their financial results. The following table provides information about the contributions from and distributions to our NIPSCO minority interest holders included in our Condensed Statements of Consolidated Cash Flows (unaudited) and Condensed Statements of Consolidated Equity (unaudited).

<i>(in millions)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Contributions from NIPSCO minority interest holders	\$ 99.5	\$ 59.7	\$ 134.3	\$ 59.7
Distributions to NIPSCO minority interest holders	26.9	20.2	44.4	20.2

5. Earnings Per Share

The calculations of basic and diluted EPS are based on the weighted average number of shares of common stock and potential common stock outstanding during the period. Diluted EPS includes the incremental effects of the various long-term incentive compensation plans and ATM forward sale agreements under the treasury stock method when the impact would be dilutive (See Note 6, "Equity").

We use the two-class method of computing earnings per share because we have participating securities in the form of non-vested restricted stock units with a non-forfeitable right to dividend equivalents, for which vesting is predicated solely on the passage of time. The calculation of earnings per share using the two-class method excludes income attributable to these participating securities from the numerator and excludes the dilutive impact of those shares from the denominator.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

The following table presents the calculation of our basic and diluted EPS:

<i>(in millions, except per share amounts)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Numerator:				
Net Income Available to Common Shareholders	\$ 102.2	\$ 85.8	\$ 577.0	\$ 430.1
Less: Income allocated to participating securities	0.3	0.4	1.1	0.7
Net Income Available to Common Shareholders - Basic	101.9	85.4	575.9	429.4
Net Income Available to Common Shareholders - Diluted	\$ 101.9	\$ 85.4	\$ 575.9	\$ 429.4
Denominator:				
Average common shares outstanding - Basic	471.0	448.5	470.6	448.2
Dilutive potential common shares:				
Shares contingently issuable under employee stock plans	1.0	0.7	1.2	0.8
Shares restricted under employee stock plans	0.1	0.3	0.5	0.3
ATM forward sale agreements	—	0.7	—	0.5
Average Common Shares - Diluted	472.1	450.2	472.3	449.8
Earnings per common share:				
Basic	\$ 0.22	\$ 0.19	1.22	0.96
Diluted	\$ 0.22	\$ 0.19	1.22	0.95

6. Equity

ATM Program. In February 2024, we entered into eight separate equity distribution agreements pursuant to which we are able to sell up to an aggregate of \$900.0 million of our common stock.

In February 2025, we executed a forward sale agreement, which allows us to issue a fixed number of shares at a price to be settled in the future. The forward purchaser under our forward sale agreement borrowed 2,000,000 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$40.10 per share. We may settle the forward sale agreement in shares, cash or net shares by December 31, 2025. Had we settled all the shares under the forward sale agreement at June 30, 2025, we would have received approximately \$80.0 million, based on a net price of \$40.00 per share.

In March 2025, we executed a forward sale agreement, which allows us to issue a fixed number of shares at a price to be settled in the future. The forward purchaser under our forward sale agreement borrowed 1,707,320 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$41.00 per share. We may settle the forward sale agreement in shares, cash or net shares by December 31, 2025. Had we settled all the shares under the forward sale agreement at June 30, 2025, we would have received approximately \$69.8 million, based on a net price of \$40.89 per share.

In June 2025, we executed a forward sale agreement, which allows us to issue a fixed number of shares at a price to be settled in the future. The forward purchaser under our forward sale agreement borrowed 2,518,393 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$39.71 per share. We may settle the forward sale agreement in shares, cash or net shares by December 31, 2025. Had we settled all the shares under the forward sale agreement at June 30, 2025, we would have received approximately \$99.1 million, based on a net price of \$39.34 per share.

As of June 30, 2025, the ATM program (inclusive of the forward sale agreements) had approximately \$47.5 million of common stock available for issuance. The program expires on December 31, 2025.

Series B and B-1 Preferred Stock. On March 15, 2024, we redeemed all 20,000 outstanding shares of Series B Preferred Stock for a redemption price of \$25,000 per share and all 20,000 outstanding shares of Series B-1 Preferred Stock for a redemption price of \$0.01 per share or \$500.0 million in total.

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)**

There were no dividends declared per share for the Series B Preferred Stock during the three months ended June 30, 2025 and 2024. Dividends declared per share for the Series B Preferred Stock were zero and \$406.25 during the six months ended June 30, 2025 and 2024, respectively.

7. Short-Term Borrowings

We generate short-term borrowings from our revolving credit facility, commercial paper program, and accounts receivable transfer programs. Each of these borrowing sources is described further below.

Revolving Credit Facility. We maintain a revolving credit facility to fund ongoing working capital requirements, including the provision of liquidity support for our commercial paper program, the issuance of letters of credit and general corporate purposes. Our revolving credit facility has a program limit of \$1.85 billion and is comprised of a syndicate of banks. We had no outstanding borrowings under this facility as of June 30, 2025 and December 31, 2024.

Commercial Paper Program. Our commercial paper program has a program limit of \$1.85 billion. We had zero and \$604.6 million of commercial paper outstanding with weighted-average interest rates of zero and 4.73% as of June 30, 2025 and December 31, 2024, respectively.

Accounts Receivable Transfer Programs. Columbia of Ohio, NIPSCO, and Columbia of Pennsylvania each maintain a receivables agreement whereby they transfer their customer accounts receivables to third-party financial institutions through consolidated special purpose entities. The three agreements expire between August 2025 and May 2026 and may be further extended if mutually agreed to by the parties thereto.

All receivables transferred to third parties are valued at face value, which approximates fair value due to their short-term nature. The amount of the undivided percentage ownership interest in the accounts receivables transferred is determined in part by required loss reserves under the agreements.

Transfers of accounts receivable are accounted for as secured borrowings resulting in the recognition of short-term borrowings on the Condensed Consolidated Balance Sheets (unaudited). As of June 30, 2025, the maximum amount of debt that could be borrowed related to our accounts receivable programs was \$245.0 million.

We had no short-term borrowings related to the securitization transactions as of June 30, 2025 and December 31, 2024.

For the six months ended June 30, 2025 and 2024, zero and \$337.6 million, respectively, were recorded as cash flows used for financing activities related to the change in short-term borrowings due to securitization transactions. Columbia of Ohio, NIPSCO and Columbia of Pennsylvania remain responsible for collecting on the receivables securitized, and the receivables cannot be transferred to another party.

Items listed above, are presented net in the Condensed Statements of Consolidated Cash Flows (unaudited) as their maturities are less than 90 days.

8. Long-Term Debt

On March 27, 2025, we completed the issuance and sale of \$750.0 million of 5.850% senior unsecured notes maturing in 2055, which resulted in approximately \$739.6 million of net proceeds after discount and debt issuance costs.

On June 27, 2025, we completed the issuance and sale of an additional \$750.0 million of 5.850% senior unsecured notes maturing in 2055 (the "2055 Notes"). The terms of the 2055 Notes, other than the issue date and the price to the public, are identical to the terms of, and constitute a reopening of, our 5.850% senior unsecured notes maturing in 2055 issued on March 27, 2025. With the incremental issuance, we now have \$1.5 billion of 5.850% senior unsecured notes maturing in 2055. On June 27, 2025, we also completed the issuance and sale of \$900.0 million of 5.350% senior unsecured notes maturing in 2035 (the "2035 Notes"). The issuances of the additional 2055 Notes and the 2035 Notes in June 2025 resulted in approximately \$1.616 billion of total net proceeds after discount and debt issuance costs.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

9. Regulatory Matters

Regulatory Assets and Liabilities. We follow the accounting and reporting requirements of ASC Topic 980, which provides that regulated entities account for and report assets and liabilities consistent with the economic effect of regulatory rate-making procedures when the rates established are designed to recover the costs of providing the regulated service and it is probable that such rates will be charged and collected from customers. Certain expenses and credits subject to utility regulation or rate determination normally reflected in income or expense are deferred on the balance sheet and are recognized in the income statement as the related amounts are included in customer rates and recovered from or refunded to customers. We assess the probability of collection for all of our regulatory assets each period. The offset to the regulatory liability associated with our renewable investments included in regulated rates is recorded in "Depreciation and amortization" on the Condensed Statements of Consolidated Income (unaudited).

Renewable generation filings. In February 2025, NIPSCO filed a petition with the IURC to, after notice and hearing, issue an order modifying its February 13, 2023 order that approved a power purchase agreement related to Templeton and allow for NIPSCO to fully own Templeton. A final order is expected in October 2025.

NIPSCO GenCo filing. In January 2025, NIPSCO GenCo, a subsidiary of NIPSCO Holdings II, filed a declination of jurisdiction petition with the IURC related to the ownership, development, financing, construction and operation of generation facilities. This is an administrative filing and is a step in NIPSCO's effort to set up a framework to accommodate megaload customers, including data centers. A settlement agreement among GenCo, NIPSCO, and a coalition of NIPSCO's largest industrial customers has been reached and filed with the IURC. The evidentiary hearing was held on July 1, and an order is expected in the third quarter of 2025.

NIPSCO Electric rate case filing. On February 7, 2025, NIPSCO and certain intervening parties filed a Joint Stipulation and Settlement Agreement with the IURC. The IURC issued an Order on June 26, 2025, approving the Settlement Agreement without modification. New rates will be implemented in multiple steps beginning in July 2025 through the beginning of 2026.

10. Risk Management Activities

We are exposed to certain risks relating to our ongoing business operations; namely commodity price risk and interest rate risk. We recognize that the prudent and selective use of derivatives may help to limit volatility in the price of natural gas and manage interest rate exposure.

Risk management assets and liabilities on our derivatives are presented on the Condensed Consolidated Balance Sheets (unaudited) as shown below:

(in millions)	June 30, 2025		December 31, 2024	
	Assets	Liabilities	Assets	Liabilities
Current ⁽¹⁾				
Derivatives not designated as hedging instruments	\$ 16.6	\$ 1.7	\$ 9.1	\$ 2.3
Total	\$ 16.6	\$ 1.7	\$ 9.1	\$ 2.3
Noncurrent ⁽²⁾				
Derivatives not designated as hedging instruments	\$ 20.3	\$ 3.8	\$ 17.9	\$ 1.2
Total	\$ 20.3	\$ 3.8	\$ 17.9	\$ 1.2

⁽¹⁾Current assets and liabilities are presented in "Other current assets" and "Other accruals", respectively, on the Condensed Consolidated Balance Sheets (unaudited).

⁽²⁾Noncurrent assets and liabilities are presented in "Deferred charges and other" and "Other noncurrent liabilities and deferred credits", respectively, on the Condensed Consolidated Balance Sheets (unaudited).

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Our derivative instruments are subject to enforceable master netting arrangements or similar agreements. No collateral was either received or posted related to our outstanding derivative positions at June 30, 2025. If the above gross asset and liability positions were presented net of amounts owed or receivable from counterparties, we would report a net asset position of \$31.4 million and \$23.5 million at June 30, 2025 and December 31, 2024, respectively.

Derivatives Not Designated as Hedging Instruments

Commodity price risk management. We, along with our utility customers, are exposed to variability in cash flows associated with natural gas purchases and volatility in natural gas prices. We purchase natural gas for sale and delivery to our retail, commercial and industrial customers, and for most customers the variability in the market price of gas is passed through in their rates. Some of our utility subsidiaries offer programs whereby variability in the market price of gas is assumed by the respective utility. The objective of our commodity price risk programs is to mitigate the gas cost variability on behalf of our customers associated with natural gas purchases or sales by economically hedging the various gas cost components using a combination of futures, options, forwards or other derivative contracts. At June 30, 2025 and December 31, 2024, we had 90.8 MMDth and 77.8 MMDth, respectively, of net energy derivative volumes outstanding related to our natural gas hedges.

NIPSCO has received IURC approval to lock in a fixed price for its natural gas customers using long-term forward purchase instruments and is limited to 20% of NIPSCO's average annual GCA purchase volume. As of June 30, 2025, the remaining terms of these instruments range from one to seven years. Likewise, Columbia of Pennsylvania has received approval for a 24-month rolling hedge program. The hedging program was executed in December 2023, with an effective date of April 1, 2024 and will continue in perpetuity. The program is designed to financially hedge approximately 20% of the customers' annual demand. All gains and losses on these derivative contracts are deferred as regulatory liabilities or assets and are remitted to or collected from customers through the relevant cost recovery mechanism.

The following table summarizes the gains and losses associated with the commodity price risk programs deferred as regulatory assets and liabilities:

<i>(in millions)</i>	June 30, 2025	December 31, 2024
Regulatory Assets		
Losses on commodity price risk programs	\$ 6.9	\$ 6.5
Regulatory Liabilities		
Gains on commodity price risk programs	40.1	28.7

Our derivative instruments measured at fair value as of June 30, 2025 and December 31, 2024 do not contain any credit-risk-related contingent features.

Derivatives Designated as Hedging Instruments

Interest rate risk management. As of June 30, 2025 and December 31, 2024 we had no active interest rate swap positions. The overall net loss related to our multiple settled interest rate swaps is recorded in AOCI. We amortize the net loss over the life of the debt associated with these swaps as we recognize interest expense. These amounts were immaterial for the three and six months ended June 30, 2025 and 2024 and are recorded in "Interest expense, net" on the Condensed Statements of Consolidated Income (unaudited). Amounts expected to be reclassified to earnings during the next twelve months are immaterial. See Note 16, "Accumulated Other Comprehensive Loss," for additional information.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

11. Fair Value

A. Fair Value Measurements

Recurring Fair Value Measurements

The following tables present financial assets and liabilities measured and recorded at fair value on our Condensed Consolidated Balance Sheets (unaudited) on a recurring basis and their level within the fair value hierarchy as of June 30, 2025 and December 31, 2024:

Recurring Fair Value Measurements June 30, 2025 (in millions)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of June 30, 2025
Assets				
U.S. Treasury debt securities ⁽¹⁾	\$ 1.5	\$ —	\$ —	1.5
Risk management assets	—	36.9	—	36.9
Available-for-sale debt securities	—	144.9	—	144.9
Equity securities ⁽²⁾⁽³⁾	\$ 6.1	\$ —	\$ —	6.1
Total	\$ 7.6	\$ 181.8	\$ —	189.4
Liabilities				
Risk management liabilities	\$ —	\$ 5.5	\$ —	5.5
Total	\$ —	\$ 5.5	\$ —	5.5

⁽¹⁾Treasury bills are presented in "Cash and cash equivalents" and "Restricted cash" on the Consolidated Balance Sheets.

⁽²⁾Equity securities are valued using market prices in active markets. Level 1 instrument valuations are obtained from real-time quotes for transactions in active exchange markets involving identical assets. Equity securities are presented in "Other Investments" on the Consolidated Balance Sheets.

⁽³⁾As of June 30, 2025, the investment cost of equity securities was \$5.9 million, gross unrealized gains were \$0.2 million, and the fair value was \$6.1 million.

Recurring Fair Value Measurements December 31, 2024 (in millions)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of December 31, 2024
Assets				
U.S. Treasury debt securities ⁽¹⁾	\$ 80.1	\$ —	\$ —	80.1
Risk management assets	—	27.0	—	27.0
Available-for-sale debt securities	—	86.7	—	86.7
Total	\$ 80.1	\$ 113.7	\$ —	193.8
Liabilities				
Risk management liabilities	\$ —	\$ 3.5	\$ —	3.5
Total	\$ —	\$ 3.5	\$ —	3.5

⁽¹⁾Treasury bills are presented in "Cash and cash equivalents" and "Restricted cash" on the Consolidated Balance Sheets.

Risk Management Assets and Liabilities. Risk management assets and liabilities include exchange-traded NYMEX futures and NYMEX options and non-exchange-based forward purchase contracts.

Level 1- When utilized, exchange-traded derivative contracts are based on unadjusted quoted prices in active markets and are classified within Level 1. These financial assets and liabilities are secured with cash on deposit with the exchange; therefore, nonperformance risk has not been incorporated into these valuations. These financial assets and liabilities are deemed to be cleared and settled daily by NYMEX as the related cash collateral is posted with the exchange. As a result of this exchange rule, NYMEX derivatives are considered to have no fair value at the balance sheet date for financial reporting purposes, and are presented in Level 1 net of posted cash; however, the derivatives remain outstanding and are subject to future commodity price fluctuations until they are settled in accordance with their contractual terms.

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)**

Level 2- Certain non-exchange-traded derivatives are valued using broker or over-the-counter, on-line exchanges. In such cases, these non-exchange-traded derivatives are classified within Level 2. Non-exchange-based derivative instruments include swaps, forwards, and options. In certain instances, these instruments may utilize models to measure fair value. We use a similar model to value similar instruments. Valuation models utilize various inputs that include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, other observable inputs for the asset or liability and market-corroborated inputs, (i.e., inputs derived principally from or corroborated by observable market data by correlation or other means). Where observable inputs are available for substantially the full term of the asset or liability, the instrument is categorized within Level 2.

Level 3- Certain derivatives trade in less active markets with a lower availability of pricing information and models may be utilized in the valuation. When such inputs have a significant impact on the measurement of fair value, the instrument is categorized within Level 3.

Credit risk is considered in the fair value calculation of derivative instruments that are not exchange-traded. Credit exposures are adjusted to reflect collateral agreements that reduce exposures. As of June 30, 2025 and December 31, 2024, there were no material transfers between fair value hierarchies. Additionally, there were no changes in the method or significant assumptions used to estimate the fair value of our financial instruments.

NIPSCO and Columbia of Pennsylvania have entered into long-term forward natural gas purchase instruments to lock in a fixed price for natural gas customers. We value these contracts using a pricing model that incorporates market-based information when available, as these instruments trade less frequently and are classified within Level 2 of the fair value hierarchy. For additional information, see Note 10, "Risk Management Activities."

Available-for-Sale Debt Securities. Available-for-sale debt securities are investments pledged as collateral for trust accounts related to our wholly owned insurance company. We value U.S. Treasury, corporate debt and mortgage-backed securities using a matrix pricing model that incorporates market-based information. These securities trade less frequently and are classified within Level 2.

Our available-for-sale debt securities impairments are recognized periodically using an allowance approach. At each reporting date, we utilize a quantitative and qualitative review process to assess the impairment of available-for-sale debt securities at the individual security level. For securities in a loss position, we evaluate our intent to sell or whether it is more-likely-than-not that we will be required to sell the security prior to the recovery of its amortized cost. If either criteria is met, the loss is recognized in earnings immediately, with the offsetting entry to the carrying value of the security. If both criteria are not met, we perform an analysis to determine whether the unrealized loss is related to credit factors. The analysis focuses on a variety of factors that include, but are not limited to, downgrade on ratings of the security, defaults in the current reporting period or projected defaults in the future, the security's yield spread over treasuries, and other relevant market data. If the unrealized loss is not related to credit factors, it is included in other comprehensive income. If the unrealized loss is related to credit factors, the loss is recognized as credit loss expense in earnings during the period, with an offsetting entry to the allowance for credit losses. The amount of the credit loss recorded to the allowance account is limited by the amount at which the security's fair value is less than its amortized cost basis. If certain amounts recorded in the allowance for credit losses are deemed uncollectible, the allowance on the uncollectible portion will be charged off, with an offsetting entry to the carrying value of the security. Subsequent improvements to the estimated credit losses of available-for-sale debt securities will be recognized immediately in earnings. Continuous credit monitoring and portfolio credit balancing mitigates our risk of credit losses on our available-for-sale debt securities.

Other Equity Investments. Investments measured at net asset value per share (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. These investments represent holdings in a single private investment fund that are redeemable at the election of the holder. As of June 30, 2025, the Company holds \$11.8 million of equity investments measured at net asset value.

The amortized cost, gross unrealized gains and losses, allowance for credit losses, and fair value of available-for-sale securities at June 30, 2025 and December 31, 2024 were:

June 30, 2025 (in millions)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses ⁽¹⁾	Allowance for Credit Losses	Fair Value
Available-for-sale debt securities					
U.S. Treasury debt securities	4.3	\$ —	\$ —	\$ —	4.3
Corporate/Other debt securities	\$ 143.6	\$ 1.4	\$ (4.3)	\$ (0.1)	140.6
Total	\$ 147.9	\$ 1.4	\$ (4.3)	\$ (0.1)	144.9

December 31, 2024 (in millions)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses ⁽²⁾	Allowance for Credit Losses	Fair Value
Available-for-sale debt securities					
Corporate/Other debt securities	\$ 91.9	\$ 0.5	\$ (5.6)	\$ (0.1)	86.7
Total	\$ 91.9	\$ 0.5	\$ (5.6)	\$ (0.1)	86.7

⁽¹⁾Fair value of U.S. Treasury debt securities and Corporate/Other debt securities in an unrealized loss position without an allowance for credit losses is \$2.7 million and \$61.6 million at June 30, 2025.

⁽²⁾Fair value of Corporate/Other debt securities in an unrealized loss position without an allowance for credit losses is \$70.1 million at December 31, 2024.

The cost of maturities sold is based upon specific identification. Net realized gains and losses on available-for-sale securities were de minimis for the three and six months ended June 30, 2025, and \$0.1 million and \$0.5 million for the three and six months ended June 30, 2024.

Non-recurring Fair Value Measurements

We measure the fair value of certain assets, primarily goodwill, on a non-recurring basis, typically when events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable.

B. Other Fair Value Disclosures for Financial Instruments. The carrying amount of cash and cash equivalents, restricted cash, notes receivable, customer deposits and short-term borrowings is a reasonable estimate of fair value due to their liquid or short-term nature. Our long-term borrowings are recorded at historical amounts.

The following method and assumptions were used to estimate the fair value of each class of financial instruments.

Long-term Debt. The fair value of outstanding long-term debt is estimated based on the quoted market prices for the same or similar securities. Certain premium costs associated with the early settlement of long-term debt are not taken into consideration in determining fair value. These fair value measurements are classified within Level 2 of the fair value hierarchy. As of June 30, 2025, there was no change in the method or significant assumptions used to estimate the fair value of long-term debt.

The carrying amount and estimated fair values of these financial instruments were as follows:

(in millions)	Carrying Amount as of June 30, 2025	Estimated Fair Value as of June 30, 2025	Carrying Amount as of Dec. 31, 2024	Estimated Fair Value as of Dec. 31, 2024
Long-term debt (including current portion)	\$ 15,756.0	\$ 15,106.3	\$ 13,355.7	\$ 12,505.2

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

12. Goodwill

The following presents our goodwill balance allocated by segment as of June 30, 2025:

<i>(in millions)</i>	Columbia Operations		NIPSCO Operations		Corporate and Other		Total
Goodwill	\$	1,468.1	\$	17.8	\$	—	\$ 1,485.9

For our annual goodwill impairment analysis performed as of May 1, 2025, we performed a qualitative "step 0" assessment and determined that it was more likely than not that the estimated fair value of a reporting unit substantially exceeded its carrying value of our reporting unit. For this test, we assessed various assumptions, events and circumstances that would have affected the estimated fair value of the reporting unit as compared to its baseline May 1, 2024 "step 1" fair value measurement. There have been no impairments recorded during the periods presented.

13. Income Taxes

Our interim effective tax rates reflect the estimated annual effective tax rates for 2025 and 2024 applied to year-to-date pretax income, adjusted for tax expense associated with certain discrete items. The effective tax rates for the three months ended June 30, 2025 and 2024 were 19.1% and 14.6%, respectively. The effective tax rates for the six months ended June 30, 2025 and 2024 were 17.1% and 15.7%, respectively. These effective tax rates differ from the federal statutory tax rate of 21% primarily due to net income attributable to noncontrolling interest, amortization of excess deferred income taxes, federal tax credits net of deferred regulatory liabilities, state income taxes, and other permanent book-to-tax differences.

The increase in the three month effective tax rate of 4.5% in 2025 compared to 2024 is primarily driven by higher state income taxes and lower AFUDC equity, partially offset by the increase in federal tax credits.

The increase in the six month effective tax rate of 1.4% in 2025 compared to 2024 is primarily driven by higher state income taxes and lower AFUDC equity.

As of June 30, 2025, there have been no material changes to our unrecognized tax benefits or possible changes that could reasonably be expected to occur during the next twelve months. See Note 15 to the Company's Consolidated Financial Statements in the Annual Report on Form 10-K for the year ended December 31, 2024, for a discussion of these unrecognized tax benefits.

14. Pension and Other Postemployment Benefits

We provide defined contribution plans and noncontributory defined benefit retirement plans that cover certain of our employees. Benefits under the defined benefit retirement plans reflect the employees' compensation, years of service and age at retirement. Additionally, we provide health care and life insurance benefits for certain retired employees. Certain active employees may become eligible for these benefits if they reach retirement age while working for us. The expected cost of such benefits is accrued during the employees' years of service. We determined that, for certain rate-regulated subsidiaries, the future recovery of postretirement benefit costs is probable, and we record regulatory assets and liabilities for amounts that would otherwise have been recorded to expense or accumulated other comprehensive loss. Current rates of rate-regulated companies include postretirement benefit costs, including amortization of the regulatory assets and liabilities that arose prior to inclusion of these costs in rates. For most plans, cash contributions are remitted to grantor trusts.

For the six months ended June 30, 2025 and 2024, we contributed \$1.0 million and \$1.3 million, respectively, to our pension plans and \$10.5 million and \$10.7 million, respectively, to our OPEB plans.

ITEM 1. FINANCIAL STATEMENTS (continued)
NiSource Inc.
Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

The following table provides the components of the plans' actuarially determined net periodic benefit cost for the three and six months ended June 30, 2025 and 2024:

Three Months Ended June 30, <i>(in millions)</i>	Pension Benefits		OPEB	
	2025	2024	2025	2024
Components of Net Periodic Benefit Cost⁽¹⁾				
Service cost	\$ 4.9	\$ 5.5	\$ 1.0	\$ 1.3
Interest cost	16.0	16.3	5.6	5.5
Expected return on assets	(23.1)	(23.8)	(4.2)	(4.0)
Amortization of prior service credit	—	—	(0.4)	(0.4)
Recognized actuarial loss	6.4	7.2	0.4	0.8
Total Net Periodic Benefit Cost	\$ 4.2	\$ 5.2	\$ 2.4	\$ 3.2

⁽¹⁾The service cost component and all non-service cost components of net periodic benefit (income) cost are presented in "Operation and maintenance" and "Other, net," respectively, on the Condensed Statements of Consolidated Income (unaudited).

Six Months Ended June 30, <i>(in millions)</i>	Pension Benefits		OPEB	
	2025	2024	2025	2024
Components of Net Periodic Benefit Cost⁽¹⁾				
Service cost	\$ 9.8	\$ 10.9	\$ 2.0	\$ 2.6
Interest cost	32.0	32.6	11.2	10.9
Expected return on assets	(46.2)	(47.6)	(8.4)	(8.0)
Amortization of prior service credit	—	—	(0.8)	(0.8)
Recognized actuarial loss	12.8	14.4	0.8	1.6
Total Net Periodic Benefit Cost	\$ 8.4	\$ 10.3	\$ 4.8	\$ 6.3

⁽¹⁾The service cost component and all non-service cost components of net periodic benefit (income) cost are presented in "Operation and maintenance" and "Other, net," respectively, on the Condensed Statements of Consolidated Income (unaudited).

15. Other Commitments and Contingencies

A. Guarantees and Indemnities. We and certain of our subsidiaries enter into various agreements providing financial or performance assurance to third parties on behalf of certain subsidiaries as a part of normal business. Such agreements include guarantees and stand-by letters of credit. These agreements are entered into primarily to support or enhance the creditworthiness otherwise attributed to a subsidiary on a stand-alone basis, thereby facilitating the extension of sufficient credit to accomplish the subsidiaries' intended commercial purposes. As of June 30, 2025 and December 31, 2024, we had issued stand-by letters of credit of \$9.4 million for the benefit of third parties.

We provide guarantees related to our future performance under BTAs for our renewable generation projects. At June 30, 2025 and December 31, 2024, our guarantees for multiple BTAs totaled \$86.5 million and \$1,127.5 million, respectively. The amount of each guaranty will decrease upon the substantial completion of the construction of the facilities. See "- D. Other Matters - Generation Transition," below for more information.

We provide guarantees related to some of our rail and pipeline service agreements. As of June 30, 2025 and December 31, 2024, if we do not meet our contractual obligations under the terms of these agreements we would be required to pay up to a maximum of \$52.0 million and \$61.7 million, respectively.

B. Legal Proceedings. From time to time, various legal and regulatory claims and proceedings are pending or threatened against the Company and its subsidiaries. While the amounts claimed may be substantial, the Company is unable to predict with certainty the ultimate outcome of such claims and proceedings. The Company establishes reserves whenever it believes it to be appropriate for pending litigation matters. However, the actual results of resolving the pending litigation matters may be substantially higher than the amounts reserved. If one or more matters were decided against us, the effects could be material to our results of operations in the period in which we would be required to record or adjust the related liability and could also be material to our cash flows in the periods that we would be required to pay such liability. Due to the inherent uncertainty of

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)**

litigation, there can be no assurance that the resolution of any particular claim, proceeding or investigation would not have a material adverse effect on our results of operations, financial position or liquidity.

Other Claims and Proceedings. We are also party to other claims, regulatory and legal proceedings arising in the ordinary course of business in each state in which we have operations, and based upon an investigation of these matters and discussion with legal counsel, we believe the ultimate outcome of such other legal proceedings to be individually, or in aggregate, not material at this time.

C. Environmental Matters. Our operations are subject to environmental statutes and regulations related to air quality, water quality, hazardous waste and solid waste. We believe that we are in substantial compliance with the environmental regulations currently applicable to our operations.

It is management's continued intent to address environmental issues in cooperation with regulatory authorities in such a manner as to achieve mutually acceptable compliance plans. However, there can be no assurance that fines and penalties will not be incurred. Management expects a majority of environmental assessment and remediation costs and asset retirement costs, further described below, to be recoverable through rates.

As of June 30, 2025 and December 31, 2024, we had recorded a liability of \$85.8 million and \$91.8 million, respectively, to cover environmental remediation at various sites. This liability is included in "Other accruals" and "Other noncurrent liabilities and deferred credits" in the Condensed Consolidated Balance Sheets (unaudited). We recognize costs associated with environmental remediation obligations when the incurrence of such costs is probable and the amounts can be reasonably estimated. The original estimates for remediation activities may differ materially from the amount ultimately expended. The actual future expenditures depend on many factors, including laws and regulations, the nature and extent of impact and the method of remediation. These expenditures are not currently estimable at some sites. We periodically adjust our liability as information is collected and estimates become more refined.

CERCLA. Our subsidiaries are potentially responsible parties at waste disposal sites under CERCLA and similar state laws. Under CERCLA, each potentially responsible party can be held jointly, severally and strictly liable for the remediation costs as the EPA, or state, can allow the parties to pay for remedial action or perform remedial action themselves and request reimbursement from the potentially responsible parties. Our affiliates have retained CERCLA environmental liabilities, including remediation liabilities, associated with certain current and former operations. At this time, we cannot estimate the full cost of remediating properties that have not yet been investigated, but it is possible that the future costs could be material to the Condensed Consolidated Financial Statements (unaudited).

MGP. We maintain a program to identify and investigate former MGP sites where our subsidiaries or predecessors may have liability. The program has identified 51 such sites where liability is probable. Remedial actions at many of these sites are being overseen by state or federal environmental agencies through consent agreements or voluntary remediation agreements.

We utilize a probabilistic model to estimate our future remediation costs related to MGP sites. The model was prepared with the assistance of a third party and incorporates our experience and general industry experience with remediating MGP sites. We perform an annual update of the model in the second quarter each year. No material changes to the estimated future remediation costs were identified during the update completed as of June 30, 2025. Our total estimated liability related to the facilities subject to remediation was \$79.1 million and \$86.4 million at June 30, 2025 and December 31, 2024, respectively. The liability represents our best estimate of the probable cost to remediate the MGP sites. Our model indicates that it is reasonably possible that remediation costs could vary by as much as \$16.7 million and \$16.3 million at June 30, 2025 and December 31, 2024, respectively, in addition to the costs noted above. Remediation costs are estimated based on the best available information, applicable remediation standards at the balance sheet date and experience with similar facilities.

CCRs. NIPSCO continues to meet the compliance requirements established by the EPA for the regulation of CCRs. The CCR rule requirements currently in effect required revisions to previously recorded legal obligations associated with the retirement of certain NIPSCO facilities. The actual asset retirement costs related to the CCR rule may vary substantially from the estimates used to record the increased asset retirement obligation due to the uncertainty about the requirements that will be established by environmental authorities, compliance strategies that will be used and the preliminary nature of available data used to estimate costs. As allowed by the rule, NIPSCO will continue to collect data over time to determine the specific compliance solutions and associated costs and, as a result, the actual costs may vary.

On May 8, 2024, the EPA finalized changes to the current CCR regulations ("Legacy CCR Rule"), which address inactive surface impoundments at inactive facilities, referred to as legacy impoundments, and CCR management units ("CCRMUs") at

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

inactive and active facilities. The rule largely requires these newly regulated units to conform to existing requirements, such as groundwater monitoring, closure requirements, and post-closure care. In the second quarter of 2025, we accrued an additional \$38.8 million to cover probable and estimable compliance activities associated with the Legacy CCR Rule. A direct final rule that was issued on July 17, 2025, revised the facility evaluation report due date to February 8, 2027. NIPSCO continues to assess whether existing legal obligations associated with the retirement of certain facilities must be revised and to estimate probable additional required asset retirement costs. NIPSCO expects to receive recovery of any such costs through existing and future depreciation rates.

D. Other Matters.

Generation Transition. NIPSCO has executed several BTAs with developers to construct renewable generation facilities. In October 2024, NIPSCO contracted with a developer to convert the previously approved Templeton PPA to a BTA and in February 2025 filed a CPCN with the IURC seeking approval of the full ownership BTA structure. In addition to IURC approval of Templeton, NIPSCO's purchase obligation under Templeton and Gibson is dependent on timely completion of construction. Certain agreements require NIPSCO to make partial payments upon the developer's completion of significant construction milestones.

In January 2025, the Fairbanks project achieved mechanical completion, resulting in NIPSCO making a \$336.6 million payment to the developer. In May 2025, the Fairbanks project achieved substantial completion, resulting in NIPSCO making a \$141.4 million payment to the developer in June 2025.

In January 2025, the Dunns Bridge II project achieved substantial completion, resulting in NIPSCO making a \$217.6 million payment to the developer in February 2025.

In June 2025, the Gibson project achieved mechanical completion, resulting in NIPSCO making a \$262.4 million payment to the developer.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

16. Accumulated Other Comprehensive Loss

The following tables display the components of Accumulated Other Comprehensive Loss, net of tax:

<i>(in millions)</i>	Gains and Losses on Securities ⁽¹⁾	Gains and Losses on Cash Flow Hedges ⁽¹⁾	Pension and OPEB Items ⁽¹⁾	Accumulated Other Comprehensive Loss ⁽¹⁾
Balance as of April 1, 2025	\$ (3.2)	\$ (13.3)	\$ (12.7)	\$ (29.2)
Other comprehensive income before reclassifications	1.0	—	(0.1)	0.9
Amounts reclassified from accumulated other comprehensive loss	—	(0.1)	0.2	0.1
Net current-period other comprehensive income (loss)	1.0	(0.1)	0.1	1.0
Balance as of June 30, 2025	\$ (2.2)	\$ (13.4)	\$ (12.6)	\$ (28.2)

⁽¹⁾All amounts are net of tax. Amounts in parentheses indicate debits.

<i>(in millions)</i>	Gains and Losses on Securities ⁽¹⁾	Gains and Losses on Cash Flow Hedges ⁽¹⁾	Pension and OPEB Items ⁽¹⁾	Accumulated Other Comprehensive Loss ⁽¹⁾
Balance as of January 1, 2025	\$ (4.0)	\$ (13.2)	\$ (13.2)	\$ (30.4)
Other comprehensive income (loss) before reclassifications	1.8	—	0.2	2.0
Amounts reclassified from accumulated other comprehensive loss	—	(0.2)	0.4	0.2
Net current-period other comprehensive income (loss)	1.8	(0.2)	0.6	2.2
Balance as of June 30, 2025	\$ (2.2)	\$ (13.4)	\$ (12.6)	\$ (28.2)

⁽¹⁾All amounts are net of tax. Amounts in parentheses indicate debits.

<i>(in millions)</i>	Gains and Losses on Securities ⁽¹⁾	Gains and Losses on Cash Flow Hedges ⁽¹⁾	Pension and OPEB Items ⁽¹⁾	Accumulated Other Comprehensive Loss ⁽¹⁾
Balance as of April 1, 2024	\$ (7.6)	\$ (12.9)	\$ (13.3)	\$ (33.8)
Other comprehensive loss before reclassifications	(0.1)	(0.2)	—	(0.3)
Amounts reclassified from accumulated other comprehensive loss	0.1	0.1	0.3	0.5
Net current-period other comprehensive income (loss)	—	(0.1)	0.3	0.2
Balance as of June 30, 2024	\$ (7.6)	\$ (13.0)	\$ (13.0)	\$ (33.6)

⁽¹⁾All amounts are net of tax. Amounts in parentheses indicate debits.

<i>(in millions)</i>	Gains and Losses on Securities ⁽¹⁾	Gains and Losses on Cash Flow Hedges ⁽¹⁾	Pension and OPEB Items ⁽¹⁾	Accumulated Other Comprehensive Loss ⁽¹⁾
Balance as of January 1, 2024	\$ (7.3)	\$ (12.8)	\$ (13.5)	\$ (33.6)
Other comprehensive income (loss) before reclassifications	(0.7)	(0.4)	—	(1.1)
Amounts reclassified from accumulated other comprehensive loss	0.4	0.2	0.5	1.1
Net current-period other comprehensive income (loss)	(0.3)	(0.2)	0.5	—
Balance as of June 30, 2024	\$ (7.6)	\$ (13.0)	\$ (13.0)	\$ (33.6)

⁽¹⁾All amounts are net of tax. Amounts in parentheses indicate debits.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

17. Business Segment Information

Our reportable segments reflect the manner in which our business is managed and our resources are allocated. Our operations are divided into two primary reportable segments, the Columbia Operations and the NIPSCO Operations segments. Columbia Operations aggregates the results of the fully regulated and wholly owned subsidiaries of NiSource Gas Distribution Group, Inc. (a holding company that owns Columbia of Kentucky, Columbia of Maryland, Columbia of Ohio, Columbia of Pennsylvania, and Columbia of Virginia). Each Columbia distribution company is an operating segment which we aggregate to form the Columbia Operations reportable segment. NIPSCO Operations includes the results of NIPSCO Holdings I and its majority-owned subsidiaries, including NIPSCO, which has fully regulated gas and electric operations in northern Indiana.

The remainder of our operations, which are not significant enough on a stand-alone basis to warrant treatment as a reportable segment, are presented as "Corporate and Other" and primarily are comprised of interest expense on holding company debt, and unallocated corporate costs and activities. Refer to Note 3, "Revenue Recognition," for additional information on our segments and their sources of revenues. The following table provides information about our reportable segments. We use operating income as the primary measurement of performance for each of the reportable segments and make decisions on financing, dividends and taxes at the corporate level on a consolidated basis. We provide this measure to our CODM, the CEO, who utilizes it to assess performance and allocation of resources at the operating segment level based on budget-to-actual and actual-to-actual variances. Segment revenues include intersegment sales to affiliated subsidiaries, which are eliminated in consolidation. Affiliated sales are recognized on the basis of prevailing market, regulated prices or at levels provided for under contractual agreements. Operating income is derived from revenues and expenses directly associated with each segment.

Three Months Ended June 30, 2025

<i>(in millions)</i>	Columbia Operations	NIPSCO Operations	Total of Reportable Segments
Operating Revenues			
External Revenue	\$ 601.2	\$ 680.6	\$ 1,281.8
Intersegment Revenue	3.5	0.2	3.7
Total Operating Revenue	\$ 604.7	\$ 680.8	\$ 1,285.5
Cost of energy	110.4	151.4	261.8
O&M	207.7	211.0	418.7
Depreciation	111.7	165.9	277.6
Total other taxes	52.4	18.1	70.5
Other segment items ⁽¹⁾	0.3	0.4	0.7
Operating Income	\$ 122.2	\$ 134.0	\$ 256.2

⁽¹⁾Other segment items consists of Loss on Sale or Impairment of Assets and other segment income or expenses deemed insignificant which are used to reach our measurement of segment profit or loss, Operating Income.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Three Months Ended June 30, 2024

<i>(in millions)</i>	Columbia Operations	NIPSCO Operations	Total of Reportable Segments
Operating Revenues			
External Revenue	\$ 487.4	\$ 597.2	\$ 1,084.6
Intersegment Revenue	3.1	0.2	3.3
Total Operating Revenue	490.5	597.4	1,087.9
Cost of energy	56.3	108.4	164.7
O&M	191.3	187.5	378.8
Depreciation	99.4	143.0	242.4
Total other taxes	46.9	16.3	63.2
Other segment items ⁽¹⁾	—	(0.1)	(0.1)
Operating Income	\$ 96.6	\$ 142.3	\$ 238.9

⁽¹⁾Other segment items consists of (Gain) on Sale or Impairment of Assets and other segment income or expenses deemed insignificant which are used to reach our measurement of segment profit or loss, Operating Income.

Six Months Ended June 30, 2025

<i>(in millions)</i>	Columbia Operations	NIPSCO Operations	Total of Reportable Segments
Operating Revenues			
External Revenue	\$ 1,841.8	\$ 1,622.0	\$ 3,463.8
Intersegment Revenue	6.7	0.5	7.2
Total Operating Revenue	\$ 1,848.5	\$ 1,622.5	\$ 3,471.0
Cost of energy	490.2	419.1	909.3
O&M	450.7	413.0	863.7
Depreciation	219.9	307.2	527.1
Total other taxes	119.4	36.6	156.0
Other segment items ⁽¹⁾	0.3	0.7	1.0
Operating Income	\$ 568.0	\$ 445.9	\$ 1,013.9

⁽¹⁾Other segment items consists of Loss on Sale or Impairment of Assets and other segment income or expenses deemed insignificant which are used to reach our measurement of segment profit or loss, Operating Income.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Six Months Ended June 30, 2024

<i>(in millions)</i>	Columbia Operations	NIPSCO Operations	Total of Reportable Segments
Operating Revenues			
External Revenue	\$ 1,441.1	\$ 1,349.6	\$ 2,790.7
Intersegment Revenue	6.3	0.5	6.8
Total Operating Revenue	1,447.4	1,350.1	2,797.5
Cost of energy	285.1	304.6	589.7
O&M	402.0	378.8	780.8
Depreciation	197.6	275.7	473.3
Total other taxes	104.1	32.4	136.5
Other segment items ⁽¹⁾	—	(0.1)	(0.1)
Operating Income	\$ 458.6	\$ 358.7	\$ 817.3

⁽¹⁾Other segment items consists of (Gain) on Sale or Impairment of Assets and other segment income or expenses deemed insignificant which are used to reach our measurement of segment profit or loss, Operating Income.

The following table provides information about the assets of our reportable segments included in the Condensed Consolidated Balance Sheets (unaudited):

<i>(in millions)</i>	June 30, 2025	December 31, 2024
Assets		
Columbia Operations	\$ 14,982.7	\$ 14,769.5
NIPSCO Operations	17,511.3	15,823.5
Corporate and Other	1,534.9	1,195.1
Consolidated Assets	\$ 34,028.9	\$ 31,788.1

To reconcile the segment tables above to consolidated NiSource:

Three Months Ended June 30, 2025

<i>(in millions)</i>	Total Reportable Segments	Corporate and Other	Eliminations	Consolidated NiSource
Total Operating Revenue	\$ 1,285.5	\$ 144.6	\$ (147.1)	\$ 1,283.0
Operating Income	256.2	6.7	—	262.9

Three Months Ended June 30, 2024

<i>(in millions)</i>	Total Reportable Segments	Corporate and Other	Eliminations	Consolidated NiSource
Total Operating Revenue	\$ 1,087.9	\$ 139.1	\$ (142.3)	\$ 1,084.7
Operating Income	238.9	(1.9)	—	237.0

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Six Months Ended June 30, 2025				
(in millions)	Total Reportable Segments	Corporate and Other	Eliminations	Consolidated NiSource
Total Operating Revenue	\$ 3,471.0	\$ 290.0	\$ (294.8)	\$ 3,466.2
Operating Income	1,013.9	8.4	—	1,022.3

Six Months Ended June 30, 2024				
(in millions)	Total Reportable Segments	Corporate and Other	Eliminations	Consolidated NiSource
Total Operating Revenue	\$ 2,797.5	\$ 279.2	\$ (285.7)	\$ 2,791.0
Operating Income	817.3	3.1	—	820.4

18. Other, Net

The following table displays the components of Other, Net included on the Condensed Statements of Consolidated Income (unaudited):

(in millions)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Interest income	\$ 1.5	\$ 1.9	\$ 3.5	\$ 4.4
AFUDC equity	8.6	13.3	17.8	24.6
Pension and other postretirement non-service cost	(1.6)	(2.1)	(5.4)	(4.3)
Tax penalties	(8.1)	—	(9.2)	—
Miscellaneous	0.1	(0.1)	(0.4)	(2.5)
Total Other, net	\$ 0.5	\$ 13.0	\$ 6.3	\$ 22.2

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Notes to Condensed Consolidated Financial Statements (unaudited) (continued)
19. Supplemental Disclosures of Cash Flow Information

The following table displays the components of Working Capital on the Condensed Statements of Consolidated Cash Flows (unaudited):

<i>(in millions)</i>	Six Months Ended June 30,	
	2025	2024
Accounts receivable	\$ 185.6	\$ 238.0
Inventories	20.9	118.6
Accounts payable	(146.9)	(160.6)
Customer deposits and credits	(108.9)	(106.7)
Taxes accrued	(0.7)	1.3
Interest accrued	20.5	10.0
Exchange gas receivable/payable	73.8	(116.9)
Other accruals	(17.6)	(6.1)
Prepayments and other current assets	(28.4)	(52.1)
Accrued compensation and employee benefits	(63.1)	(41.7)
Total change in working capital	\$ (64.8)	\$ (116.2)

<i>(in millions)</i>	Six Months Ended June 30,	
	2025	2024
Non-cash transactions:		
Capital expenditures included in current liabilities	\$ 426.6	\$ 283.6
Dividends declared but not paid	135.1	120.0

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

NiSource Inc.

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EXECUTIVE SUMMARY

This Management's Discussion and Analysis of Financial Condition and Results of Operations ("Management's Discussion") includes management's analysis of past financial results and certain potential factors that may affect future results, potential future risks and approaches that may be used to manage those risks. See "Note regarding forward-looking statements" at the beginning of this report for a list of factors that may cause results to differ materially.

Management's Discussion is designed to provide an understanding of our operations and financial performance and should be read in conjunction with our Condensed Consolidated Financial Statements (unaudited) included in this report and our Annual Report on Form 10-K for the fiscal year ended December 31, 2024.

We are an energy holding company under the Public Utility Holding Company Act of 2005 whose utility subsidiaries are fully regulated natural gas and electric utility companies serving customers in six states. We generate substantially all of our operating income through these rate-regulated businesses, which are summarized for financial reporting purposes into two primary reportable segments: Columbia Operations and NIPSCO Operations. Refer to "Note 17, "Business Segment Information," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for further discussion of our business segments.

Our vision is to be a premier, innovative and trusted energy partner. We exist to deliver safe, reliable energy that drives value to our customers. In order to achieve this goal, we seek to develop strategies that benefit all stakeholders as we (i) support long-term infrastructure investment and safety programs to better serve our customers, (ii) align our tariff structures with our cost structure, and (iii) drive value and enable growth in an evolving energy ecosystem. These strategies focus on improving safety and reliability, enhancing customer experience, pursuing regulatory and legislative initiatives to increase accessibility for customers currently not on our gas and electric service, ensuring customer affordability and reducing emissions while generating sustainable returns. The safety of our customers, communities and employees remains our focus. Serving as a guiding practice for our SMS, NiSource is certified in conformance to the American Petroleum Institute Recommended Practice 1173, which is the foundation to our journey towards operational excellence.

Energy Transition: We continue to advance our energy transition strategy, primarily through the continuation and enhancement of existing programs, such as retiring and replacing remaining coal-fired electric generation by 2028 with a balanced mix of low- or zero-emission electric generation, ongoing pipe replacement and modernization programs, and deployment of advanced leak detection and repair. Our electric generation transition, initiated through our 2018 Integrated Resource Plan ("2018 Plan") is well underway, and we are continually adjusting to the dynamic energy landscape. As of June 30, 2025, we have placed in service owned renewable and storage projects with combined nameplate capacities of 1,750 MW and 101 MW respectively. Renewable PPA projects with a combined nameplate capacity of 800 MW have also been placed in service. In addition, renewable BTA projects with combined nameplate capacities of 400 MW, and renewable PPA projects with a combined nameplate capacity of 400 MW were under development as of June 30, 2025, all of which have received IURC approval, with the exception of Templeton, which is currently pending approval. For additional information, see Note 15, "Other Commitments and Contingencies - D. Other Matters". We remain on track to retire R.M. Schahfer's remaining two coal units by the end of 2025. We are continuing to evaluate the development and potential impacts of federal and state executive orders on our generation transition plans. For additional information, see "Results and Discussion of Operations - NIPSCO Operations," in this Management's Discussion, and see Part I, Item 1A. "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024.

NIPSCO's 2021 Integrated Resource Plan ("2021 Plan") lays out a timeline to retire the Michigan City Generating Station by the end of 2028. The 2021 Plan calls for the replacement of the retiring units with a diverse portfolio of resources including demand side management resources, incremental solar, stand-alone energy storage and upgrades to existing facilities at the Sugar Creek Generating Station, among other steps. Additionally, the 2021 Plan calls for a new natural gas peaking facility to replace existing vintage gas peaking facilities at the R.M. Schahfer Generating Station to support system reliability and resiliency, and upgrades to the electric transmission system. In October 2024, we received approval for the issuance of a CPCN for an approximately 400 MW natural gas peaking generation facility from the IURC to replace R.M. Schahfer's existing peaking facilities. The planned retirement of the two vintage gas peaking facilities at the R.M. Schahfer Generating Station is also expected to occur by the end of 2028. Final retirement dates for these units, as well as Michigan City, will be subject to MISO approval.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)**NiSource Inc.**

NIPSCO's 2024 Integrated Resource Plan ("2024 Plan") was submitted to the IURC on December 9, 2024. The 2024 Plan maintains the retirement decisions and capacity additions identified in the 2018 and 2021 Integrated Resource Plans and calls for additional generation resources through 2029 to support capacity requirements. The 2024 Plan informs future generation investments required to ensure reliability for NIPSCO's customers and incorporates factors such as anticipated load growth from data centers and other economic development opportunities, EPA emissions rules, and evolving MISO resource accreditation rules. Customer interest related to data center development in our northern Indiana service territory has accelerated. We believe data center development can enhance our local tax base, diversify the employment base across the state of Indiana, and provide greater value to existing customers and shareholders. We are evaluating the potential for data center development in our service territory, including ways to effectively manage the potential power demand, generation sources, and transmission capabilities to meet potential load growth from any data center customer, while at the same time focusing on our environmental goals. We expect the management of large load growth would require new generation resources. We plan to move as efficiently as possible while maintaining the integrity of our commercial, planning, regulatory, procurement and operational execution processes.

We continue to enhance safety and reduce methane emissions on our gas systems through modernization programs and utilization of advanced leak detection and repair. In addition, we plan to advance other low- or zero-emission energy resources and technologies, such as hydrogen and renewable natural gas.

Transformation: Our enterprise-wide transformation roadmap focuses on operational excellence, safety, operation and maintenance management, and unlocking efficiencies. We are committed to identifying and implementing initiatives that will enable us to streamline work and improve logistics company-wide. These efforts include investments in proven technologies backed with standardized processes that will change the way we plan, schedule, and execute work in the field and how we engage and provide service to our customers. Taken together, all of our optimization initiatives will prioritize safety and continue to optimize our long-term growth profile. We implemented the first and second phases of a three phased WAM ERP program, with the final phase supporting generation assets anticipated to be completed by the end of 2025. Phase one of the program implemented the solution within our electric and transmission operations, while the second phase of the program included all gas distribution operations across our operating territories. The second phase of the program was the largest to-date. This ERP system will optimize the scheduling, dispatch, and execution of our field operations. In addition to transforming technology to enhance our employee and customer experiences, we believe these programs will also ensure we remain on modern systems that help reduce enterprise risk related to end-of-life systems.

Economic Environment: We continue to monitor risks related to order and delivery lead times for construction and other materials, potential unavailability of materials due to global shortages in raw materials, and decreased construction labor productivity in the event of disruptions in the availability of materials. We continue to see elevated prices associated with certain materials and supplies and are tracking the potential impact of new and proposed tariffs. To the extent that work plan delays occur or our costs increase, our business operations, results of operations, cash flows, and financial condition could be materially adversely affected.

We are faced with increased competition for employee and contractor talent in the current labor market which has resulted in increased costs to attract and retain talent. We are ensuring that we use all internal human capital programs (development, leadership enablement programs, succession, performance management) to promote retention of our current employees along with having a competitive and attractive appeal for potential recruits. Our flexible work arrangements, where possible, support a broader talent footprint for sourcing talent needed and for remaining competitive.

We continue to evaluate our financing plan to manage interest expense and exposure to rates. For more information on interest rate risk, see "Market Risk Disclosures".

The Company will monitor the implementation of the OBBBA and assess any future implications that may arise. For more information on the OBBBA, refer to "Summary of Consolidated Financial Results."

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

Summary of Consolidated Financial Results

A summary of our consolidated financial results for the three and six months ended June 30, 2025 and 2024 are presented below:

<i>(in millions, except per share amounts)</i>	Three Months Ended June 30,			Six Months Ended June 30,		
	2025	2024	Favorable (Unfavorable)	2025	2024	Favorable (Unfavorable)
Operating Revenues	\$ 1,283.0	\$ 1,084.7	\$ 198.3	\$ 3,466.2	\$ 2,791.0	\$ 675.2
Operating Expenses						
Cost of energy	261.8	164.7	(97.1)	909.3	589.7	(319.6)
Other Operating Expenses	758.3	683.0	(75.3)	1,534.6	1,380.9	(153.7)
Total Operating Expenses	1,020.1	847.7	(172.4)	2,443.9	1,970.6	(473.3)
Operating Income	262.9	237.0	25.9	1,022.3	820.4	201.9
Total Other Deductions, Net	(138.6)	(116.3)	(22.3)	(265.6)	(223.4)	(42.2)
Income Taxes	23.8	17.6	(6.2)	129.5	93.6	(35.9)
Net Income	100.5	103.1	(2.6)	627.2	503.4	123.8
Net income (loss) attributable to noncontrolling interest	(1.7)	17.3	19.0	50.2	52.6	2.4
Net Income Attributable to NiSource	102.2	85.8	16.4	577.0	450.8	126.2
Preferred dividends and redemption premium	—	—	—	—	(20.7)	20.7
Net Income Available to Common Shareholders	102.2	85.8	16.4	577.0	430.1	146.9
Earnings Per Share						
Basic Earnings Per Share	\$ 0.22	\$ 0.19	\$ 0.03	\$ 1.22	\$ 0.96	\$ 0.26
Diluted Earnings Per Share	\$ 0.22	\$ 0.19	\$ 0.03	\$ 1.22	\$ 0.95	\$ 0.27

The majority of the costs of energy in both segments are tracked costs that are passed through directly to the customer, resulting in an equal and offsetting amount reflected in operating revenues.

The increase in net income available to common shareholders for the three and six months ended June 30, 2025 was primarily due to higher revenues driven by our capital investments, partially offset by higher operating expenses, including increased depreciation expense attributed to our net plant balances, as well as increased interest expense and other one-time expenses. See Note 6, "Equity," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information.

For additional information on operating income variance drivers see "Results and Discussion of Segment Operations" for Columbia Operations and NIPSCO Operations in this Management's Discussion.

Income Taxes

Refer to Note 13, "Income Taxes," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on income taxes and the change in the effective tax rates for the periods presented.

On July 4, 2025, President Donald J. Trump signed into law the OBBBA, a comprehensive piece of legislation that includes sweeping changes to federal tax and spending policies. As of the date of this filing, management has evaluated the provisions of the OBBBA and does not believe the bill will have a material impact on the Company's financial position or results of operations. We continue to monitor and evaluate the impacts of final or proposed income tax regulations issued on provisions of the IRA including but not limited to renewable energy tax credits, as well as the impacts of the OBBBA.

RESULTS AND DISCUSSION OF SEGMENT OPERATIONS

Presentation of Segment Information

Columbia Operations aggregates the results of the fully regulated and wholly owned subsidiaries of NiSource Gas Distribution Group, Inc. Each Columbia distribution company is an operating segment which we aggregate to form the Columbia Operations reportable segment. NIPSCO Operations aggregates the results of NIPSCO Holdings I, and its majority-owned subsidiaries, including NIPSCO, which has both fully regulated gas and electric operations in northern Indiana. The remainder of our operations, which are not significant enough on a stand-alone basis to warrant treatment as a reportable segment, are presented as "Corporate and Other" within the Notes to the Condensed Consolidated Financial Statements (unaudited) and primarily are comprised of interest expense on holding company debt, and unallocated corporate costs and activities.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
**NiSource Inc.
Columbia Operations**

Financial and operational data for the Columbia Operations segment for the three and six months ended June 30, 2025 and 2024 are presented below.

<i>(in millions)</i>	Three Months Ended June 30,			Six Months Ended June 30,		
	2025	2024	Favorable (Unfavorable)	2025	2024	Favorable (Unfavorable)
Operating Revenues	\$ 604.7	\$ 490.5	\$ 114.2	\$ 1,848.5	\$ 1,447.4	\$ 401.1
Operating Expenses						
Cost of energy	110.4	56.3	(54.1)	490.2	285.1	(205.1)
Operation and maintenance	207.7	191.3	(16.4)	450.7	402.0	(48.7)
Depreciation and amortization	111.7	99.4	(12.3)	219.9	197.6	(22.3)
Loss on sale of assets, net	0.3	—	(0.3)	0.3	—	(0.3)
Other taxes	52.4	46.9	(5.5)	119.4	104.1	(15.3)
Total Operating Expenses	482.5	393.9	(88.6)	1,280.5	988.8	(291.7)
Operating Income	\$ 122.2	\$ 96.6	\$ 25.6	\$ 568.0	\$ 458.6	\$ 109.4
Revenues						
Residential	\$ 402.1	\$ 338.4	\$ 63.7	\$ 1,260.1	\$ 1,004.2	\$ 255.9
Commercial	127.7	97.9	29.8	435.8	323.2	112.6
Industrial	38.1	33.3	4.8	86.3	73.7	12.6
Off-System	22.8	10.6	12.2	45.1	23.3	21.8
Other	14.0	10.3	3.7	21.2	23.0	(1.8)
Total	\$ 604.7	\$ 490.5	\$ 114.2	\$ 1,848.5	\$ 1,447.4	\$ 401.1
Sales and Transportation (MMDth)						
Residential	20.0	16.7	3.3	110.8	93.7	17.1
Commercial	20.8	18.5	2.3	82.7	72.8	9.9
Industrial	63.5	68.5	(5.0)	135.6	137.0	(1.4)
Off-System	8.7	5.9	2.8	14.6	13.2	1.4
Other	—	—	—	0.2	0.2	—
Total	113.0	109.6	3.4	343.9	316.9	27.0
Heating Degree Days⁽¹⁾	494	347	147	3,164	2,631	533
Normal Heating Degree Days⁽¹⁾	501	518	(17)	3,167	3,257	(90)
% Warmer than Normal	(1)%	(33)%		— %	(19)%	
% Colder than prior year	42 %			20 %		
Columbia Operations Customers						
Residential				2,219,628	2,208,280	11,348
Commercial				187,963	187,308	655
Industrial				1,980	1,968	12
Other				5	5	—
Total				2,409,576	2,397,561	12,015

⁽¹⁾ Heating degree figures represent averages of the five jurisdictions served by Columbia Operations.

Comparability of operation and maintenance expenses, depreciation and amortization, and other taxes may be impacted by regulatory, depreciation, and tax trackers that allow for the recovery in rates of certain costs.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc. Columbia Operations

The underlying reasons for changes in our operating revenues for the three and six months ended June 30, 2025 compared to the same period in 2024 are presented below.

Changes in Operating Revenues <i>(in millions)</i>	Favorable (Unfavorable)	
	Three Months Ended June 30, 2025 vs 2024	Six Months Ended June 30, 2025 vs 2024
New rates from base rate proceedings and regulatory capital programs	\$ 35.1	\$ 108.3
The effects of weather in 2025 compared to 2024	10.5	37.7
The effects of customer growth	1.5	3.1
The effects of customer usage	(1.3)	(7.6)
Other	1.0	0.8
Change in operating revenues (before cost of energy and other tracked items)	\$ 46.8	\$ 142.3
Operating revenues offset in operating expense		
Higher cost of energy billed to customers	54.1	205.1
Higher tracker deferrals within operation and maintenance, depreciation, and tax	13.3	53.7
Total change in operating revenues	\$ 114.2	\$ 401.1

Weather

In general, we calculate the weather-related revenue variance based on changing customer demand driven by weather variance from normal heating degree days, net of weather normalization mechanisms. Our composite heating degree days reported do not directly correlate to the weather-related dollar impact on the results of Columbia Operations. Heating degree days experienced during different times of the year or in different operating locations may have more or less impact on volume and dollars depending on when and where they occur. When the detailed results are combined for reporting, there may be weather-related dollar impacts on operations when there is not an apparent or significant change in our aggregated composite heating degree day comparison.

Sales

The increase in total volumes for the three months ended June 30, 2025, compared to the same period in 2024, is primarily attributable to an increase for residential and commercial customers due to colder weather, partially offset by industrial customers.

The increase in total volumes for the six months ended June 30, 2025, compared to the same period in 2024, is primarily attributable to an increase for residential and commercial customers due to colder weather.

Commodity Price Impact

Cost of energy for the Columbia Operations segment is principally comprised of the cost of natural gas procured on behalf of and sold to customers while providing transportation services. All of our Columbia Operations companies have state-approved recovery mechanisms that provide a means for full recovery of prudently incurred gas costs. These are tracked costs that are passed through directly to the customer, and the gas costs included in revenues are matched with the gas cost expense recorded in the period. Any difference in actual costs incurred and amounts billed to customers is recorded on the Condensed Consolidated Balance Sheets (unaudited) as under-recovered or over-recovered gas cost to be included in future customer billings. Therefore, increases in these tracked operating expenses are offset by increases in operating revenues and have essentially no impact on net income. Certain Columbia Operations companies continue to offer choice opportunities, where customers can choose to purchase gas from a third-party supplier through regulatory initiatives in their respective jurisdictions.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.
Columbia Operations

The underlying reasons for changes in our operating expenses for the three and six months ended June 30, 2025 compared to the same period in 2024 are presented below.

	Favorable (Unfavorable)	
	Three Months Ended June 30, 2025 vs 2024	Six Months Ended June 30, 2025 vs 2024
Changes in Operating Expenses <i>(in millions)</i>		
Higher depreciation and amortization expense	\$ (12.3)	(22.3)
Higher employee and administrative related expenses	(4.6)	\$ (10.6)
Higher property tax	(1.8)	(4.8)
Other	(2.5)	4.8
Change in operating expenses (before cost of energy and other tracked items)	\$ (21.2)	\$ (32.9)
Operating expenses offset in operating revenue		
Higher cost of energy billed to customers	(54.1)	(205.1)
Higher tracker deferrals within operation and maintenance, depreciation, and tax	(13.3)	(53.7)
Total change in operating expense	\$ (88.6)	\$ (291.7)

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
**NiSource Inc.
NIPSCO Operations**

Financial and operational data for the NIPSCO Operations segment, which services both gas and electric customers, for the three and six months ended June 30, 2025 and 2024 are presented below.

<i>(in millions)</i>	Three Months Ended June 30,			Six Months Ended June 30,		
	2025	2024	Favorable (Unfavorable)	2025	2024	Favorable (Unfavorable)
NIPSCO Operations						
Operating Revenues	\$ 680.8	\$ 597.4	\$ 83.4	\$ 1,622.5	\$ 1,350.1	\$ 272.4
Operating Expenses						
Cost of energy	151.4	108.4	(43.0)	419.1	304.6	(114.5)
Operation and maintenance	211.0	187.5	(23.5)	413.0	378.8	(34.2)
Depreciation and amortization	165.9	143.0	(22.9)	307.2	275.7	(31.5)
Loss on impairment of assets	0.4	—	(0.4)	0.7	—	(0.7)
Gain on sale of assets	—	(0.1)	(0.1)	—	(0.1)	(0.1)
Other taxes	18.1	16.3	(1.8)	36.6	32.4	(4.2)
Total Operating Expenses	546.8	455.1	(91.7)	1,176.6	991.4	(185.2)
Operating Income	\$ 134.0	\$ 142.3	\$ (8.3)	\$ 445.9	\$ 358.7	\$ 87.2

<i>(in millions)</i>	Three Months Ended June 30,			Six Months Ended June 30,		
	2025	2024	Favorable (Unfavorable)	2025	2024	Favorable (Unfavorable)
NIPSCO Electric						
Revenues						
Residential	\$ 164.6	\$ 156.9	\$ 7.7	\$ 332.5	\$ 300.7	\$ 31.8
Commercial	161.7	154.4	7.3	321.8	297.3	24.5
Industrial	134.4	119.9	14.5	277.2	236.0	41.2
Wholesale and Other	33.0	38.0	(5.0)	63.4	69.2	(5.8)
Total	\$ 493.7	\$ 469.2	\$ 24.5	\$ 994.9	\$ 903.2	\$ 91.7
Sales (GWh)						
Residential	804.3	828.8	(24.5)	1,614.7	1,593.7	21.0
Commercial	896.7	926.9	(30.2)	1,781.5	1,805.6	(24.1)
Industrial	2,034.0	1,945.1	88.9	4,170.0	3,777.8	392.2
Wholesale and Other	286.2	317.8	(31.6)	466.7	490.4	(23.7)
Total	4,021.2	4,018.6	2.6	8,032.9	7,667.5	365.4
Cooling Degree Days	301	326	(25)	301	326	(25)
Normal Cooling Degree Days	264	248	16	264	248	16
% Warmer than Normal	14 %	31 %		14 %	31 %	
% Colder than prior year	(8)%			(8)%		
NIPSCO Electric Customers						
Residential				432,133	428,348	3,785
Commercial				59,416	58,979	437
Industrial				2,110	2,118	(8)
Wholesale and Other				705	710	(5)
Total				494,364	490,155	4,209

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
**NiSource Inc.
NIPSCO Operations**

<i>(in millions)</i>	Three Months Ended June 30,			Six Months Ended June 30,		
	2025	2024	Favorable (Unfavorable)	2025	2024	Favorable (Unfavorable)
NIPSCO Gas						
Revenues						
Residential	\$ 115.1	\$ 78.6	\$ 36.5	\$ 413.8	\$ 290.7	\$ 123.1
Commercial	45.7	30.8	14.9	150.8	105.5	45.3
Industrial	22.6	16.1	6.5	54.0	39.9	14.1
Other	3.7	2.7	1.0	9.0	10.8	(1.8)
Total	\$ 187.1	\$ 128.2	\$ 58.9	\$ 627.6	\$ 446.9	\$ 180.7
Sales and Transportation Volumes (MMDth)						
Residential	8.6	7.0	1.6	41.3	35.6	5.7
Commercial	7.3	6.6	0.7	27.6	24.3	3.3
Industrial	64.5	61.6	2.9	138.3	131.8	6.5
Total	80.4	75.2	5.2	207.2	191.7	15.5
Heating Degree Days	660	451	209	3,675	3,094	581
Normal Heating Degree Days	640	640	0	3,719	3,781	(62)
% Colder (Warmer) than Normal	3 %	(30)%		(1)%	(18)%	
% Colder than prior year	46 %			19 %		
NIPSCO Gas Customers						
Residential				803,375	796,779	6,596
Commercial				66,554	66,276	278
Industrial				2,696	2,749	(53)
Total				872,625	865,804	6,821

Comparability of operation and maintenance expenses and depreciation and amortization may be impacted by regulatory and depreciation trackers that allow for the recovery in rates of certain costs.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc. NIPSCO Operations

The underlying reasons for changes in our operating revenues for the three and six months ended June 30, 2025 compared to the same period in 2024 are presented below.

	Favorable (Unfavorable)	
	Three Months Ended June 30, 2025 vs 2024	Six Months Ended June 30, 2025 vs 2024
Changes in Operating Revenues (in millions)		
New rates from base rate proceedings, regulatory capital and DSM programs	\$ 24.8	\$ 106.9
The effects of weather in 2025 compared to 2024	2.4	30.6
The effects of customer usage	0.6	4.4
The effects of customer growth	2.6	6.0
Renewable JV revenue, fully offset by JV operating expense and noncontrolling interest net income (loss)	(3.1)	(7.2)
Other	(1.1)	(1.2)
Change in operating revenues (before cost of energy and other tracked items)	\$ 26.2	\$ 139.5
Operating revenues offset in operating expense		
Higher cost of energy billed to customers	43.0	114.5
Higher tracker deferrals within operation and maintenance, depreciation and tax	14.1	18.3
Total change in operating revenues	\$ 83.3	\$ 272.3

Weather

The results of operations for the NIPSCO Operations segment include income from both electric and gas service lines. In general, we calculate the weather-related revenue variance based on changing customer demand driven by weather variance from normal cooling degree days and normal heating degree days, net of weather normalization mechanisms. Our composite cooling and heating degree days reported do not directly correlate to the weather-related dollar impact on the results of NIPSCO Operations. Cooling and heating degree days experienced during different times of the year or in different operating locations may have more or less impact on volume and dollars depending on when they occur. When the detailed results are combined for reporting, there may be weather-related dollar impacts on operations when there is not an apparent or significant change in our aggregated composite cooling and heating degree day comparison.

Sales

The increase in total volumes sold to electric customers for the three months ended June 30, 2025 compared to the same period in 2024 was primarily attributable to increased industrial usage, offset by decreased commercial and wholesale and other usage. The increase in total volumes sold to electric customers for the six months ended June 30, 2025 compared to the same period in 2024 was primarily attributable to increased industrial and residential usage, partially offset by decreased commercial and wholesale and other usage.

The increase in total volumes sold to gas customers for the three and six months ended June 30, 2025 compared to the same period in 2024 was primarily attributable to increased usage by industrial customers as well as increased residential customer sales due to colder weather.

Commodity Price Impact

Cost of energy for the NIPSCO Operations segment's electric activities is principally comprised of the cost of coal, natural gas purchased for internal generation of electricity, transportation of coal and natural gas, and the cost of power purchased from generators of electricity for its generation and transmission activities. For its gas distribution activities, NIPSCO Operations' cost of energy is principally comprised of the cost of natural gas procured on behalf of and sold to customers while providing transportation and distribution services. NIPSCO Operations has state-approved recovery mechanisms that provide a means for full recovery of prudently incurred costs of energy. The majority of these costs of energy are passed through directly to the customer, and the costs of energy included in operating revenues are matched with the cost of energy expense recorded in the period. Any difference in actual costs incurred and amounts billed to customers is recorded on the Condensed Consolidated Balance Sheets (unaudited) as under-recovered or over-recovered fuel and gas costs to be included in future customer billings.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc. NIPSCO Operations

Therefore, increases in these tracked operating expenses are offset by increases in operating revenues and have essentially no impact on net income.

The underlying reasons for changes in our operating expenses for the three and six months ended June 30, 2025 compared to the same period in 2024 are presented below.

Changes in Operating Expenses (in millions)	Favorable (Unfavorable)	
	Three Months Ended June 30, 2025 vs 2024	Six Months Ended June 30, 2025 vs 2024
Higher depreciation and amortization expense driven by new base rates	(23.0)	\$ (32.2)
Higher outside services expenses	(14.0)	(18.0)
Lower environmental remediation costs	5.8	3.3
Higher employee and administrative expenses	(1.1)	(3.1)
Higher JV expenses	(3.5)	(3.4)
Other	1.0	(0.1)
Change in operating expenses (before cost of energy and other tracked items)	\$ (34.8)	\$ (53.5)
Operating expenses offset in operating revenue		
Higher cost of energy billed to customers	(43.0)	(114.5)
Higher tracker deferrals within operation and maintenance, depreciation and tax	(13.9)	(17.2)
Total change in operating expense	\$ (91.7)	\$ (185.2)

Electric Supply and Generation Transition

NIPSCO continues to execute on an electric generation transition consistent with the 2018 Plan and 2021 Plan and maintained in the 2024 Plan. The 2024 plan outlines the path to retire the remaining two coal units at R.M. Schahfer by the end of 2025 and the remaining coal-fired generation at Michigan City by the end of 2028, to be replaced by lower-cost, reliable and cleaner options. NIPSCO is evaluating potential impacts of federal and state executive orders on its generation transition plans.

The current replacement plan primarily includes renewable sources of energy, including wind, solar, battery storage, and flexible natural gas resources to be obtained through a combination of NIPSCO ownership and PPAs. NIPSCO has sold, and may in the future sell, renewable energy credits from its renewable generation to third parties to offset customer costs. Since 2020, two wind and one solar PPA projects and seven owned projects (two wind, three solar and two solar plus storage) have been placed into service totaling 2,651 MW of nameplate capacity, including Dunns Bridge II and Fairbanks, which were placed into service in January and May 2025, respectively. NIPSCO has executed several PPAs to purchase 100% of the output from renewable generation facilities at a fixed price per MWh. Each facility supplying the energy has an associated nameplate capacity, and payments under the PPAs will not begin until the associated generation facility is constructed by the owner/seller. See "Executive Summary - Energy Transition" in this Management's Discussion for additional information. We expect the majority of our remaining BTA and PPA projects to be placed in service between 2025 and 2027.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)**NiSource Inc.
NIPSCO Operations**

Remaining Renewables Projects	Transaction Type	Technology	Nameplate Capacity (MW)	Storage Capacity (MW)
Gibson	BTA	Solar	200	—
Templeton	BTA ⁽¹⁾	Wind	200	—
Appleseed	20 year PPA	Solar	200	—
Carpenter	20 year PPA	Wind	200	—

⁽¹⁾ Pending regulatory approval.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)**NiSource Inc.****Liquidity and Capital Resources**

We continually evaluate the availability of adequate financing to fund our ongoing business operations, working capital and core safety and infrastructure investment programs. Our financing is sourced through cash flow from operations and the issuance of debt and/or equity. External debt financing is provided primarily through the issuance of long-term debt, accounts receivable securitization programs and our \$1.85 billion commercial paper program, which is backstopped by our committed revolving credit facility with a total availability from third-party lenders of \$1.85 billion. We believe these sources provide adequate capital to fund our operating activities and capital expenditures in 2025 and beyond. Sources of financing activities for the current year are as follows:

ATM program

- As of June 30, 2025, the ATM program (inclusive of the forward sale agreements) had approximately \$47.5 million of equity available for issuance.
- In February 2025, we executed a forward sale agreement, which allows us to issue a fixed number of shares at a price to be settled in the future. The forward purchaser under our forward sale agreement borrowed 2,000,000 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$40.10 per share.
- In March 2025, we executed a forward sale agreement, which allows us to issue a fixed number of shares at a price to be settled in the future. The forward purchaser under our forward sale agreement borrowed 1,707,320 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$41.00 per share.
- In June 2025, we executed a forward sale agreement, which allows us to issue a fixed number of shares at a price to be settled in the future. The forward purchaser under our forward sale agreement borrowed 2,518,393 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$39.71 per share.

Long-Term Debt

- On March 27, 2025 we completed the issuance and sale of \$750.0 million of 5.850% senior unsecured notes maturing in 2055, which resulted in approximately \$739.6 million of net proceeds after discount and debt issuance costs.
- On June 27, 2025, we completed the issuance and sale of an additional \$750.0 million of 5.850% senior unsecured notes maturing in 2055 (the "2055 Notes"). The terms of the 2055 Notes, other than the issue date and the price to the public, are identical to the terms of, and constitute a reopening of, our 5.850% senior unsecured notes maturing in 2055 issued on March 27, 2025. With the incremental issuance, we now have \$1.5 billion of 5.850% senior unsecured notes maturing in 2055. On June 27, 2025, we also completed the issuance and sale of \$900.0 million of 5.350% senior unsecured notes maturing in 2035 (the "2035 Notes"). These issuances of the additional 2055 Notes and the 2035 Notes resulted in approximately \$1.616 billion of total net proceeds after discount and debt issuance costs.

See Note 6, "Equity," Note 7, "Short-Term Borrowings," and Note 8, "Long-Term Debt," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for more information on our financing activities.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

Cash Flow Activities

The following table summarizes our cash flow activities:

<i>(in millions)</i>	Six Months Ended June 30,		
	2025	2024	Change in 2025 vs 2024
Cash from (used for):			
Operating Activities	\$ 1,181.8	\$ 901.7	\$ 280.1
Investing Activities	(2,566.3)	(1,594.0)	(972.3)
Financing Activities	1,551.5	(1,452.9)	3,004.4

Operating Activities

The increase in cash from operating activities was primarily driven by year over year change in exchange gas receivables, higher net income, deferred income taxes and investments, partially offset by higher inventory and accounts receivables due to colder weather.

Investing Activities

Year over year increase in investing activities was primarily comprised of milestone payments to renewable generation asset developers for certain of our BTA projects and advanced deposits.

We remain on track to make capital investments totaling \$4.0 billion to \$4.3 billion during the 2025 period. In addition to ongoing capital expenditures, these capital investments include advanced deposits for project costs as well as milestone payments to the renewable generation asset developers. We also expect to invest approximately \$19.4 billion during the 2025-2029 period, including capital investments to support our generation transition strategy. These forecasted capital investments are subject to continuing review and adjustment. Actual capital investments may vary from these estimates.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

Regulatory Capital Programs. We are in the process of upgrading and modernizing our electric system to enhance safety and reliability by addressing aged infrastructure and deploying advanced grid technologies. We are also upgrading and modernizing our gas infrastructure to enhance safety and reliability by reducing leaks. An ancillary benefit of these programs is the reduction of GHG emissions. In 2025, we continue to move forward on core infrastructure investment programs supported by complementary regulatory and customer initiatives across all six states of our operating area.

The following table describes the most recent vintage of our regulatory programs to recover infrastructure replacement and other federally mandated compliance investments:

(in millions)

Company	Program	Capital Investment	Investment Period	Filing Date	Costs Covered ⁽¹⁾
Approved					
Columbia of Ohio	IRP - 2025	\$ 978.7	4/21-12/24	2/27/2025	Replacement of hazardous service lines, cast iron, wrought iron, uncoated steel, and bare steel pipe.
Columbia of Ohio	PHMSA IRP - 2025	\$ 78.2	1/23-12/24	2/28/2025	Investments necessary to comply with the PHMSA Mega Rule.
Columbia of Ohio	CEP - 2024	\$ 763.3	4/21-12/23	2/26/2024	Assets not included in the IRP or PHMSA IRP.
Columbia of Virginia	SAVE - 2025	\$ 89.0	10/24-12/25	8/15/2024	Replacement projects that (1) enhance system safety or reliability, or (2) reduce, or potentially reduce, greenhouse gas emissions. Includes costs associated with Advanced Leak Detection and Repair.
Columbia of Kentucky	SMRP - 2025	\$ 128.5	1/23-12/25	10/15/2024	Replacement of mains and inclusion of system safety investments.
NIPSCO - Electric ⁽²⁾	TDSIC - 6	\$ 555.0	7/22-9/24	11/26/2024	New or replacement projects undertaken for the purpose of safety, reliability, system modernization or economic development.
NIPSCO - Electric ⁽³⁾	GCT - 1	\$ 149.4	9/23-10/25	12/16/2024	New gas peaker generation project costs forecasted through Oct. 2025.
NIPSCO - Gas ⁽⁴⁾	TDSIC - 8	\$ 8.3	1/23-2/24	4/30/2024	New or replacement projects undertaken for the purpose of safety, reliability, system modernization or economic development.
NIPSCO - Gas	FMCA - 4	\$ 9.4	6/24-12/24	2/25/2025	Project costs to comply with federal mandates.
Pending Commission Approval					
NIPSCO - Gas	TDSIC - 9	\$ 35.3	3/24-3/25	5/23/2025	New or replacement projects undertaken for the purpose of safety, reliability, system modernization, or economic development.
NIPSCO - Electric ⁽⁵⁾	TDSIC - 7	\$ 315.6	7/22-3/25	5/27/2025	New or replacement projects undertaken for the purpose of safety, reliability, system modernization or economic development.
NIPSCO - Electric	GCT - 2	\$ 80.1	11/25-4/26	6/18/2025	New gas peaker generation project costs forecasted through April 2026.
Columbia of Ohio	CEP - 2025	\$ 1,030.0	4/21-12/24	2/27/2025	Assets not included in the IRP or PHMSA IRP.

⁽¹⁾Programs do not include any costs already included in base rates.

⁽²⁾The capital investment remaining within the tracker after the Step 1 Compliance Filing, on June 30, 2025, is \$203.7 million for TDISC-6.

⁽³⁾Capital investment is based on a projected amount. The capital investment has not all been incurred to date and represents a forecasted average for the billing period.

⁽⁴⁾The capital investment remaining after the Step 2 Compliance Filing, on February 13, 2025, is \$5.8 million for TDSIC-8.

⁽⁵⁾TDISC - 7 was originally filed on May 27, 2025 and refiled on July 2, 2025, due to the Electric Rate Case Order. The refiling adjusted the capital in the tracker to go down from \$744.7 million to \$315.6 million.

NIPSCO Gas filed an FMCA CPCN on April 21, 2025. The petition is seeking recovery of spend incurred related to certain federally mandated Pipeline Safety IV Compliance Plan costs. The request includes \$244.1 million of estimated capital, including indirect costs and AFUDC.

Financing Activities

Common Stock. Refer to Note 6, "Equity," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on common stock.

Long-Term Debt. Refer to Note 8, "Long-Term Debt," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on long-term debt activity.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
NiSource Inc.

Short-Term Debt. Refer to Note 7, "Short-Term Borrowings," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on short-term debt activity.

Noncontrolling Interest. Refer to Note 4, "Noncontrolling Interests," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on contributions and distributions from noncontrolling interests.

Sources of Liquidity

The following table displays our liquidity position as of June 30, 2025 and December 31, 2024:

<i>(in millions)</i>	June 30, 2025	December 31, 2024
Current Liquidity		
Revolving Credit Facility	\$ 1,850.0	\$ 1,850.0
Accounts Receivable Programs ⁽¹⁾	245.0	175.0
<i>Less:</i>		
Commercial Paper	—	604.6
Letters of Credit Outstanding Under Credit Facility	—	9.4
<i>Add:</i>		
Cash and Cash Equivalents	335.4	156.6
Net Available Liquidity	\$ 2,430.4	\$ 1,567.6

⁽¹⁾Represents the lesser of the seasonal limit or maximum borrowings supportable by the underlying receivables.

Debt Covenants. We are subject to a financial covenant under our revolving credit facility, which requires us to maintain a debt to capitalization ratio that does not exceed 70.0%. As of June 30, 2025, the ratio was 55.2%.

Credit Ratings. The credit rating agencies periodically review our ratings, taking into account factors such as our capital structure and earnings profile. The following table includes our and NIPSCO's credit ratings and ratings outlook as of June 30, 2025. There were no changes to the below credit ratings or outlooks since February 2020.

A credit rating is not a recommendation to buy, sell, or hold securities, and may be subject to revision or withdrawal at any time by the assigning rating organization.

	S&P		Moody's		Fitch	
	Rating	Outlook	Rating	Outlook	Rating	Outlook
NiSource	BBB+	Stable	Baa2	Stable	BBB	Stable
NIPSCO	BBB+	Stable	Baa1	Stable	BBB	Stable
Commercial Paper	A-2	Stable	P-2	Stable	F2	Stable

Certain of our subsidiaries have agreements that contain "ratings triggers" that require increased collateral if our credit rating or the credit ratings of certain of our subsidiaries are below investment grade. These agreements are primarily for insurance purposes and for the physical purchase or sale of power. As of June 30, 2025, the collateral requirement that would be required in the event of a downgrade below the ratings trigger levels would amount to approximately \$145.0 million. In addition to agreements with ratings triggers, there are other agreements that contain "adequate assurance" or "material adverse change" provisions that could necessitate additional credit support such as letters of credit and cash collateral to transact business.

Equity. Our authorized capital stock consists of 770,000,000 shares, \$0.01 par value, 750,000,000 are common stock and 20,000,000 are preferred stock. As of June 30, 2025, 470,784,423 shares of common stock were outstanding and no shares of preferred stock were outstanding.

Contractual Obligations. A summary of contractual obligations is included in the Company's Annual Report on Form 10-K for the year ended December 31, 2024. Except for our March and June 2025 debt issuances, there were no additional material changes from year-end during the six months ended June 30, 2025. Refer to Note 8, "Long-Term Debt," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information regarding the debt issuances.

NiSource Inc.

Guarantees, Indemnities and Other Off Balance Sheet Arrangements. We and certain of our subsidiaries enter into various agreements providing financial or performance assurance to third parties on behalf of certain subsidiaries as a part of normal business. Such agreements include guarantees and stand-by letters of credit. Refer to Note 15, "Other Commitments and Contingencies," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information about such arrangements.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

Regulatory, Environmental and Safety Matters

Cost Recovery and Trackers

Comparability of our line item operating results is impacted by regulatory trackers that allow for the recovery in rates of certain costs such as those described below. Increases in the costs that are subject to approved regulatory tracker mechanisms generally lead to increased regulatory assets, which ultimately result in a corresponding increases in operating revenues and expenses and, therefore, have essentially no impact on total operating income results. Certain approved regulatory tracker mechanisms allow for abbreviated regulatory proceedings in order for the operating companies to quickly implement revised rates and recover associated costs.

A portion of the Columbia Operations' and NIPSCO Operations' revenue is related to the recovery of gas costs, the review and recovery of which occurs through standard regulatory proceedings. All states in our operating area require periodic review of actual gas procurement activity to determine prudence and to confirm the recovery of prudently incurred energy commodity costs supplied to customers.

We recognize that energy efficiency reduces emissions, conserves natural resources and saves our customers money. Our gas distribution companies offer programs such as energy efficiency upgrades, home checkups and weatherization services. The increased efficiency of natural gas appliances and improvements in home building codes and standards contributes to a long-term trend of declining average use per customer. While we are looking to expand offerings so the energy efficiency programs can benefit as many customers as possible, our gas distribution operations utilities have pursued changes in rate design to more effectively match recoveries with costs incurred. Columbia of Ohio has adopted a straight fixed variable rate design for residential and small commercial customers that closely links the recovery of fixed costs with fixed charges. Columbia of Maryland and Columbia of Virginia have regulatory approval for weather and revenue normalization adjustments for certain customer classes, which adjust monthly revenues that exceed or fall short of approved levels. Columbia of Pennsylvania continues to operate its pilot residential weather normalization adjustment and also has a fixed customer charge. This weather normalization adjustment only adjusts revenues when actual weather compared to normal varies by more than 3%. Columbia of Kentucky charges certain customer classes a mix of fixed and weather normalized volumetric rates during the peak heating season. NIPSCO Gas and Electric include a fixed customer charge for residential and small commercial and industrial customer classes. NIPSCO Gas has implemented a weather normalization adjustment for certain of its customer classes.

A portion of the NIPSCO Operations' revenue is related to the recovery of fuel costs to generate power and the fuel costs related to purchased power. These costs are recovered through a FAC, which is updated quarterly to reflect actual costs incurred to supply electricity to customers.

While increased efficiency of electric appliances and improvements in home building codes and standards have similarly impacted the average use per electric customer in recent years, NIPSCO expects future growth in per customer usage as a result of increasing electric applications, such as electric vehicles. These ongoing changes in use of electricity will likely lead to development of innovative rate designs, and NIPSCO will continue efforts to design rates that increase the certainty of recovery of fixed costs.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

Regulatory, Environmental and Safety Matters

Rate Case Actions

The following table describes current rate case actions as applicable in each of our jurisdictions net of tracker impacts:

(in millions)

Company	Approved ROE	Requested Incremental Revenue	Approved Incremental Revenue	Filing Date	Rates Effective
Approved Rate Cases					
Columbia of Pennsylvania ⁽¹⁾	None specified	\$ 124.1	\$ 74.0	March 15, 2024	December 2024
Columbia of Maryland	9.80 %	\$ 10.7	\$ 7.8	September 24, 2024	April 2025
Columbia of Kentucky	9.75 %	\$ 23.8	\$ 14.3	May 16, 2024	January 2025
Columbia of Virginia ⁽²⁾	9.75 %	\$ 37.2	\$ 28.2	April 29, 2024	October 2024
Columbia of Ohio	9.60 %	\$ 221.4	\$ 68.3	June 30, 2021	March 2023
NIPSCO - Gas ⁽³⁾	9.75 %	\$ 161.9	\$ 120.9	October 25, 2023	August 2024
NIPSCO - Electric ⁽⁴⁾	9.75 %	\$ 368.7	\$ 257.0	September 12, 2024	July 2025
Pending Rate Cases					
Columbia of Pennsylvania	In process	\$ 110.5	In process	March 20, 2025	December 2025

⁽¹⁾No approved ROE is identified for this matter since the approved revenue increase is the result of a black box settlement under which parties agree upon the amount of increase.

⁽²⁾The approved rate case resulted in a black box settlement, representing a settlement to a specific revenue increase but not a specified ROE. The settlement provides use of a 9.75% ROE for future SAVE filings.

⁽³⁾New rates were implemented in 2 steps, with implementation of Step 1 rates effective in August 2024 and Step 2 rates effective in February 2025.

⁽⁴⁾New rates will be implemented in multiple steps, with implementation of the first step in July 2025 and final rates effective no later than March 2026.

PHMSA Legislation and Regulations

To fulfill our vision of being a trusted energy provider, we follow safety practices required by regulations and we implement our Safety Management System ("SMS"). SMS serves as the framework to identify and reduce risks and ensure consistent safety processes, procedures and operations across the organization.

As directed by law in the Protecting Our Infrastructure of Pipelines and Enhancing Safety (PIPES) Act of 2020, PHMSA has revised, and continues to revise, the pipeline safety regulations focused on public safety and environmental hazard mitigation. The PIPES Act of 2020 specifically includes leak detection and repair criteria (the "LDAR" rule) and regulations that require operators to upgrade their existing low-pressure regulating stations with enhanced safeguards and update distribution integrity management plans, emergency response plans, and operation and maintenance plans (the Safety of Gas Distribution Pipelines, or "SGDP" rule).

In May 2023, PHMSA proposed regulatory revisions under the PIPES Act of 2020 to minimize methane emissions and improve public safety. Under these proposed revisions, our subsidiaries would be required to detect and repair an increased number of gas leaks, reduce the time to repair leaks, increase leak survey, and expand our existing advanced leak detection program. In January 2025, PHMSA withdrew the final LDAR rule and it has not gone into effect.

In September 2023, PHMSA proposed additional regulatory revisions under the PIPES Act of 2020 to enhance distribution system safety through equipment and procedural expectations in the form of the SGDP rule. Operators will be required to incorporate additional protections for low pressure distribution systems that prevent over-pressurization, amend construction procedures designed to minimize the risk of incidents caused by system over-pressurization, and update distribution integrity management programs to cover and prepare for over-pressurization incidents. PHMSA did not progress the SGDP rulemaking in 2024.

We continue to evaluate and monitor PHMSA-related legislation and regulations but cannot predict the impact of changing pipeline safety regulations on our business at this time.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)**NiSource Inc.****Regulatory, Environmental and Safety Matters****Environmental and Climate Change Issues**

On March 12, 2025, the EPA announced it will undertake 31 deregulatory actions to advance the administration's policy priorities as directed by various executive orders. These actions will address multiple existing water, waste, air and climate regulations including, but not limited to, GHG rules and the Legacy CCR Rule. On July 29, 2025, the EPA proposed rescinding the 2009 Endangerment Finding, the scientific and legal foundation for federal GHG regulations under the Clean Air Act. NiSource will continue to monitor these matters and assess the impacts to our business as regulations are proposed and finalized, or as otherwise required by law.

Physical Climate Risks. Increased frequency of severe and extreme weather events associated with climate change could materially impact our facilities, energy sales, and results of operations. We are unable to predict these events. However, we perform assessments of physical risk, including physical climate risk, to our business. More extreme and volatile temperatures, increased storm intensity and flooding, and more volatile precipitation leading to changes in lake and river levels are among the weather events that are most likely to impact our business. Efforts to mitigate these physical risks continue to be implemented.

Transition Climate Risks and Opportunities. We actively engage with and monitor the impact that proposed legislative and regulatory programs related to GHG emissions, at both the federal and state levels, would have on our business.

Regarding federal policies, we continue to monitor the status of climate change-related legislation and regulation, including the OBBBA signed into law on July 4, 2025. As of the date of this filing, management has evaluated the provisions of the OBBBA and does not believe the bill will have a material impact on the Company's financial position or results of operations. None of the Company's in-flight renewable energy projects are impacted by the phaseout of tax credits in the OBBBA.

On June 11, 2025, the EPA proposed to repeal GHG emissions standards for fossil fuel-fired power plants that were finalized by the previous federal administration in May 2024. The proposed repeal would eliminate key requirements from the 2024 Carbon Pollution Standards, including capacity factor thresholds and carbon capture and storage (CCS) mandates. If finalized, this action would remove regulatory constraints that could significantly impact NIPSCO's planned gas generation, allowing customers to avoid approximately \$675 million in additional cost as assessed through the 2024 NIPSCO IRP.

We also continue to monitor evolving state policies related to GHG emissions from our gas distribution companies. The Climate Solutions Now Act of 2022 requires Maryland to reduce GHG emissions by 60% by 2031 (from 2006 levels), and it requires the state to reach net zero emissions by 2045. The Maryland Department of the Environment ("MDE") adopted a plan to achieve its 2031 goal and is required to adopt a plan for their 2045 net zero goal by 2030. The Act also enacts a state policy to move to broader electrification of both existing buildings and new construction. In December 2024, the MDE issued final Building Energy Performance Standards, which would require net zero direct GHG emissions from large buildings by 2040 with interim targets, or payments of an alternative compliance fee. Columbia of Maryland is advocating for compliance pathways that use RNG, hydrogen, new technologies and emissions offsets. Under an executive order, Maryland is also developing a Clean Heat Standard and a Zero-Emission Heating Equipment Standard that are intended to transition gas appliances to electric heat pumps. Separately, the Public Service Commission ("PSC") has also initiated a proceeding related to Near-Term, Priority Actions and Comprehensive, Long-Term Planning for Maryland's Gas Companies. On June 17, 2025, the PSC issued an order directing its Staff to prepare proposed regulations by December 1, 2025, eliminating Company contributions to main or service extensions to new residential and commercial customers. Columbia of Maryland cannot predict the final impact of these policies on our business at this time.

Net Zero Goal. In November 2022, we announced a goal of net zero GHG emissions by 2040 covering both Scope 1 and Scope 2 GHG emissions ("Net Zero Goal"). Our Net Zero Goal builds on GHG emission reductions achieved to-date. We plan to achieve our Net Zero Goal primarily through continuation and enhancement of existing programs, such as retiring and replacing coal-fired electric generation with low- or zero-emission electric generation, ongoing pipe replacement and modernization programs, and deployment of advanced leak-detection technologies. In addition, we plan to advance other low- and zero-emission energy resources and technologies, which may include hydrogen, renewable natural gas, long-duration storage, and/or deployment of carbon capture and utilization technologies, if and when these become technologically and economically feasible. Carbon offsets and renewable energy credits may also be used to support achievement of our Net Zero Goal. As of the end of 2024, we had reduced Scope 1 GHG emissions by approximately 72% from 2005 levels.

Our GHG emissions projections, including achieving a Net Zero Goal, are subject to various assumptions that involve risks and uncertainties, and did not include any assumptions related to data center development and associated load growth. We remain

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

Regulatory, Environmental and Safety Matters

committed to our Net Zero Goal, however, certain of our interim goals may evolve as we assess and respond to business opportunities such as data centers. Achievement of our Net Zero Goal by 2040 will require supportive regulatory and legislative policies, favorable stakeholder environments and advancement of technologies that are not currently economically or technologically feasible to deploy at scale, as well as execution of our business plan. Otherwise, our actual results or ability to achieve our Net Zero Goal, including by 2040, may differ materially.

Market Risk Disclosures

Risk is an inherent part of our businesses. The extent to which we properly and effectively identify, assess, monitor and manage each of the various types of risk involved in our businesses is critical to our profitability. We seek to identify, assess, monitor and manage, in accordance with defined policies and procedures, the following principal market risks that are involved in our businesses: commodity price risk, interest rate risk and credit risk. We manage risk through a multi-faceted process with oversight by the Risk Management Committee that requires constant communication, judgment and knowledge of specialized products and markets. Our senior management takes an active role in the risk management process and has developed policies and procedures that require specific administrative and business functions to assist in the identification, assessment and control of various risks. These may include, but are not limited to market, operational, financial, compliance and strategic risk types. In recognition of the increasingly varied and complex nature of the energy business, our risk management process, policies and procedures continue to evolve and are subject to ongoing review and modification.

Commodity Price Risk

Our gas and electric subsidiaries have commodity price risk primarily related to the purchases of natural gas and power. To manage this market risk, our subsidiaries use derivatives, including commodity futures contracts, swaps, forwards and options. We do not participate in speculative energy trading activity.

Commodity price risk resulting from derivative activities at our rate-regulated subsidiaries is limited and does not bear significant exposure to earnings risk, since our current regulatory mechanisms allow recovery of prudently incurred purchased power, fuel and gas costs through the rate-making process, including gains or losses on these derivative instruments. These changes are included in the GCA and FAC regulatory rate-recovery mechanisms. If these mechanisms were to be adjusted or eliminated, these subsidiaries may begin providing services without the benefit of the traditional rate-making process and may be more exposed to commodity price risk. For additional information, see "Results and Discussion of Segment Operations" in this Management's Discussion.

Our subsidiaries are required to make cash margin deposits with their brokers to cover actual and potential losses in the value of outstanding exchange traded derivative contracts. The amount of these deposits, some of which are reflected in our restricted cash balance, may fluctuate significantly during periods of high volatility in the energy commodity markets.

Refer to Note 10, "Risk Management Activities," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for further information on our commodity price risk assets and liabilities.

Interest Rate Risk

We are exposed to interest rate risk as a result of changes in interest rates on borrowings under our revolving credit agreement, commercial paper program, and accounts receivable programs, which have interest rates that are indexed to short-term market interest rates. Based upon average borrowings and debt obligations subject to fluctuations in short-term market interest rates, an increase (or decrease) in short-term interest rates of 100 basis points (1%) would have increased (or decreased) interest expense by \$1.8 million and \$4.3 million for the three and six months ended June 30, 2025 and \$2.6 million and \$5.2 million for the three and six months ended June 30, 2024, respectively. We are also exposed to interest rate risk as a result of changes in benchmark rates that can influence the interest rates of future long-term debt issuances. From time to time we may enter into forward interest rate instruments to lock in long term interest costs and/ or rates.

Credit Risk

Due to the nature of the industry, credit risk is embedded in many of our business activities. Our extension of credit is governed by a Corporate Credit Risk Management Policy which establishes guidelines for documenting management approval levels for credit limits, evaluating creditworthiness, and credit risk mitigation efforts. Exposures to credit risks are monitored by the risk management function, which is independent of commercial operations. Credit risk arises due to the possibility that a customer,

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

supplier or counterparty will not be able or willing to fulfill its obligations on a transaction on or before the settlement date. For derivative-related contracts, credit risk arises when counterparties are obligated to deliver or purchase defined commodity units of gas or power to us at a future date per execution of contractual terms and conditions. Exposure to credit risk is measured in terms of both current obligations and the market value of forward positions net of any posted collateral such as cash and letters of credit.

The financial status of our banking partners is periodically assessed through traditional credit ratings provided by major credit rating agencies.

Other Information

Critical Accounting Estimates

A summary of our critical accounting estimates is included in the Company's Annual Report on Form 10-K for the year ended December 31, 2024. There were no material changes made as of June 30, 2025.

Recently Issued Accounting Pronouncements

Refer to Note 2, "Recent Accounting Pronouncements," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information about recently issued and adopted accounting pronouncements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Quantitative and qualitative disclosures about market risk are reported in Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations - Market Risk Disclosures."

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our chief executive officer and our chief financial officer are responsible for evaluating the effectiveness of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)). Our disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed by us in reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure and is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. Based upon that evaluation, our chief executive officer and chief financial officer concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were effective at a reasonable assurance level.

Changes in Internal Controls

There have been no changes in our internal control over financial reporting during the most recently completed quarter covered by this report that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II

ITEM 1. LEGAL PROCEEDINGS

For a description of our legal proceedings, see Note 15, "Other Commitments and Contingencies - B. Legal Proceedings," in the Notes to the Condensed Consolidated Financial Statements (unaudited).

ITEM 1A. RISK FACTORS

Please refer to the risk factors set forth in Part I, Item 1A of the Annual Report on Form 10-K for the year ended December 31, 2024. There have been no material changes to such risk factors other than as set forth below.

The impacts of natural disasters, acts of terrorism, acts of war, civil unrest, accidents, public health emergencies or other catastrophic events may disrupt operations and reduce the ability to service customers.

A disruption or failure of natural gas distribution systems, or within electric generation, transmission or distribution systems, in the event of a hurricane, tornado, wildfire, flood, or other major weather event, or terrorist attack, acts of war, international military invasions, including the political and economic disruption and uncertainty related to such terrorist attack, acts of war, or international military invasions, civil unrest, accident, public health emergency (e.g. pandemic), or other catastrophic event could cause delays in completing sales, providing services, or performing other critical functions. We have experienced disruptions in the past from tornadoes, hurricanes and remnants of hurricanes and other events of this nature. Also, companies in our industry face a heightened risk of exposure to and have experienced acts of terrorism and vandalism. Our electric and gas physical infrastructure may be targets of physical security threats or terrorist activities that could disrupt our operations. We have increased security given the current environment and may be required by regulators or by the future threat environment to make investments in security that we cannot currently predict. In addition, the supply chain constraints that we are experiencing could impact our ability to timely restore services.

Recent escalation with respect to Middle Eastern conflicts, and in particular, the direct involvement of the United States in the conflict involving Iran, may increase the likelihood that facilities within the United States, including natural gas distribution systems or electric generation, transmission or distribution systems that we own or on which we rely, will be targeted by military strikes, acts of terrorism or cyberattacks. In addition, the continuation or further escalation of these or other conflicts could create significant volatility in global capital markets or significantly disrupt the global economy, including disruptions of the global supply chain.

The occurrence of such events could materially adversely affect our business, financial position and results of operations. In accordance with customary industry practice, we maintain insurance against some, but not all, of these risks and losses. As a result, the amount and scope of insurance coverage maintained against losses resulting from any such event may not be sufficient to cover such losses or otherwise adequately compensate for any business disruptions that could result.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

Director and Officer Trading Arrangements

The following table describes any contracts, instructions or written plans for the sale or purchase of NiSource securities that are intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) of the Exchange Act that were adopted by our directors and executive officers during the quarter ended June 30, 2025:

Name and Title	Date of Adoption of Rule 10b5-1 Trading Plan	Scheduled Expiration Date of Rule 10b5-1 Trading Plan⁽¹⁾	Aggregate Number of Securities to Be Purchased or Sold
Shawn Anderson Executive Vice President, Chief Financial Officer	5/30/2025	11/28/2025	Sale of up to 11,115 shares of common stock in multiple transactions

⁽¹⁾A trading plan may also expire on such earlier date that all transactions under the trading plan are completed.

Except as described above, during the quarter ended June 30, 2025, none of our directors or executive officers adopted or terminated a Rule 10b5-1 trading plan or adopted or terminated a non-Rule 10b5-1 trading arrangement (as defined in Item 408(c) of Regulation S-K).

ITEM 6. EXHIBITS

NiSource Inc.

- (4.1) Form of 5.850% Notes due 2055 (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on March 27, 2025).
 - (4.2) Form of 5.350% Notes due 2035 (incorporated by reference to [Exhibit 4.1 to the NiSource Inc. Form 8-K](#) filed on June 27, 2025).
 - (31.1) [Certification of Chief Executive Officer pursuant to Rule 13a-14\(a\)/15d-14\(a\), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.](#)*
 - (31.2) [Certification of Chief Financial Officer pursuant to Rule 13a-14\(a\)/15d-14\(a\), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.](#)*
 - (32.1) [Certification of Chief Executive Officer pursuant to 18. U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 \(furnished herewith\).](#)*
 - (32.2) [Certification of Chief Financial Officer pursuant to 18. U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 \(furnished herewith\).](#)*
 - (101.INS) Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
 - (101.SCH) Inline XBRL Schema Document
 - (101.CAL) Inline XBRL Calculation Linkbase Document
 - (101.LAB) Inline XBRL Labels Linkbase Document
 - (101.PRE) Inline XBRL Presentation Linkbase Document
 - (101.DEF) Inline XBRL Definition Linkbase Document
 - (104) Cover page Interactive Data File (formatted as inline XBRL, and contained in Exhibit 101.)
- * Exhibit filed herewith.
- ** Schedules and similar attachments to this Exhibit have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company agrees to furnish supplementally a copy of any omitted schedule or exhibit to the U.S. Securities and Exchange Commission (the “SEC”) upon request

SIGNATURE

NiSource Inc.

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

NiSource Inc.

(Registrant)

Date: August 6, 2025

By:

/s/ Gunnar J. Gode

Gunnar J. Gode

Senior Vice President, Chief Accounting and Tax Officer
(Principal Accounting Officer)

**Certification Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002**

I, Lloyd M. Yates, certify that:

1. I have reviewed this Quarterly Report of NiSource Inc. on Form 10-Q of NiSource Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 6, 2025

By:

/s/ Lloyd M. Yates

Lloyd M. Yates
President and Chief Executive Officer

By: /s/ Shawn Anderson
Shawn Anderson
Executive Vice President and Chief Financial Officer

**Certification Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of NiSource Inc. (the “Company”) on Form 10-Q for the year ending June 30, 2025 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Lloyd M. Yates, Chief Executive Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Lloyd M. Yates

Lloyd M. Yates
President and Chief Executive Officer

Date: August 6, 2025

**Certification Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of NiSource Inc. (the “Company”) on Form 10-Q for the year ending June 30, 2025 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Shawn Anderson, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Shawn Anderson

Shawn Anderson

Executive Vice President and Chief Financial Officer

Date: August 6, 2025

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2025

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 001-16189

NiSource Inc.

(Exact name of registrant as specified in its charter)

DE

(State or other jurisdiction of
incorporation or organization)

801 East 86th Avenue
Merrillville, IN

(Address of principal executive offices)

35-2108964

(I.R.S. Employer
Identification No.)

46410

(Zip Code)

(877) 647-5990

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
	NI	NYSE
Common Stock, par value \$0.01 per share		

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files.)

Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Emerging growth company ☐ Non-accelerated filer ☐ Smaller reporting company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: Common Stock, \$0.01 Par Value: 477,195,529 shares outstanding at October 22, 2025.

NISOURCE INC.
FORM 10-Q QUARTERLY REPORT
FOR THE QUARTER ENDED SEPTEMBER 30, 2025

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DEFINED TERMS

The following is a list of frequently used abbreviations or acronyms that are found in this report:

NiSource Subsidiaries and Affiliates (not exhaustive)

Columbia of Kentucky	Columbia Gas of Kentucky, Inc.
Columbia of Maryland	Columbia Gas of Maryland, Inc.
Columbia of Ohio	Columbia Gas of Ohio, Inc.
Columbia of Pennsylvania	Columbia Gas of Pennsylvania, Inc.
Columbia of Virginia	Columbia Gas of Virginia, Inc.
GenCo	NIPSCO Generation LLC
Generation Holdings I	Generation Holdings I LLC
Generation Holdings II	Generation Holdings II LLC
NIPSCO	Northern Indiana Public Service Company LLC
NIPSCO Holdings I	NIPSCO Holdings I LLC
NIPSCO Holdings II	NIPSCO Holdings II LLC
NiSource ("we," "us" or "our")	NiSource Inc.
Rosewater	Rosewater Wind Generation LLC and its wholly owned subsidiary, Rosewater Wind Farm LLC
Indiana Crossroads Wind	Indiana Crossroads Wind Generation LLC and its wholly owned subsidiary, Indiana Crossroads Wind Farm LLC
Indiana Crossroads Solar	Indiana Crossroads Solar Generation LLC and its wholly owned subsidiary, Meadow Lake Solar Park LLC
Dunns Bridge I	Dunn's Bridge I Solar Generation LLC and its wholly owned subsidiary, Dunns Bridge Solar Center, LLC
Gibson	Gibson Solar LLC
Fairbanks	Fairbanks Solar Energy Center LLC

Abbreviations and Other

AFUDC	Allowance for funds used during construction
Amended LLC Agreement	Third Amended and Restated Limited Liability Company Agreement of NIPSCO Holdings II
AOI	Accumulated Other Comprehensive Income (Loss)
ASC	Accounting Standards Codification
ASU	Accounting Standards Update
ATM	At-the-market
BIP	BIP Blue Buyer L.L.C.
BIP Blue Buyer VCOC L.L.C.	BIP Blue Buyer VCOC L.L.C., a Delaware limited liability company and also an affiliate of Blackstone
BIP Orion Holdco L.P.	BIP Orion Holdco L.P., a Delaware limited liability company and also an affiliate of Blackstone
BIP Orion Holdco II L.P.	BIP Orion Holdco II L.P., a Delaware limited liability company and also an affiliate of Blackstone
Blackstone	Blackstone Infrastructure Partners L.P.
BTA	Build-transfer agreement
Contract Assets	Generation assets and related transmission infrastructure to be developed in connection with the Data Center Contract
CCRs	Coal Combustion Residuals
CEP	Ohio Capital Expenditure Program
CERCLA	Comprehensive Environmental Response Compensation and Liability Act (also known as Superfund)

	<u>DEFINED TERMS</u>
CODM	Chief Operating Decision Maker
Columbia Operations	Reportable segment comprised of the results of NiSource Gas Distribution company, including all of its Columbia Gas distribution companies and related subsidiaries
CPCN	Certificate of Public Convenience and Necessity
Customer	Purchaser of electricity under Data Center Contract, a wholly-owned subsidiary of a large publicly traded company
Data Center Contract	NIPSCO agreement to provide electricity to Customer's data centers
DSIC	Distribution System Improvement Charge
DSM	Demand Side Management
Dunns Bridge II	Dunns Bridge II Solar Generation Center
EPA	United States Environmental Protection Agency
EPC	Engineering, procurement, and construction
EPS	Earnings per share
ERP	Enterprise Resource Planning
FAC	Fuel adjustment clause
FASB	Financial Accounting Standards Board
FMCA	Indiana Federally Mandated Cost Adjustment mechanism
GAAP	Generally Accepted Accounting Principles
GCA	Gas cost adjustment
Generation Assets	Power generations facilities and battery storage to be developed in connection with the Data Center Contract
GHG	Greenhouse gases
GWh	Gigawatt hours
IRA	Inflation Reduction Act of 2022
IRP	Ohio Infrastructure Replacement Program
IURC	Indiana Utility Regulatory Commission
Investor	BIP Orion Holdco L.P. and BIP Orion Holdco II L.P. in connection with Blackstone's GenCo minority equity investment
JV	Joint Venture
LIFO	Last In, First Out
LIHEAP	Low Income Heating Energy Assistance Program
LLC Agreement	Amended and Restated Limited Liability Company Agreement of Generation Holdings II
MGP	Manufactured Gas Plant
MISO	Midcontinent Independent System Operator
MMDth	Million dekatherms
MW	Megawatts
MWh	Megawatt hours
NIPSCO Electric	The electric generation and transmission activities of the NIPSCO Operations reportable segment
NIPSCO Gas	The gas distribution activities of the NIPSCO Operations reportable segment
NIPSCO Minority Interest Transaction	A transaction between NiSource, NIPSCO Holdings II (sole owner of NIPSCO) and an affiliate of Blackstone pursuant to a purchase and sale agreement entered into on June 17, 2023, that offered equity interests in NIPSCO Holdings II in exchange for capital contributions by the parties.
NIPSCO Operations	Reportable segment comprised of the results of NIPSCO Holdings I, NIPSCO Holdings II, and NIPSCO and all related subsidiaries

	<u>DEFINED TERMS</u>
NYMEX	New York Mercantile Exchange
OPEB	Other Postemployment Benefits
PHMSA	Pipeline and Hazardous Materials Safety Administration
PPA	Power Purchase Agreement
RNG	Renewable Natural Gas
SAVE	Steps to Advance Virginia's Energy Plan
Scope 1 GHG Emissions	Direct emissions from sources owned or controlled by us (e.g., emissions from our combustion of fuel, vehicles, and process emissions and fugitive emissions)
Scope 2 GHG Emissions	Indirect emissions from sources owned or controlled by us
SEC	Securities and Exchange Commission
SMRP	Kentucky Safety Modification and Replacement Program
SMS	Safety Management System
TCJA	An Act to provide for reconciliation pursuant to titles II and V of the concurrent resolution on the budget for fiscal year 2018 (commonly known as the Tax Cuts and Jobs Act of 2017)
TDSIC	Indiana Transmission, Distribution and Storage System Improvement Charge
Templeton	Templeton Wind Energy Center
VIE	Variable Interest Entity
WAM	Work and Asset Management enterprise resourcing system

Note regarding forward-looking statements

This Quarterly Report on Form 10-Q 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 Quarterly Report on Form 10-Q include, among other things:

- our ability to execute our business plan or growth strategy, including utility infrastructure investments, or business opportunities, such as data center development and related generation sources and transmission capabilities to meet potential load growth;
- our ability to manage data center growth in our service territories;
- potential incidents and other operating risks associated with our business;
- our ability to work successfully with our third-party investors;
- our ability to construct, develop and place into service the Contract Assets on time or at all and consistent with initial cost estimates, as well as the performance of these assets once constructed and placed into service;
- our ability to obtain the significant additional financing that will be required to construct the Contract Assets on favorable terms, if at all;
- our ability to recover our investments and realize our expected return under the Data Center Contract;

- our ability to maintain our investment grade credit ratings as we finance and pursue our data center strategy, including our performance under the Data Center Contract;
- our Customer's performance under the Data Center Contract and any decision by the Customer to terminate the Data Center Contract or reduce the committed capacity thereunder;
- potential changes in the MISO accreditation treatment of capacity resources;
- our ability to adapt to, and manage costs related to, advances in technology, including alternative energy sources and changes in laws and regulations;
- our increased dependency on 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 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 demand;
- our ability to attract, retain or re-skill a qualified, diverse workforce and maintain good labor relations;
- our ability to manage new initiatives and organizational changes;
- the performance and quality of third-party suppliers and service providers;
- our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals, including our Net Zero Goal (as defined below), including any future associated impact from business opportunities such as data center development as those opportunities evolve;
- potential cybersecurity attacks or security breaches;
- increased requirements and costs related to cybersecurity;
- the actions of activist stockholders;
- any damage to our reputation;
- the impacts of natural disasters, potential terrorist attacks or other catastrophic events;
- the physical impacts of climate change and the transition to a lower carbon future;
- our debt obligations;
- any changes to our credit rating or the credit rating of certain of our subsidiaries;
- adverse economic and capital market conditions, including increases in inflation or interest rates, recession, or changes in investor sentiment;
- economic regulation and the impact of regulatory rate reviews;
- our ability to obtain expected financial or regulatory outcomes;
- 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;
- the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation;
- compliance with changes in, or new interpretations of applicable laws, regulations and tariffs, including impacts of state and federal orders on our ability to carry out our business plan and growth strategy;
- the cost of compliance with environmental laws and regulations and the costs of associated liabilities;
- changes in tax laws or the interpretation thereof;
- and other matters set forth in Part I, Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operation," and Part II, Item 1A, "Risk Factors," of this report, and Part I, Item 1, "Business," Part I, 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 fiscal year ended December 31, 2024, some 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.

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PART I

ITEM 1. FINANCIAL STATEMENTS

NiSource Inc.

Condensed Statements of Consolidated Income (unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
<i>(in millions, except per share amounts)</i>	2025	2024	2025	2024
Operating Revenues				
Customer revenues	\$ 1,240.2	\$ 1,046.1	\$ 4,636.2	\$ 3,743.2
Other revenues	32.9	30.2	103.1	124.1
Total Operating Revenues	1,273.1	1,076.3	4,739.3	3,867.3
Operating Expenses				
Cost of energy	193.6	165.9	1,102.9	755.6
Operation and maintenance	401.1	357.4	1,225.1	1,093.5
Depreciation and amortization	306.9	269.5	852.2	765.1
Loss on impairment of assets	—	—	0.7	2.9
Loss (gain) on sale of assets, net	(0.6)	(0.5)	0.2	1.1
Other taxes	74.6	65.7	238.4	210.4
Total Operating Expenses	975.6	858.0	3,419.5	2,828.6
Operating Income	297.5	218.3	1,319.8	1,038.7
Other Income (Deductions)				
Interest expense, net	(179.8)	(134.6)	(451.7)	(380.2)
Other, net	9.9	29.2	16.2	51.4
Total Other Deductions, Net	(169.9)	(105.4)	(435.5)	(328.8)
Income before Income Taxes	127.6	112.9	884.3	709.9
Income Taxes	20.6	15.9	150.1	109.5
Net Income	107.0	97.0	734.2	600.4
Net income attributable to noncontrolling interest	12.3	11.3	62.5	63.9
Net Income Attributable to NiSource	94.7	85.7	671.7	536.5
Preferred dividends	—	—	—	(6.7)
Preferred redemption premium	—	—	—	(14.0)
Net Income Available to Common Shareholders	\$ 94.7	\$ 85.7	\$ 671.7	\$ 515.8
Earnings Per Share				
Basic Earnings Per Share	\$ 0.20	\$ 0.19	\$ 1.42	\$ 1.15
Diluted Earnings Per Share	\$ 0.20	\$ 0.19	\$ 1.42	\$ 1.14
Basic Average Common Shares Outstanding	472.1	451.9	471.1	449.4
Diluted Average Common Shares	473.7	454.5	472.8	451.4

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Condensed Statements of Consolidated Comprehensive Income (unaudited)

<i>(in millions, net of taxes)</i>	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net Income	\$ 107.0	\$ 97.0	\$ 734.2	\$ 600.4
Other comprehensive income:				
Net unrealized gain on available-for-sale debt securities ⁽¹⁾	1.3	3.5	3.1	3.2
Reclassification adjustment for cash flow hedges ⁽²⁾	(0.1)	(0.1)	(0.3)	(0.3)
Unrecognized pension and OPEB benefit ⁽³⁾	14.0	0.6	14.6	1.1
Total other comprehensive income	15.2	4.0	17.4	4.0
Comprehensive Income	\$ 122.2	\$ 101.0	\$ 751.6	\$ 604.4

⁽¹⁾Net unrealized gain on available-for-sale debt securities, net of \$0.3 million tax expense and \$0.9 million tax expense in the third quarter of 2025 and 2024, respectively, and \$0.8 million tax expense for the nine months ended 2025 and 2024, respectively.

⁽²⁾Reclassification adjustment for cash flow hedges, net of \$0.1 million tax benefit and \$0.1 million tax benefit in the third quarter of 2025 and 2024, respectively, and \$0.2 million tax benefit and \$0.1 million tax benefit for the nine months ended 2025 and 2024, respectively.

⁽³⁾Unrecognized pension and OPEB benefit, net of \$4.6 million tax expense and \$0.2 million tax expense in the third quarter of 2025 and 2024, respectively, and \$4.8 million tax expense and \$0.4 million tax expense for the nine months ended 2025 and 2024, respectively.

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Condensed Consolidated Balance Sheets (unaudited)

<i>(in millions)</i>	September 30, 2025	December 31, 2024
ASSETS		
Property, Plant and Equipment		
Plant	\$ 37,201.7	\$ 34,152.9
Accumulated depreciation and amortization	(9,201.6)	(8,699.0)
Net Property, Plant and Equipment ⁽¹⁾	28,000.1	25,453.9
Investments and Other Assets		
Unconsolidated affiliates	7.7	6.5
Available-for-sale debt securities (amortized cost of \$160.4 and \$91.9, allowance for credit losses of \$0.1 and \$0.1, respectively)	159.0	86.7
Other investments	116.2	85.5
Total Investments and Other Assets	282.9	178.7
Current Assets		
Cash and cash equivalents	95.0	156.6
Restricted cash	24.5	42.0
Accounts receivable	719.6	987.9
Allowance for credit losses	(18.6)	(23.7)
Accounts receivable, net	701.0	964.2
Gas storage	268.3	179.6
Materials and supplies, at average cost	183.3	173.3
Electric production fuel, at average cost	23.7	36.2
Exchange gas receivable	42.9	45.7
Regulatory assets	326.5	319.9
Prepayments	157.4	138.5
Other current assets	25.6	24.2
Total Current Assets ⁽¹⁾	1,848.2	2,080.2
Other Assets		
Regulatory assets	2,132.9	2,157.4
Goodwill	1,485.9	1,485.9
Deferred charges and other	652.9	432.0
Total Other Assets	4,271.7	4,075.3
Total Assets	\$ 34,402.9	\$ 31,788.1

⁽¹⁾Includes \$1,284.4 million and \$1,323.8 million at September 30, 2025 and December 31, 2024, respectively, of net property, plant and equipment assets and \$59.6 million and \$65.0 million at September 30, 2025 and December 31, 2024, respectively, of current assets of consolidated VIEs that may be used only to settle obligations of the consolidated VIEs. Refer to Note 4, "Noncontrolling Interests," for additional information.

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)
**NiSource Inc.
Condensed Consolidated Balance Sheets (unaudited) (continued)**

<i>(in millions, except share amounts)</i>	September 30, 2025	December 31, 2024
CAPITALIZATION AND LIABILITIES		
Capitalization		
Stockholders' Equity		
Common stock - \$0.01 par value, 750,000,000 shares authorized; 477,136,079 and 469,822,472 shares outstanding, respectively	\$ 4.8	\$ 4.7
Treasury stock	(99.9)	(99.9)
Additional paid-in capital	9,798.3	9,521.5
Retained deficit	(572.0)	(711.7)
Accumulated other comprehensive loss	(13.0)	(30.4)
Total NiSource Stockholders' Equity	9,118.2	8,684.2
Noncontrolling interest in consolidated subsidiaries	2,123.6	1,984.1
Total Stockholders' Equity	11,241.8	10,668.3
Long-term debt, excluding amounts due within one year	14,472.1	12,074.5
Total Capitalization	25,713.9	22,742.8
Current Liabilities		
Current portion of long-term debt	31.3	1,281.2
Short-term borrowings	1,260.0	604.6
Accounts payable	712.0	863.1
Dividends payable - common stock	137.4	—
Customer deposits and credits	273.5	268.8
Taxes accrued	179.0	173.4
Interest accrued	198.2	157.0
Asset retirement obligations	66.3	84.6
Exchange gas payable	100.0	91.8
Regulatory liabilities	192.0	150.5
Accrued compensation and employee benefits	218.0	268.2
Other accruals	165.7	170.2
Total Current Liabilities ⁽¹⁾	3,533.4	4,113.4
Other Liabilities		
Deferred income taxes	2,405.4	2,281.6
Accrued liability for postretirement and postemployment benefits	174.4	207.5
Regulatory liabilities	1,487.0	1,431.2
Asset retirement obligations	751.4	698.6
Other noncurrent liabilities and deferred credits	337.4	313.0
Total Other Liabilities ⁽¹⁾	5,155.6	4,931.9
Commitments and Contingencies (Refer to Note 14, "Other Commitments and Contingencies")		
Total Capitalization and Liabilities	\$ 34,402.9	\$ 31,788.1

⁽¹⁾Includes \$54.4 million and \$53.7 million at September 30, 2025 and December 31, 2024, respectively, of current liabilities and \$55.0 million and \$58.3 million at September 30, 2025 and December 31, 2024, respectively, of other liabilities, and finance leases of \$40.2 million and \$40.4 million at September 30, 2025 and December 31, 2024 respectively, of consolidated VIEs that creditors do not have recourse to our general credit. Refer to Note 4, "Noncontrolling Interests," for additional information.

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)
NiSource Inc.
Condensed Statements of Consolidated Cash Flows (unaudited)

Nine Months Ended September 30, (in millions)

	2025	2024
Operating Activities		
Net Income	\$ 734.2	\$ 600.4
Adjustments to Reconcile Net Income to Net Cash from Operating Activities:		
Depreciation and amortization	852.2	765.1
Deferred income taxes and investment tax credits	153.5	109.1
Loss on sale of assets	0.2	1.1
Payments for asset retirement obligations	(50.0)	(55.0)
Other adjustments	22.5	(14.9)
Changes in Assets and Liabilities:		
Components of working capital ⁽¹⁾	(26.0)	(85.8)
Regulatory assets/liabilities	(19.5)	(35.6)
Deferred charges and other noncurrent assets	(24.4)	(45.1)
Other noncurrent liabilities and deferred credits	7.0	2.4
Net Cash Flows from Operating Activities	1,649.7	1,241.7
Investing Activities		
Capital expenditures	(1,936.0)	(1,854.0)
Cost of removal	(113.8)	(108.9)
Milestone payments to renewable generation asset developers	(1,091.7)	(478.8)
Advanced deposits	(161.3)	—
Other investing activities	(93.8)	27.2
Net Cash Flows used for Investing Activities	(3,396.6)	(2,414.5)
Financing Activities		
Proceeds from issuance of long-term debt	2,362.0	2,229.6
Repayments of finance lease obligations	(17.3)	(20.4)
Repayments of long-term debt	(1,250.0)	—
Repayment of short-term debt (maturity > 90 days)	—	(1,650.0)
Net change in commercial paper and other short-term borrowings	655.4	(1,141.6)
Issuance of common stock, net of issuance costs	259.1	507.9
Redemption of preferred stock	—	(486.1)
Preferred stock redemption premium	—	(14.0)
Equity costs, premiums and other debt related costs	(22.0)	(62.9)
Contributions from NIPSCO minority interest holders	145.3	99.5
Distribution to NIPSCO minority interest holders	(55.5)	(32.0)
Distributions to tax equity partners	(12.8)	(14.3)
Dividends paid - common stock	(396.4)	(357.0)
Dividends paid - preferred stock	—	(8.2)
Net Cash Flows from (used for) Financing Activities	1,667.8	(949.5)
Change in cash, cash equivalents and restricted cash	(79.1)	(2,122.3)
Cash, cash equivalents and restricted cash at beginning of period	198.6	2,281.1
Cash, Cash Equivalents and Restricted Cash at End of Period	\$ 119.5	\$ 158.8

⁽¹⁾ Refer to Note 18, "Supplemental Disclosures of Cash Flow Information," for additional information.

Reconciliation to Balance Sheet

Nine Months Ended September 30, (in millions)

	2025
Cash and cash equivalents	95.0
Restricted cash	24.5
Total Cash, Cash Equivalents and Restricted Cash	119.5

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Condensed Statements of Consolidated Equity (unaudited)

<i>(in millions)</i>	Common Stock	Preferred Stock	Treasury Stock	Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest in Consolidated Subsidiaries	Total
Balance as of June 30, 2025	\$ 4.7	\$ —	\$ (99.9)	\$ 9,538.0	\$ (532.1)	\$ (28.2)	\$ 2,114.4	\$ 10,996.9
Comprehensive Income:								
Net income	—	—	—	—	94.7	—	12.3	107.0
Other comprehensive income, net of tax	—	—	—	—	—	15.2	—	15.2
Dividends:								
Common stock (\$0.280 per share)	—	—	—	—	(134.6)	—	—	(134.6)
Noncontrolling Interests:								
Contributions from noncontrolling interests	—	—	—	—	—	—	11.0	11.0
Distributions to noncontrolling interests	—	—	—	—	—	—	(14.1)	(14.1)
Stock issuances:								
Employee stock purchase plan	—	—	—	1.9	—	—	—	1.9
Long-term incentive plan	—	—	—	7.2	—	—	—	7.2
401(k) and profit sharing	—	—	—	2.4	—	—	—	2.4
ATM program	0.1	—	—	248.8	—	—	—	248.9
Balance as of September 30, 2025	\$ 4.8	\$ —	\$ (99.9)	\$ 9,798.3	\$ (572.0)	\$ (13.0)	\$ 2,123.6	\$ 11,241.8

<i>(in millions)</i>	Common Stock	Preferred Stock	Treasury Stock	Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest in Consolidated Subsidiaries	Total
Balance as of December 31, 2024	\$ 4.7	\$ —	\$ (99.9)	\$ 9,521.5	\$ (711.7)	\$ (30.4)	\$ 1,984.1	\$ 10,668.3
Comprehensive Income:								
Net income	—	—	—	—	671.7	—	62.5	734.2
Other comprehensive income, net of tax	—	—	—	—	—	17.4	—	17.4
Dividends:								
Common stock (\$1.120 per share)	—	—	—	—	(532.0)	—	—	(532.0)
Noncontrolling Interests:								
Contributions from noncontrolling interests	—	—	—	—	—	—	145.3	145.3
Distributions to noncontrolling interests	—	—	—	—	—	—	(68.3)	(68.3)
Stock issuances:								
Employee stock purchase plan	—	—	—	5.5	—	—	—	5.5
Long-term incentive plan	—	—	—	15.3	—	—	—	15.3
401(k) and profit sharing	—	—	—	7.2	—	—	—	7.2
ATM program	0.1	—	—	248.8	—	—	—	248.9
Balance as of September 30, 2025	\$ 4.8	\$ —	\$ (99.9)	\$ 9,798.3	\$ (572.0)	\$ (13.0)	\$ 2,123.6	\$ 11,241.8

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ITEM 1. FINANCIAL STATEMENTS (continued)

<i>(in millions)</i>	Common Stock	Preferred Stock	Treasury Stock	Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest in Consolidated Subsidiaries	Total
Balance as of June 30, 2024	\$ 4.5	\$ —	\$ (99.9)	\$ 8,894.2	\$ (896.2)	\$ (33.6)	\$ 1,950.6	\$ 9,819.6
Comprehensive Income:								
Net income	—	—	—	—	85.7	—	11.3	97.0
Other comprehensive income, net of tax	—	—	—	—	—	4.0	—	4.0
Dividends:								
Common stock (\$0.265 per share)	—	—	—	—	(124.4)	—	—	(124.4)
Noncontrolling Interests:								
Contributions from noncontrolling interests	—	—	—	—	—	—	39.8	39.8
Distributions to noncontrolling interest	—	—	—	—	—	—	(17.9)	(17.9)
Stock issuances:								
Employee stock purchase plan	—	—	—	1.7	—	—	—	1.7
Long-term incentive plan	—	—	—	8.0	—	—	—	8.0
401(k) and profit sharing	—	—	—	2.2	—	—	—	2.2
ATM program	0.2	—	—	498.6	—	—	—	498.8
Balance as of September 30, 2024	\$ 4.7	\$ —	\$ (99.9)	\$ 9,404.7	\$ (934.9)	\$ (29.6)	\$ 1,983.8	\$ 10,328.8

<i>(in millions)</i>	Common Stock	Preferred Stock	Treasury Stock	Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest in Consolidated Subsidiaries	Total
Balance as of December 31, 2023	\$ 4.5	\$ 486.1	\$ (99.9)	\$ 8,879.5	\$ (967.0)	\$ (33.6)	\$ 1,866.7	\$ 10,136.3
Comprehensive Income:								
Net income	—	—	—	—	536.5	—	63.9	600.4
Other comprehensive income, net of tax	—	—	—	—	—	4.0	—	4.0
Dividends:								
Common stock (\$1.060 per share)	—	—	—	—	(482.3)	—	—	(482.3)
Preferred stock (See Note 6)	—	—	—	—	(8.1)	—	—	(8.1)
Noncontrolling Interests:								
Contributions from noncontrolling interests	—	—	—	—	—	—	99.5	99.5
Distributions to noncontrolling interest	—	—	—	—	—	—	(46.3)	(46.3)
Stock issuances (redemptions):								
Series B and B-1 Preferred stock redemption	—	(486.1)	—	—	—	—	—	(486.1)
Series B and B-1 Preferred stock redemption premium	—	—	—	—	(14.0)	—	—	(14.0)
Employee stock purchase plan	—	—	—	4.7	—	—	—	4.7
Long-term incentive plan	—	—	—	14.9	—	—	—	14.9
401(k) and profit sharing	—	—	—	7.0	—	—	—	7.0
ATM program	0.2	—	—	498.6	—	—	—	498.8
Balance as of September 30, 2024	\$ 4.7	\$ —	\$ (99.9)	\$ 9,404.7	\$ (934.9)	\$ (29.6)	\$ 1,983.8	\$ 10,328.8

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Condensed Statements of Consolidated Equity (unaudited) (continued)

Shares (in thousands)	Preferred	Common		
	Shares	Shares	Treasury	Outstanding
Balance as of June 30, 2025	—	474,747	(3,963)	470,784
Issued:				
Employee stock purchase plan	—	47	—	47
Long-term incentive plan	—	24	—	24
401(k) and profit sharing	—	55	—	55
ATM program	—	6,226	—	6,226
Balance as of September 30, 2025	—	481,099	(3,963)	477,136

Shares (in thousands)	Preferred	Common		
	Shares	Shares	Treasury	Outstanding
Balance as of December 31, 2024	—	473,785	(3,963)	469,822
Issued:				
Employee stock purchase plan	—	141	—	141
Long-term incentive plan	—	768	—	768
401(k) and profit sharing	—	179	—	179
ATM program	—	6,226	—	6,226
Balance as of September 30, 2025	—	481,099	(3,963)	477,136

Shares (in thousands)	Preferred	Common		
	Shares	Shares	Treasury	Outstanding
Balance as of June 30, 2024	—	452,362	(3,963)	448,399
Issued:				
Employee stock purchase plan	—	59	—	59
Long-term incentive plan	—	32	—	32
401(k) and profit sharing	—	69	—	69
ATM program	—	18,148	—	18,148
Balance as of September 30, 2024	—	470,670	(3,963)	466,707

Shares (in thousands)	Preferred	Common		
	Shares	Shares	Treasury	Outstanding
Balance as of December 31, 2023	40	451,345	(3,963)	447,382
Issued:				
Employee stock purchase plan	—	170	—	170
Long-term incentive plan	—	761	—	761
401(k) and profit sharing	—	246	—	246
ATM program	—	18,148	—	18,148
Redeemed:				
Series B and B-1 Preferred Stock	(40)	—	—	—
Balance as of September 30, 2024	—	470,670	(3,963)	466,707

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)****1. Basis of Accounting Presentation**

Our accompanying Condensed Consolidated Financial Statements (unaudited) reflect all normal recurring adjustments that are necessary, in the opinion of management, to present fairly the results of operations in accordance with GAAP in the United States of America. The accompanying financial statements include the accounts of us, our majority-owned subsidiaries, and VIEs of which we are the primary beneficiary after the elimination of all intercompany accounts and transactions.

The accompanying financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024. Income for interim periods may not be indicative of results for the calendar year due to weather variations and other factors.

The Condensed Consolidated Financial Statements (unaudited) have been prepared pursuant to the rules and regulations of the SEC. Certain information and note disclosures normally included in annual financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to those rules and regulations, although we believe that the disclosures made in this Quarterly Report on Form 10-Q are adequate to make the information herein not misleading.

2. Recent Accounting Pronouncements**Recently Issued Accounting Pronouncements**

In September 2025, the FASB issued ASU 2025-06, *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software*. This pronouncement updates the guidance on capitalization of internal-use software, including removing the development stages utilized for evaluation of when certain activities are capital eligible. The ASU instead provides that an entity is required to start capitalizing eligible software development costs when (1) management has authorized and committed to funding the software project and (2) it is probable that the project will be completed and the software will be used to perform the function intended, which is referred to as the “probable-to-complete recognition threshold”. This probable-to-complete threshold includes an evaluation of whether there is significant uncertainty associated with the development activities of the software. The ASU is effective for fiscal years beginning after December 15, 2027. We are currently evaluating the impacts this amendment will have on our internal-use software capitalization policy.

In November 2024, the FASB issued ASU 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40)*. This pronouncement requires disaggregated disclosure of income statement expenses for public business entities. The ASU requires disclosure in tabular format of disaggregation of relevant expense captions presented on the income statement by certain natural expense categories with certain related qualitative disclosures within the notes to the financial statements. The ASU does not change the expense captions an entity presents on the income statement. The ASU is effective for fiscal years beginning after December 15, 2026, and interim reporting periods within annual reporting periods beginning after December 15, 2027, as defined in ASU 2025-01, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40)*. We are currently evaluating the impacts this amendment will have on our required disclosures.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. This pronouncement enhances required income tax disclosures. The pronouncement will require disclosure of specific categories and reconciling items included in the rate reconciliation, disaggregation between federal, state and local income taxes paid, and disclosure of income taxes paid by jurisdictions over a certain threshold. Additionally, the pronouncement eliminates certain required disclosures related to unrecognized tax benefits. This ASU is effective for annual periods beginning after December 15, 2024, with early adoption permitted, and is to be applied on a prospective basis with retrospective application permitted. We will implement and provide the required disclosures in our Annual Report on Form 10-K for the year ended December 31, 2025.

Recently Adopted Accounting Pronouncements

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*. This pronouncement enhances annual and interim disclosure requirements over reportable segments, primarily through enhanced disclosures about significant segment expenses. Specifically, the pronouncement requires disclosure of significant segment expenses that are regularly provided to the CODM and included within each reported measure of segment profit or loss, disclosure of an amount for other segment items representing the difference between segment revenue and segment expenses already disclosed, disclosure of all required annual disclosures for interim periods and disclosure of title and

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

position of the CODM and how the CODM uses reported measures. The pronouncement also allows for more than one measure of segment profit if the CODM uses more than one measure in assessing segment performance. This pronouncement was effective for annual periods beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. NiSource adopted this pronouncement as of December 31, 2024, with retrospective application and updated its disclosures to include significant expenses regularly provided to the CODM, the CODM's title and how the CODM utilizes reported measures. See Note 16, "Business Segment Information," for further discussion.

3. Revenue Recognition

Revenue Disaggregation and Reconciliation. We disaggregate revenue from contracts with customers based upon reportable segment, as well as by customer class. The Columbia Operations segment provides regulated natural gas service and transportation for residential, commercial and industrial customers in Ohio, Pennsylvania, Virginia, Kentucky, and Maryland. The NIPSCO Operations segment provides regulated gas and electric service in the northern part of Indiana.

The tables below reconcile revenue disaggregation by customer class to segment revenue, as well as to revenues reflected on the Condensed Statements of Consolidated Income (unaudited):

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Three months ended September 30, 2025
(in millions)

Three months ended September 30, 2023
(in millions)

	Columbia Operations		NIPSCO Operations		Corporate and Other		Total
Gas Distribution							
Residential	\$	328.1	\$	72.9	\$	—	\$ 401.0
Commercial		95.1		32.2		—	127.3
Industrial		36.0		19.7		—	55.7
Off-system		13.8		—		—	13.8
Miscellaneous ⁽¹⁾		6.7		2.6		—	9.3
Subtotal	\$	479.7	\$	127.4	\$	—	\$ 607.1
Electric Generation and Power Delivery							
Residential	\$	—	\$	254.6	\$	—	\$ 254.6
Commercial		—		210.6		—	210.6
Industrial		—		156.2		—	156.2
Wholesale		—		18.4		—	18.4
Miscellaneous ⁽¹⁾		—		(6.7)		—	(6.7)
Subtotal	\$	—	\$	633.1	\$	—	\$ 633.1
Total Customer Revenues ⁽²⁾		479.7		760.5		—	1,240.2
Other Revenues ⁽³⁾		5.2		26.5		1.2	32.9
Total Operating Revenues	\$	484.9	\$	787.0	\$	1.2	\$ 1,273.1

⁽¹⁾Amounts included in Columbia Operations primarily relate to earnings share mechanisms and late fees. Amounts included in NIPSCO Operations primarily relate to late fees and property rentals.

⁽²⁾Customer revenue amounts exclude intersegment revenues. See Note 16, "Business Segment Information," for discussion of intersegment revenues.

⁽³⁾Amounts included in Columbia Operations primarily relate to alternative revenue programs including weather normalization adjustment mechanisms. Amounts included in NIPSCO Operations primarily relate to alternative revenue programs including weather normalization adjustment mechanisms, MISO multi-value projects and revenue from non-jurisdictional transmission assets. Amounts included in Corporate and Other primarily relate to products and services revenue.

Three months ended September 30, 2024
(in millions)

Three months ended September 30, 2024 (in millions)	Columbia Operations		NIPSCO Operations		Corporate and Other		Total
Gas Distribution							
Residential	\$	296.9	\$	66.8	\$	—	\$ 363.7
Commercial		78.3		28.6		—	106.9
Industrial		32.0		16.4		—	48.4
Off-system		7.1		—		—	7.1
Wholesale		0.1		—		—	0.1
Miscellaneous ⁽¹⁾		2.9		1.9		—	4.8
Subtotal	\$	417.3	\$	113.7	\$	—	\$ 531.0
Electric Generation and Power Delivery							
Residential	\$	—	\$	197.9	\$	—	\$ 197.9
Commercial		—		172.7		—	172.7
Industrial		—		124.8		—	124.8
Wholesale		—		15.0		—	15.0
Public Authority		—		2.0		—	2.0
Miscellaneous ⁽¹⁾		—		2.7		—	2.7
Subtotal	\$	—	\$	515.1	\$	—	\$ 515.1
Total Customer Revenues ⁽²⁾		417.3		628.8		—	1,046.1
Other Revenues ⁽³⁾		6.1		23.8		0.3	30.2
Total Operating Revenues	\$	423.4	\$	652.6	\$	0.3	\$ 1,076.3

⁽¹⁾Amounts included in Columbia Operations primarily relate to earnings share mechanisms and late fees. Amounts included in NIPSCO Operations, primarily relate to revenue refunds, public repairs and property rentals. ⁽²⁾Customer revenue amounts exclude intersegment revenues. See Note 16, "Business Segment Information," for discussion of intersegment revenues.

⁽³⁾Amounts included in Columbia Operations primarily relate to alternative revenue programs including weather normalization adjustment mechanisms. Amounts included in NIPSCO Operations primarily relate to alternative revenue programs including weather normalization adjustment mechanisms, MISO multi-value projects and revenue from non-jurisdictional transmission assets.

ITEM 1. FINANCIAL STATEMENTS (continued)
NiSource Inc.
Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Nine months ended September 30, 2025
(in millions)

	Columbia Operations	NIPSCO Operations	Corporate and Other	Total
Gas Distribution				
Residential	\$ 1,576.3	\$ 478.5	\$ —	\$ 2,054.8
Commercial	527.8	180.8	—	708.6
Industrial	121.5	73.7	—	195.2
Off-system	58.9	—	—	58.9
Miscellaneous ⁽¹⁾	27.4	10.6	—	38.0
Subtotal	\$ 2,311.9	\$ 743.6	\$ —	\$ 3,055.5
Electric Generation and Power Delivery				
Residential	\$ —	\$ 586.4	\$ —	\$ 586.4
Commercial	—	531.7	—	531.7
Industrial	—	432.3	—	432.3
Wholesale	—	37.9	—	37.9
Miscellaneous ⁽¹⁾	—	(7.6)	—	(7.6)
Subtotal	\$ —	\$ 1,580.7	\$ —	\$ 1,580.7
Total Customer Revenues⁽²⁾	2,311.9	2,324.3	—	4,636.2
Other Revenues⁽³⁾	14.8	84.7	3.6	103.1
Total Operating Revenues	\$ 2,326.7	\$ 2,409.0	\$ 3.6	\$ 4,739.3

⁽¹⁾Amounts included in Columbia Operations primarily relate to earnings share mechanisms and late fees. Amounts included in NIPSCO Operations primarily relate to late fees and property rentals.

⁽²⁾Customer revenue amounts exclude intersegment revenues. See Note 16, "Business Segment Information," for discussion of intersegment revenues.

⁽³⁾Amounts included in Columbia Operations primarily relate to alternative revenue programs including weather normalization adjustment mechanisms. Amounts included in NIPSCO Operations primarily relate to alternative revenue programs including weather normalization adjustment mechanisms, MISO multi-value projects and revenue from non-jurisdictional transmission assets. Amounts included in Corporate and Other primarily relate to products and services revenue.

Nine months ended September 30, 2024
(in millions)

	Columbia Operations	NIPSCO Operations	Corporate and Other	Total
Gas Distribution				
Residential	\$ 1,257.2	\$ 357.5	\$ —	\$ 1,614.7
Commercial	395.6	134.0	—	529.6
Industrial	105.1	56.3	—	161.4
Off-system	30.5	—	—	30.5
Wholesale	1.1	—	—	1.1
Miscellaneous ⁽¹⁾	15.4	12.5	—	27.9
Subtotal	\$ 1,804.9	\$ 560.3	\$ —	\$ 2,365.2
Electric Generation and Power Delivery				
Residential	\$ —	\$ 498.6	\$ —	\$ 498.6
Commercial	—	470.0	—	470.0
Industrial	—	360.4	—	360.4
Wholesale	—	32.4	—	32.4
Public Authority	—	6.0	—	6.0
Miscellaneous ⁽¹⁾	—	10.6	—	10.6
Subtotal	\$ —	\$ 1,378.0	\$ —	\$ 1,378.0
Total Customer Revenues⁽²⁾	1,804.9	1,938.3	—	3,743.2
Other Revenues⁽³⁾	59.6	63.9	0.6	124.1
Total Operating Revenues	\$ 1,864.5	\$ 2,002.2	\$ 0.6	\$ 3,867.3

⁽¹⁾Amounts included in Columbia Operations primarily relate to earnings share mechanisms and late fees. Amounts included in NIPSCO Operations, primarily relate to revenue refunds, public repairs and property rentals. ⁽²⁾Customer revenue amounts exclude intersegment revenues. See Note 16, "Business Segment Information," for discussion of intersegment revenues.

⁽³⁾Amounts included in Columbia Operations primarily relate to alternative revenue programs including weather normalization adjustment mechanisms. Amounts included in NIPSCO Operations primarily relate to alternative revenue programs including weather normalization adjustment mechanisms, MISO multi-value projects and revenue from non-jurisdictional transmission assets.

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)**

Customer Accounts Receivable. Accounts receivable on our Condensed Consolidated Balance Sheets (unaudited) includes both billed and unbilled amounts, as well as certain amounts that are not related to customer revenues. Unbilled amounts of accounts receivable relate to a portion of a customer's consumption of gas or electricity from the date of the last cycle billing through the last day of the month (balance sheet date). Factors taken into consideration when estimating unbilled revenue include historical usage, customer rates, and weather. A significant portion of our operations are subject to seasonal fluctuations in sales. During the heating season, primarily from November through March, revenues and receivables from gas sales are more significant than in other months. The balances of customer receivables as of September 30, 2025 and December 31, 2024 are presented in the table below. We had no significant contract assets or liabilities during the period. Additionally, we have not incurred any significant costs to obtain or fulfill contracts.

<i>(in millions)</i>	Customer Accounts Receivable, Billed (less reserve)	Customer Accounts Receivable, Unbilled (less reserve)
Balance as of December 31, 2024	\$ 525.1	\$ 408.1
Balance as of September 30, 2025	\$ 444.6	\$ 219.5

Utility revenues are billed to customers monthly on a cycle basis. We expect that substantially all customer accounts receivable will be collected following customer billing, as this revenue consists primarily of periodic, tariff-based billings for service and usage. We maintain common utility credit risk mitigation practices, including requiring deposits and actively pursuing collection of past due amounts. Our regulated operations also utilize certain regulatory mechanisms that facilitate recovery of bad debt costs within tariff-based rates, which provides further evidence of collectibility. It is probable that substantially all of the consideration to which we are entitled from customers will be collected upon satisfaction of performance obligations.

Allowance for Credit Losses. To evaluate for expected credit losses, customer account receivables are pooled based on similar risk characteristics, such as customer type, geography, payment terms, and related macro-economic risks. Expected credit losses are established using a model that considers historical collections experience, current information, and reasonable and supportable forecasts. Internal and external inputs are used in our credit model including, but not limited to, energy consumption trends, revenue projections, actual charge-offs data, recoveries data, shut-offs, customer delinquencies, final bill data, and inflation. We continuously evaluate available information relevant to assessing collectability of current and future receivables. We evaluate creditworthiness of specific customers periodically or following changes in facts and circumstances. When we become aware of a specific commercial or industrial customer's inability to pay, an allowance for expected credit losses is recorded for the relevant amount. We also monitor other circumstances that could affect our overall expected credit losses including, but not limited to, creditworthiness of overall population in service territories, adverse conditions impacting an industry sector, and current economic conditions.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

At each reporting period, we record expected credit losses to an allowance for credit losses account. When deemed to be uncollectible, customer accounts are written-off. A rollforward of our allowance for credit losses as of September 30, 2025 and December 31, 2024 are presented in the table below:

<i>(in millions)</i>	Columbia Operations	NIPSCO Operations	Corporate and Other	Total
Balance as of December 31, 2024	\$ 9.8	\$ 13.9	\$ —	\$ 23.7
Current period provisions	26.2	10.2	—	36.4
Write-offs charged against allowance	(39.7)	(9.2)	—	(48.9)
Recoveries of amounts previously written off	6.7	0.7	—	7.4
Balance as of September 30, 2025	\$ 3.0	\$ 15.6	\$ —	\$ 18.6

<i>(in millions)</i>	Columbia Operations	NIPSCO Operations	Corporate and Other	Total
Balance as of December 31, 2023	\$ 10.2	\$ 11.9	\$ 0.8	\$ 22.9
Current period provisions	26.7	12.1	—	38.8
Write-offs charged against allowance	(43.9)	(11.0)	(0.8)	(55.7)
Recoveries of amounts previously written off	16.8	0.9	—	17.7
Balance as of December 31, 2024	\$ 9.8	\$ 13.9	\$ —	\$ 23.7

4. Noncontrolling Interests

Variable Interest Entities. A VIE is an entity in which the controlling interest is determined through means other than a majority voting interest. NIPSCO is the managing member and operator of two wind JVs, Rosewater and Indiana Crossroads Wind, which have 102 MW and 302 MW of nameplate capacity, respectively. NIPSCO is also the managing member and operator of two solar JVs, Indiana Crossroads Solar and Dunns Bridge I, which have a nameplate capacity of 200 MW and 265 MW, respectively. We have determined that these JVs are VIEs. NIPSCO controls decisions that are significant to these entities' ongoing operations and economic results. Therefore, we have concluded that NIPSCO is the primary beneficiary and have consolidated all four entities.

Members of each respective JV include NIPSCO (who is the managing member) and a tax equity partner. Earnings, tax attributes and cash flows are allocated to both NIPSCO and the tax equity partner in varying percentages by category and over the life of the partnership. NIPSCO and each tax equity partner contributed cash to the respective JV. Once the tax equity partner has earned their negotiated rate of return and have reached a stated contractual date, NIPSCO has the option to purchase the remaining interest in the respective JV, at fair market value, from the tax equity partner. NIPSCO has an obligation to purchase 100% of the electricity generated by each commercially operational JV.

We did not provide any financial or other support during the quarter that was not contractually required.

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ITEM 1. FINANCIAL STATEMENTS (continued)
NiSource Inc.
Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Our Condensed Consolidated Balance Sheets (unaudited) included the following assets and liabilities associated with VIEs.

<i>(in millions)</i>	September 30, 2025	December 31, 2024
Net property, plant and equipment	\$ 1,284.4	\$ 1,323.8
Current assets	59.6	65.0
Total assets⁽¹⁾	1,344.0	1,388.8
Current liabilities	54.4	53.7
Asset retirement obligations	55.0	58.3
Finance lease obligations	40.2	40.4
Total liabilities⁽¹⁾⁽²⁾	\$ 149.6	\$ 152.4

⁽¹⁾The assets of each consolidated VIE can only be used to settle obligations of the respective consolidated VIE. The creditors of the liabilities of the VIEs do not have recourse to the general credit of the primary beneficiary.

⁽²⁾In addition to the amounts disclosed above there is a de minimis amount of other noncurrent assets and liabilities at Rosewater as of September 30, 2025.

Voting Interest Entities. We retain a controlling financial interest in NIPSCO Holdings II and its subsidiaries and consolidate their financial results. The following table provides information about the contributions from and distributions to our NIPSCO minority interest holders included in our Condensed Statements of Consolidated Cash Flows (unaudited) and Condensed Statements of Consolidated Equity (unaudited).

<i>(in millions)</i>	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Contributions from NIPSCO minority interest holders	\$ 11.0	\$ 39.8	\$ 145.3	\$ 99.5
Distributions to NIPSCO minority interest holders	11.1	11.8	55.5	32.0

5. Earnings Per Share

The calculations of basic and diluted EPS are based on the weighted average number of shares of common stock and potential common stock outstanding during the period. Diluted EPS includes the incremental effects of the various long-term incentive compensation plans and ATM forward sale agreements under the treasury stock method when the impact would be dilutive (See Note 6, "Equity").

We use the two-class method of computing earnings per share because we have participating securities in the form of non-vested restricted stock units with a non-forfeitable right to dividend equivalents, for which vesting is predicated solely on the passage of time. The calculation of earnings per share using the two-class method excludes income attributable to these participating securities from the numerator and excludes the dilutive impact of those shares from the denominator.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

The following table presents the calculation of our basic and diluted EPS:

(in millions, except per share amounts)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Numerator:				
Net Income Available to Common Shareholders	\$ 94.7	\$ 85.7	\$ 671.7	\$ 515.8
Less: Income allocated to participating securities	0.3	0.2	1.4	0.9
Net Income Available to Common Shareholders - Basic	94.4	85.5	670.3	514.9
Net Income Available to Common Shareholders - Diluted	\$ 94.4	\$ 85.5	\$ 670.3	\$ 514.9
Denominator:				
Average common shares outstanding - Basic	472.1	451.9	471.1	449.4
Dilutive potential common shares:				
Shares contingently issuable under employee stock plans	1.0	0.9	1.1	0.9
Shares restricted under employee stock plans	0.4	0.3	0.5	0.3
ATM forward sale agreements	0.2	1.4	0.1	0.8
Average Common Shares - Diluted	473.7	454.5	472.8	451.4
Earnings per common share:				
Basic	\$ 0.20	\$ 0.19	1.42	1.15
Diluted	\$ 0.20	\$ 0.19	1.42	1.14

6. Equity

ATM Program. In February 2024, we entered into eight separate equity distribution agreements pursuant to which we are able to sell up to an aggregate of \$900.0 million of our common stock.

In February 2025, we executed a forward sale agreement, which allowed us to issue a fixed number of shares at a price to be settled in the future. The forward purchaser under our forward sale agreement borrowed 2,000,000 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$40.10 per share. In September 2025, we settled the forward sale agreement in shares for \$80.0 million, based on a net price of \$40.02 per share.

In March 2025, we executed a forward sale agreement, which allowed us to issue a fixed number of shares at a price to be settled in the future. The forward purchaser under our forward sale agreement borrowed 1,707,320 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$41.00 per share. In September 2025, we settled the forward sale agreement in shares for \$69.9 million, based on a net price of \$40.92 per share.

In June 2025, we executed a forward sale agreement, which allowed us to issue a fixed number of shares at a price to be settled in the future. The forward purchaser under our forward sale agreement borrowed 2,518,393 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$39.71 per share. In September 2025, we settled the forward sale agreement in shares for \$99.1 million, based on a net price of \$39.36 per share.

As of September 30, 2025, the ATM program had approximately \$47.5 million of capacity available. The program expires on December 31, 2025.

Series B and B-1 Preferred Stock. On March 15, 2024, we redeemed all 20,000 outstanding shares of Series B Preferred Stock for a redemption price of \$25,000 per share and all 20,000 outstanding shares of Series B-1 Preferred Stock for a redemption price of \$0.01 per share or \$500.0 million in total.

There were no dividends declared per share for the Series B Preferred Stock during the three months ended September 30, 2025 and 2024. Dividends declared per share for the Series B Preferred Stock were zero and \$406.25 during the nine months ended September 30, 2025 and 2024, respectively.

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)****7. Short-Term Borrowings**

We generate short-term borrowings from our revolving credit facility, commercial paper program, and accounts receivable transfer programs. Each of these borrowing sources is described further below.

Revolving Credit Facility. We maintain a revolving credit facility to fund ongoing working capital requirements, including the provision of liquidity support for our commercial paper program, the issuance of letters of credit and general corporate purposes. Our revolving credit facility has a program limit of \$1.85 billion and is comprised of a syndicate of banks. We had no outstanding borrowings under this facility as of September 30, 2025 and December 31, 2024.

Commercial Paper Program. Our commercial paper program has a program limit of \$1.85 billion. We had \$1,060.0 million and \$604.6 million of commercial paper outstanding with weighted-average interest rates of 4.40% and 4.73% as of September 30, 2025 and December 31, 2024, respectively.

Accounts Receivable Transfer Programs. Columbia of Ohio, NIPSCO, and Columbia of Pennsylvania each maintain a receivables agreement whereby they transfer their customer accounts receivables to third-party financial institutions through consolidated special purpose entities. The three agreements expire between May 2026 and October 2026 and may be further extended if mutually agreed to by the parties thereto.

All receivables transferred to third parties are valued at face value, which approximates fair value due to their short-term nature. The amount of the undivided percentage ownership interest in the accounts receivables transferred is determined in part by required loss reserves under the agreements.

Transfers of accounts receivable are accounted for as secured borrowings resulting in the recognition of short-term borrowings on the Condensed Consolidated Balance Sheets (unaudited). As of September 30, 2025, the maximum amount of debt that could be borrowed related to our accounts receivable programs was \$245.0 million.

We had \$200.0 million and no short-term borrowings related to the securitization transactions as of September 30, 2025 and December 31, 2024, respectively.

For the nine months ended September 30, 2025 and 2024, \$200.0 million and \$(337.6) million, respectively, were recorded as cash flows from (used for) financing activities related to the change in short-term borrowings due to securitization transactions. Columbia of Ohio, NIPSCO and Columbia of Pennsylvania remain responsible for collecting on the receivables securitized, and the receivables cannot be transferred to another party.

Items listed above are presented net in the Condensed Statements of Consolidated Cash Flows (unaudited) as their maturities are less than 90 days.

8. Long-Term Debt

On March 27, 2025, we completed the issuance and sale of \$750.0 million of 5.850% senior unsecured notes maturing in 2055, which resulted in approximately \$739.6 million of net proceeds after discount and debt issuance costs.

On June 27, 2025, we completed the issuance and sale of an additional \$750.0 million of 5.850% senior unsecured notes maturing in 2055 (the "2055 Notes"). The terms of the 2055 Notes, other than the issue date and the price to the public, are identical to the terms of, and constitute a reopening of, our 5.850% senior unsecured notes maturing in 2055 issued on March 27, 2025. With the incremental issuance, we now have \$1.5 billion of 5.850% senior unsecured notes maturing in 2055. On June 27, 2025, we also completed the issuance and sale of \$900.0 million of 5.350% senior unsecured notes maturing in 2035 (the "2035 Notes"). The issuances of the additional 2055 Notes and the 2035 Notes in June 2025 resulted in approximately \$1.616 billion of total net proceeds after discount and debt issuance costs.

On August 15, 2025, we repaid \$1,250.0 million of 0.95% senior unsecured notes at maturity.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

9. Regulatory Matters

Regulatory Assets and Liabilities. We follow the accounting and reporting requirements of ASC Topic 980, which provides that regulated entities account for and report assets and liabilities consistent with the economic effect of regulatory rate-making procedures when the rates established are designed to recover the costs of providing the regulated service and it is probable that such rates will be charged and collected from customers. Certain expenses and credits subject to utility regulation or rate determination normally reflected in income or expense are deferred on the balance sheet and are recognized in the income statement as the related amounts are included in customer rates and recovered from or refunded to customers. We assess the probability of collection for all of our regulatory assets each period. The offset to the regulatory liability associated with our renewable investments included in regulated rates is recorded in "Depreciation and amortization" on the Condensed Statements of Consolidated Income (unaudited).

Renewable generation filings. In February 2025, NIPSCO filed a petition with the IURC to modify its February 2023 order that approved a power purchase agreement related to Templeton and allow for NIPSCO to fully own Templeton. The IURC issued an order on September 24, 2025 approving the filed petition.

GenCo filing. In January 2025, GenCo, an indirect subsidiary of NiSource Inc., filed a declination of jurisdiction petition with the IURC related to the ownership, development, financing, construction and operation of generation facilities. This is an administrative filing and is a step in NIPSCO's effort to set up a framework to accommodate megaload customers, including data centers. A settlement agreement among GenCo, NIPSCO, and a coalition of NIPSCO's largest industrial customers was approved by the IURC on September 24, 2025. In October 2025, the Indiana Office of the Utility Consumer Counselor ("OUCC") filed a limited Request for Rehearing with the IURC. Subsequently, the OUCC filed a Notice of Appeal of the IURC order approving the GenCo settlement, which was immediately stayed by the Court of Appeals to allow the IURC process to be completed.

NIPSCO Electric rate case filing. On February 7, 2025, NIPSCO and certain intervening parties filed a Joint Stipulation and Settlement Agreement with the IURC. The IURC issued an order on June 26, 2025, approving the Settlement Agreement without modification. New rates were implemented in multiple steps beginning in July 2025 and will continue with the final step no later than March 2026.

10. Risk Management Activities

We are exposed to certain risks relating to our ongoing business operations; namely commodity price risk and interest rate risk. We recognize that the prudent and selective use of derivatives may help to limit volatility in the price of natural gas and manage interest rate exposure.

Risk management assets and liabilities on our derivatives are presented on the Condensed Consolidated Balance Sheets (unaudited) as shown below:

(in millions)	September 30, 2025		December 31, 2024	
	Assets	Liabilities	Assets	Liabilities
Current ⁽¹⁾				
Derivatives not designated as hedging instruments	\$ 10.5	\$ 2.8	\$ 9.1	\$ 2.3
Total	\$ 10.5	\$ 2.8	\$ 9.1	\$ 2.3
Noncurrent ⁽²⁾				
Derivatives not designated as hedging instruments	\$ 12.8	\$ 3.7	\$ 17.9	\$ 1.2
Total	\$ 12.8	\$ 3.7	\$ 17.9	\$ 1.2

⁽¹⁾Current assets and liabilities are presented in "Other current assets" and "Other accruals", respectively, on the Condensed Consolidated Balance Sheets (unaudited).

⁽²⁾Noncurrent assets and liabilities are presented in "Deferred charges and other" and "Other noncurrent liabilities and deferred credits", respectively, on the Condensed Consolidated Balance Sheets (unaudited).

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)**

Our derivative instruments are subject to enforceable master netting arrangements or similar agreements. No collateral was either received or posted related to our outstanding derivative positions at September 30, 2025. If the above gross asset and liability positions were presented net of amounts owed or receivable from counterparties, we would report a net asset position of \$16.8 million and \$23.5 million at September 30, 2025 and December 31, 2024, respectively.

Derivatives Not Designated as Hedging Instruments

Commodity price risk management. We, along with our utility customers, are exposed to variability in cash flows associated with natural gas purchases and volatility in natural gas prices. We purchase natural gas for sale and delivery to our retail, commercial and industrial customers, and for most customers the variability in the market price of gas is passed through in their rates. Some of our utility subsidiaries offer programs whereby variability in the market price of gas is assumed by the respective utility. The objective of our commodity price risk programs is to mitigate the gas cost variability on behalf of our customers associated with natural gas purchases or sales by economically hedging the various gas cost components using a combination of futures, options, forwards or other derivative contracts. At September 30, 2025 and December 31, 2024, we had 89.4 MMDth and 77.8 MMDth, respectively, of net energy derivative volumes outstanding related to our natural gas hedges.

NIPSCO has received approval for a program to lock in a fixed price for its natural gas customers using long-term forward purchase instruments and is limited to 20% of NIPSCO's average annual GCA purchase volume. As of September 30, 2025, the remaining terms of these instruments range from one to seven years. Likewise, Columbia of Pennsylvania has received approval for a 24-month rolling hedge program that will continue in perpetuity. The program is designed to financially hedge approximately 20% of the customers' annual demand. Under both programs all gains and losses on these derivative contracts are deferred as regulatory liabilities or assets and are remitted to or collected from customers through the relevant cost recovery mechanism.

The following table summarizes the gains and losses associated with the commodity price risk programs deferred as regulatory assets and liabilities:

<i>(in millions)</i>	September 30, 2025		December 31, 2024	
Regulatory Assets				
Losses on commodity price risk programs	\$	10.9	\$	6.5
Regulatory Liabilities				
Gains on commodity price risk programs		23.8		28.7

Our derivative instruments measured at fair value as of September 30, 2025 and December 31, 2024 do not contain any credit-risk-related contingent features.

Derivatives Designated as Hedging Instruments

Interest rate risk management. As of September 30, 2025 and December 31, 2024 we had no active interest rate swap positions. We have recorded the overall net loss related to previously settled interest rate swaps in AOCI. The gain or loss associated with each previously settled interest rate swap is amortized in interest expense over the term of each corresponding debt issuance. These amounts were immaterial for the three and nine months ended September 30, 2025 and 2024 and are recorded in "Interest expense, net" on the Condensed Statements of Consolidated Income (unaudited). Amounts expected to be reclassified to earnings during the next twelve months are immaterial. See Note 15, "Accumulated Other Comprehensive Loss," for additional information.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

11. Fair Value

A. Fair Value Measurements

Recurring Fair Value Measurements

The following tables present financial assets and liabilities measured and recorded at fair value on our Condensed Consolidated Balance Sheets (unaudited) on a recurring basis and their level within the fair value hierarchy as of September 30, 2025 and December 31, 2024. As of September 30, 2025 and December 31, 2024, there were no material transfers between fair value hierarchies. Additionally, there were no changes in the method or significant assumptions used to estimate the fair value of our financial instruments.

Recurring Fair Value Measurements September 30, 2025 <i>(in millions)</i>	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of September 30, 2025
Assets				
U.S. Treasury debt securities ⁽¹⁾	\$ 4.0	\$ —	\$ —	\$ 4.0
Risk management assets	—	23.3	—	23.3
Available-for-sale debt securities	—	159.0	—	159.0
Equity securities ⁽²⁾⁽³⁾	\$ 8.5	\$ —	\$ —	\$ 8.5
Total	\$ 12.5	\$ 182.3	\$ —	\$ 194.8
Liabilities				
Risk management liabilities	\$ —	\$ 6.5	\$ —	\$ 6.5
Total	\$ —	\$ 6.5	\$ —	\$ 6.5

⁽¹⁾Treasury bills are presented in "Cash and cash equivalents" and "Restricted cash" on the Consolidated Balance Sheets.

⁽²⁾Equity securities are in a high dividend equity fund and are valued using market prices in active markets. Level 1 instrument valuations are obtained from real-time quotes for transactions in active exchange markets involving identical assets. Equity securities are presented in "Other Investments" on the Consolidated Balance Sheets.

⁽³⁾As of September 30, 2025, the investment cost of equity securities measured at fair value was \$7.9 million, gross unrealized gains were \$0.6 million, and the fair value was \$8.5 million.

Recurring Fair Value Measurements December 31, 2024 <i>(in millions)</i>	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of December 31, 2024
Assets				
U.S. Treasury debt securities ⁽¹⁾	\$ 80.1	\$ —	\$ —	\$ 80.1
Risk management assets	—	27.0	—	27.0
Available-for-sale debt securities	—	86.7	—	86.7
Total	\$ 80.1	\$ 113.7	\$ —	\$ 193.8
Liabilities				
Risk management liabilities	\$ —	\$ 3.5	\$ —	\$ 3.5
Total	\$ —	\$ 3.5	\$ —	\$ 3.5

⁽¹⁾Treasury bills are presented in "Cash and cash equivalents" and "Restricted cash" on the Consolidated Balance Sheets.

Level 1 - When utilized, exchange-traded derivative contracts are based on unadjusted quoted prices in active markets and are classified within Level 1. These financial assets and liabilities are secured with cash on deposit with the exchange; therefore, nonperformance risk has not been incorporated into these valuations. These financial assets and liabilities are deemed to be cleared and settled daily by NYMEX as the related cash collateral is posted with the exchange. As a result of this exchange rule, NYMEX derivatives are considered to have no fair value at the balance sheet date for financial reporting purposes, and are presented in Level 1 net of posted cash; however, the derivatives remain outstanding and are subject to future commodity price fluctuations until they are settled in accordance with their contractual terms.

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)**

Level 2- Certain non-exchange-traded derivatives are valued using broker or over-the-counter, on-line exchanges. In such cases, these non-exchange-traded derivatives are classified within Level 2. Non-exchange-based derivative instruments include swaps, forwards, and options. In certain instances, these instruments may utilize models to measure fair value taking into consideration credit risk. We use a similar model to value similar instruments. Valuation models utilize various inputs that include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, other observable inputs for the asset or liability and market-corroborated inputs, (i.e., inputs derived principally from or corroborated by observable market data by correlation or other means). Where observable inputs are available for substantially the full term of the asset or liability, the instrument is categorized within Level 2.

Level 3- Certain derivatives trade in less active markets with a lower availability of pricing information and models may be utilized in the valuation. When such inputs have a significant impact on the measurement of fair value, the instrument is categorized within Level 3.

Risk Management Assets and Liabilities. Risk management assets and liabilities include exchange-traded NYMEX futures and NYMEX options and non-exchange-based forward purchase contracts. NIPSCO and Columbia of Pennsylvania have entered into long-term forward natural gas purchase instruments to lock in a fixed price for natural gas customers. We value these contracts using a pricing model that incorporates market-based information when available, as these instruments trade less frequently and are classified within Level 2 of the fair value hierarchy. For additional information, see Note 10, "Risk Management Activities."

Available-for-Sale Debt Securities. Available-for-sale debt securities are investments pledged as collateral for trust accounts related to our wholly owned insurance company. We value U.S. Treasury, corporate debt and mortgage-backed securities using a matrix pricing model that incorporates market-based information. These securities trade less frequently and are classified within Level 2.

Our available-for-sale debt securities impairments are recognized periodically using an allowance approach. At each reporting date, we utilize a quantitative and qualitative review process to assess the impairment of available-for-sale debt securities at the individual security level. For securities in a loss position, we evaluate our intent to sell or whether it is more-likely-than-not that we will be required to sell the security prior to the recovery of its amortized cost. If either criteria is met, the loss is recognized in earnings immediately, with the offsetting entry to the carrying value of the security. If both criteria are not met, we perform an analysis to determine whether the unrealized loss is related to credit factors. The analysis focuses on a variety of factors that include, but are not limited to, downgrade on ratings of the security, defaults in the current reporting period or projected defaults in the future, the security's yield spread over treasuries, and other relevant market data. If the unrealized loss is not related to credit factors, it is included in other comprehensive income. If the unrealized loss is related to credit factors, the loss is recognized as credit loss expense in earnings during the period, with an offsetting entry to the allowance for credit losses. The amount of the credit loss recorded to the allowance account is limited by the amount at which the security's fair value is less than its amortized cost basis. If certain amounts recorded in the allowance for credit losses are deemed uncollectible, the allowance on the uncollectible portion will be charged off, with an offsetting entry to the carrying value of the security. Subsequent improvements to the estimated credit losses of available-for-sale debt securities will be recognized immediately in earnings. Continuous credit monitoring and portfolio credit balancing mitigates our risk of credit losses on our available-for-sale debt securities.

The amortized cost, gross unrealized gains and losses, allowance for credit losses, and fair value of available-for-sale securities at September 30, 2025 and December 31, 2024 were:

September 30, 2025 <i>(in millions)</i>	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses ⁽¹⁾	Allowance for Credit Losses	Fair Value
Available-for-sale debt securities					
U.S. Treasury debt securities	10.6	\$ —	\$ —	\$ —	\$ 10.6
Corporate/Other debt securities	\$ 149.8	\$ 2.3	\$ (3.6)	\$ (0.1)	\$ 148.4
Total	\$ 160.4	\$ 2.3	\$ (3.6)	\$ (0.1)	\$ 159.0

December 31, 2024 <i>(in millions)</i>	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses ⁽²⁾	Allowance for Credit Losses	Fair Value
Available-for-sale debt securities					
Corporate/Other debt securities	\$ 91.9	\$ 0.5	\$ (5.6)	\$ (0.1)	\$ 86.7
Total	\$ 91.9	\$ 0.5	\$ (5.6)	\$ (0.1)	\$ 86.7

⁽¹⁾Fair value of U.S. Treasury debt securities and Corporate/Other debt securities in an unrealized loss position without an allowance for credit losses is \$1.5 million and \$55.9 million at September 30, 2025.

⁽²⁾Fair value of Corporate/Other debt securities in an unrealized loss position without an allowance for credit losses is \$70.1 million at December 31, 2024.

The cost of maturities sold is based upon specific identification. Net realized gains and losses on available-for-sale securities were de minimis and \$0.1 million for the three and nine months ended September 30, 2025, respectively, and \$0.1 million and \$0.5 million for the three and nine months ended September 30, 2024.

Equity Investments. Investments measured at net asset value per share (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. These investments represent holdings in a single private investment fund that are redeemable at the election of the holder. As of September 30, 2025, the Company holds \$17.9 million of equity investments measured at net asset value.

Non-recurring Fair Value Measurements

We measure the fair value of certain assets, primarily goodwill, on a non-recurring basis, typically when events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable.

B. Other Fair Value Disclosures for Financial Instruments. The carrying amount of cash and cash equivalents, restricted cash, notes receivable, customer deposits and short-term borrowings is a reasonable estimate of fair value due to their liquid or short-term nature. Our long-term borrowings are recorded at historical amounts.

The following method and assumptions were used to estimate the fair value of each class of financial instruments.

Long-term Debt. The fair value of outstanding long-term debt is estimated based on the quoted market prices for the same or similar securities. Certain premium costs associated with the early settlement of long-term debt are not taken into consideration in determining fair value. These fair value measurements are classified within Level 2 of the fair value hierarchy. As of September 30, 2025, there was no change in the method or significant assumptions used to estimate the fair value of long-term debt.

The carrying amount and estimated fair values of these financial instruments were as follows:

<i>(in millions)</i>	Carrying Amount as of September 30, 2025	Estimated Fair Value as of September 30, 2025	Carrying Amount as of Dec. 31, 2024	Estimated Fair Value as of Dec. 31, 2024
Long-term debt (including current portion)	\$ 14,503.4	\$ 14,050.3	\$ 13,355.7	\$ 12,505.2

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

12. Income Taxes

Our interim effective tax rates reflect the estimated annual effective tax rates for 2025 and 2024 applied to year-to-date pretax income, adjusted for tax expense associated with certain discrete items. The effective tax rates for the three months ended September 30, 2025 and 2024 were 16.1% and 14.1%, respectively. The effective tax rates for the nine months ended September 30, 2025 and 2024 were 17.0% and 15.4%, respectively. These effective tax rates differ from the federal statutory tax rate of 21% primarily due to net income attributable to noncontrolling interest, amortization of excess deferred income taxes, federal tax credits net of deferred regulatory liabilities, state income taxes, and other permanent book-to-tax differences.

The increase in the three month effective tax rate of 2.0% in 2025 compared to 2024 is primarily driven by changes in net income attributable to noncontrolling interest, lower AFUDC equity and increases to other permanent differences, partially offset by lower state income taxes.

The increase in the nine month effective tax rate of 1.6% in 2025 compared to 2024 is primarily driven by lower AFUDC equity and changes in net income attributable to noncontrolling interest.

As of September 30, 2025, there have been no material changes to our unrecognized tax benefits or possible changes that could reasonably be expected to occur during the next twelve months. See Note 15 to the Company's Consolidated Financial Statements in the Annual Report on Form 10-K for the year ended December 31, 2024, for a discussion of these unrecognized tax benefits.

On July 4, 2025, President Donald J. Trump enacted the One Big Beautiful Bill Act ("OBBBA"), which introduced significant federal tax and spending reforms. After evaluation, management determined that the OBBBA does not currently have a material effect on the Company's financial statements. The Company will continue to monitor the bill's implementation and will update its financial disclosures as needed should material impacts arise under applicable accounting standards.

ITEM 1. FINANCIAL STATEMENTS (continued)
NiSource Inc.
Notes to Condensed Consolidated Financial Statements (unaudited) (continued)
13. Pension and Other Postemployment Benefits

We provide defined contribution plans and noncontributory defined benefit retirement plans that cover certain of our employees. Benefits under the defined benefit retirement plans reflect the employees' compensation, years of service and age at retirement. Additionally, we provide health care and life insurance benefits for certain retired employees. Certain active employees may become eligible for these benefits if they reach retirement age while working for us. The expected cost of such benefits is accrued during the employees' years of service. We determined that, for certain rate-regulated subsidiaries, the future recovery of postretirement benefit costs is probable, and we record regulatory assets and liabilities for amounts that would otherwise have been recorded to expense or accumulated other comprehensive loss. Current rates of rate-regulated companies include postretirement benefit costs, including amortization of the regulatory assets and liabilities that arose prior to inclusion of these costs in rates. For most plans, cash contributions are remitted to grantor trusts.

For the nine months ended September 30, 2025 and 2024, we contributed \$1.5 million and \$1.9 million, respectively, to our pension plans and \$15.4 million and \$18.3 million, respectively, to our OPEB plans.

The following table provides the components of the plans' actuarially determined net periodic benefit cost for the three and nine months ended September 30, 2025 and 2024:

Three Months Ended September 30, (in millions)	Pension Benefits		OPEB	
	2025	2024	2025	2024
Components of Net Periodic Benefit Cost⁽¹⁾				
Service cost	\$ 4.9	\$ 5.5	\$ 1.0	\$ 1.3
Interest cost	16.0	16.3	5.6	5.5
Expected return on assets	(23.1)	(23.8)	(4.2)	(4.0)
Amortization of prior service credit	—	—	(0.4)	(0.4)
Recognized actuarial loss	6.4	7.2	0.4	0.8
Settlement loss	5.6	5.9	—	—
Total Net Periodic Benefit Cost	\$ 9.8	\$ 11.1	\$ 2.4	\$ 3.2

⁽¹⁾The service cost component and all non-service cost components of net periodic benefit (income) cost are presented in "Operation and maintenance" and "Other, net," respectively, on the Condensed Statements of Consolidated Income (unaudited).

Nine Months Ended September 30, (in millions)	Pension Benefits		OPEB	
	2025	2024	2025	2024
Components of Net Periodic Benefit Cost⁽¹⁾				
Service cost	\$ 14.7	\$ 16.4	\$ 3.0	\$ 3.9
Interest cost	48.0	48.9	16.8	16.4
Expected return on assets	(69.3)	(71.4)	(12.6)	(12.0)
Amortization of prior service credit	—	—	(1.2)	(1.2)
Recognized actuarial loss	19.2	21.6	1.2	2.4
Settlement loss	5.6	5.9	—	—
Total Net Periodic Benefit Cost	\$ 18.2	\$ 21.4	\$ 7.2	\$ 9.5

⁽¹⁾The service cost component and all non-service cost components of net periodic benefit (income) cost are presented in "Operation and maintenance" and "Other, net," respectively, on the Condensed Statements of Consolidated Income (unaudited).

During the three months ended September 30, 2025, one of our qualified pension plans met the requirement for settlement accounting. A one-time settlement charge of \$5.6 million was recorded during the three months ended September 30, 2025.

In August 2025, we communicated to plan participants of one of our OPEB plans the intention to move from a group self-insured Medicare supplemental health plan to a Sponsored Health Reimbursement Account, with eligible retirees electing coverage through a Healthcare Exchange. This change will become effective on January 1, 2026. Given the intention of the plan and communication to participants, this was considered a plan amendment at the time of communication. This plan amendment triggered remeasurement of this plan, resulting in a decrease to the OPEB regulatory asset of \$5.7 million, a decrease to OPEB

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)**

liability of \$23.3 million, and an increase to accumulated other comprehensive loss of \$17.6 million. Net periodic OPEB benefit cost for 2025 decreased by \$1.7 million as a result of the interim remeasurement.

In line with the remeasurement, key inputs, economic assumptions, and demographic assumptions changed to calculate the updated OPEB benefit obligation and the net periodic benefit cost at the interim remeasurement date for the plan that triggered settlement accounting. For remeasurement, we used a weighted-average discount rate of 5.53%, a weighted-average health care trend rate of 9.97% for next year and ultimate trend rate of 4.75% to be reached in 2034, and weighted-average expected return on assets of 6.88%.

14. Other Commitments and Contingencies

A. Guarantees and Indemnities. We and certain of our subsidiaries enter into various agreements providing financial or performance assurance to third parties on behalf of certain subsidiaries as a part of normal business. Such agreements include guarantees and stand-by letters of credit. These agreements are entered into primarily to support or enhance the creditworthiness otherwise attributed to a subsidiary on a stand-alone basis, thereby facilitating the extension of sufficient credit to accomplish the subsidiaries' intended commercial purposes. As of September 30, 2025 and December 31, 2024, we had issued letters of credit of \$119.0 million and \$9.4 million, respectively, for the benefit of third parties.

We provide guarantees related to our future performance under BTAs for our renewable generation projects. At September 30, 2025 and December 31, 2024, our guarantees for multiple BTAs totaled \$29.2 million and \$1,127.5 million, respectively. The amount of each guaranty will decrease upon the substantial completion of the construction of the facilities. See "- D. Other Matters - Generation Transition," below for more information.

We provide guarantees related to some of our rail and pipeline service agreements. As of September 30, 2025 and December 31, 2024, if we do not meet our contractual obligations under the terms of these agreements we would be required to pay up to a maximum of \$52.0 million and \$61.7 million, respectively.

B. Legal Proceedings. From time to time, various legal and regulatory claims and proceedings are pending or threatened against the Company and its subsidiaries. While the amounts claimed may be substantial, the Company is unable to predict with certainty the ultimate outcome of such claims and proceedings. The Company establishes reserves whenever it believes it to be appropriate for pending litigation matters. However, the actual results of resolving the pending litigation matters may be substantially higher than the amounts reserved. If one or more matters were decided against us, the effects could be material to our results of operations in the period in which we would be required to record or adjust the related liability and could also be material to our cash flows in the periods that we would be required to pay such liability. Due to the inherent uncertainty of litigation, there can be no assurance that the resolution of any particular claim, proceeding or investigation would not have a material adverse effect on our results of operations, financial position or liquidity.

Other Claims and Proceedings. We are also party to other claims, regulatory and legal proceedings arising in the ordinary course of business in each state in which we have operations, and based upon an investigation of these matters and discussion with legal counsel, we believe the ultimate outcome of such other legal proceedings to be individually, or in aggregate, not material at this time.

C. Environmental Matters. Our operations are subject to environmental statutes and regulations related to air quality, water quality, hazardous waste and solid waste. We believe that we are in substantial compliance with the environmental regulations currently applicable to our operations.

It is management's continued intent to address environmental issues in cooperation with regulatory authorities in such a manner as to achieve mutually acceptable compliance plans. However, there can be no assurance that fines and penalties will not be incurred. Management expects a majority of environmental assessment and remediation costs and asset retirement costs, further described below, to be recoverable through rates.

As of September 30, 2025 and December 31, 2024, we had recorded a liability of \$84.6 million and \$91.8 million, respectively, to cover environmental remediation at various sites. This liability is included in "Other accruals" and "Other noncurrent liabilities and deferred credits" in the Condensed Consolidated Balance Sheets (unaudited). We recognize costs associated with environmental remediation obligations when the incurrence of such costs is probable and the amounts can be reasonably estimated. The original estimates for remediation activities may differ materially from the amount ultimately expended. The actual future expenditures depend on many factors, including laws and regulations, the nature and extent of impact and the

ITEM 1. FINANCIAL STATEMENTS (continued)**NiSource Inc.****Notes to Condensed Consolidated Financial Statements (unaudited) (continued)**

method of remediation. These expenditures are not currently estimable at some sites. We periodically adjust our liability as information is collected and estimates become more refined.

CERCLA. Our subsidiaries are potentially responsible parties at waste disposal sites under CERCLA and similar state laws. Under CERCLA, each potentially responsible party can be held jointly, severally and strictly liable for the remediation costs as the EPA, or state, can allow the parties to pay for remedial action or perform remedial action themselves and request reimbursement from the potentially responsible parties. Our affiliates have retained CERCLA environmental liabilities, including remediation liabilities, associated with certain current and former operations. At this time, we cannot estimate the full cost of remediating properties that have not yet been investigated, but it is possible that the future costs could be material to the Condensed Consolidated Financial Statements (unaudited).

MGP. We maintain a program to identify and investigate former MGP sites where our subsidiaries or predecessors may have liability. The program has identified 51 such sites where liability is probable. Remedial actions at many of these sites are being overseen by state or federal environmental agencies through consent agreements or voluntary remediation agreements.

We utilize a probabilistic model to estimate our future remediation costs related to MGP sites. The model was prepared with the assistance of a third party and incorporates our experience and general industry experience with remediating MGP sites. We perform an annual update of the model in the second quarter each year. No material changes to the estimated future remediation costs were identified during the update completed as of June 30, 2025. Our total estimated liability related to the facilities subject to remediation was \$77.3 million and \$86.4 million at September 30, 2025 and December 31, 2024, respectively. The liability represents our best estimate of the probable cost to remediate the MGP sites. Our model indicates that it is reasonably possible that remediation costs could vary by as much as \$16.5 million and \$16.3 million at September 30, 2025 and December 31, 2024, respectively, in addition to the costs noted above. Remediation costs are estimated based on the best available information, applicable remediation standards at the balance sheet date and experience with similar facilities.

CCRs. NIPSCO continues to meet the compliance requirements established by the EPA for the regulation of CCRs. The CCR rule requirements currently in effect required revisions to previously recorded legal obligations associated with the retirement of certain NIPSCO facilities. The actual asset retirement costs related to the CCR rule may vary substantially from the estimates used to record the increased asset retirement obligation due to the uncertainty about the requirements that will be established by environmental authorities, compliance strategies that will be used, and the preliminary nature of available data used to estimate costs. As allowed by the rule, NIPSCO will continue to collect data over time to determine the specific compliance solutions and associated costs and, as a result, the actual costs may vary.

On May 8, 2024, the EPA finalized changes to the current CCR regulations ("Legacy CCR Rule"), which address inactive surface impoundments at inactive facilities, referred to as legacy impoundments, and CCR management units ("CCRMUs") at inactive and active facilities. The rule largely requires these newly regulated units to conform to existing requirements, such as groundwater monitoring, closure requirements, and post-closure care. In the second quarter of 2025, we accrued an additional \$38.8 million to cover probable and estimable compliance activities associated with the Legacy CCR Rule. NIPSCO continues to assess whether existing legal obligations associated with the retirement of certain facilities must be revised and to estimate probable additional required asset retirement costs. NIPSCO expects to receive recovery of any such costs through existing and future depreciation rates.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

D. Other Matters.

Generation Transition. NIPSCO has executed several BTAs with developers to construct renewable generation facilities. In October 2024, NIPSCO contracted with a developer to convert the previously approved Templeton PPA to a BTA and in February 2025 filed a CPCN with the IURC seeking approval of the full ownership BTA structure. In September 2025, the IURC granted NIPSCO a CPCN to acquire Templeton through the full ownership BTA structure. NIPSCO's purchase obligation under Templeton is dependent on timely completion of construction. Certain agreements require NIPSCO to make partial payments upon the developer's completion of significant construction milestones.

In January 2025, the Fairbanks project achieved mechanical completion, resulting in NIPSCO making a \$336.6 million payment to the developer. In May 2025, the Fairbanks project achieved substantial completion, resulting in NIPSCO making a \$141.4 million payment to the developer in June 2025.

In January 2025, the Dunns Bridge II project achieved substantial completion, resulting in NIPSCO making a \$217.6 million payment to the developer in February 2025.

In June 2025, the Gibson project achieved mechanical completion, resulting in NIPSCO making a \$262.4 million payment to the developer. In August 2025, the Gibson project achieved substantial completion, resulting in NIPSCO making a \$133.7 million payment to the developer in September 2025.

EPC Agreements. GenCo has entered into certain EPC contracts to construct generation capacity assets to support the Data Center Contract, requiring payments at specified periods. The assets contemplated by these contracts are subject to IURC approval. We may terminate for convenience the EPC Contracts and pay certain incurred project costs and termination fees if the Data Center Contract is terminated or IURC approval of the underlying assets is not obtained.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

15. Accumulated Other Comprehensive Loss

The following tables display the components of Accumulated Other Comprehensive Loss, net of tax:

<i>(in millions)</i>	Gains and Losses on Securities ⁽¹⁾	Gains and Losses on Cash Flow Hedges ⁽¹⁾	Pension and OPEB Items ⁽¹⁾	Accumulated Other Comprehensive Loss ⁽¹⁾
Balance as of June 30, 2025	\$ (2.2)	\$ (13.4)	\$ (12.6)	\$ (28.2)
Other comprehensive income before reclassifications	1.3	—	13.8	15.1
Amounts reclassified from accumulated other comprehensive loss	—	(0.1)	0.2	0.1
Net current-period other comprehensive income (loss)	1.3	(0.1)	14.0	15.2
Balance as of September 30, 2025	\$ (0.9)	\$ (13.5)	\$ 1.4	\$ (13.0)

⁽¹⁾All amounts are net of tax. Amounts in parentheses indicate debits.

<i>(in millions)</i>	Gains and Losses on Securities ⁽¹⁾	Gains and Losses on Cash Flow Hedges ⁽¹⁾	Pension and OPEB Items ⁽¹⁾	Accumulated Other Comprehensive Loss ⁽¹⁾
Balance as of December 31, 2024	\$ (4.0)	\$ (13.2)	\$ (13.2)	\$ (30.4)
Other comprehensive income before reclassifications	3.1	—	13.9	17.0
Amounts reclassified from accumulated other comprehensive loss	—	(0.3)	0.7	0.4
Net current-period other comprehensive income (loss)	3.1	(0.3)	14.6	17.4
Balance as of September 30, 2025	\$ (0.9)	\$ (13.5)	\$ 1.4	\$ (13.0)

⁽¹⁾All amounts are net of tax. Amounts in parentheses indicate debits.

<i>(in millions)</i>	Gains and Losses on Securities ⁽¹⁾	Gains and Losses on Cash Flow Hedges ⁽¹⁾	Pension and OPEB Items ⁽¹⁾	Accumulated Other Comprehensive Loss ⁽¹⁾
Balance as of June 30, 2024	\$ (7.6)	\$ (13.0)	\$ (13.0)	\$ (33.6)
Other comprehensive income (loss) before reclassifications	3.5	0.4	(0.1)	3.8
Amounts reclassified from accumulated other comprehensive loss	—	(0.5)	0.7	0.2
Net current-period other comprehensive income (loss)	3.5	(0.1)	0.6	4.0
Balance as of September 30, 2024	\$ (4.1)	\$ (13.1)	\$ (12.4)	\$ (29.6)

⁽¹⁾All amounts are net of tax. Amounts in parentheses indicate debits.

<i>(in millions)</i>	Gains and Losses on Securities ⁽¹⁾	Gains and Losses on Cash Flow Hedges ⁽¹⁾	Pension and OPEB Items ⁽¹⁾	Accumulated Other Comprehensive Loss ⁽¹⁾
Balance as of December 31, 2023	\$ (7.3)	\$ (12.8)	\$ (13.5)	\$ (33.6)
Other comprehensive income (loss) before reclassifications	2.8	—	(0.1)	2.7
Amounts reclassified from accumulated other comprehensive loss	0.4	(0.3)	1.2	1.3
Net current-period other comprehensive income (loss)	3.2	(0.3)	1.1	4.0
Balance as of September 30, 2024	\$ (4.1)	\$ (13.1)	\$ (12.4)	\$ (29.6)

⁽¹⁾All amounts are net of tax. Amounts in parentheses indicate debits.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

16. Business Segment Information

Our reportable segments reflect the manner in which our business is managed and our resources are allocated. Our operations are divided into two primary reportable segments, the Columbia Operations and the NIPSCO Operations segments. Columbia Operations aggregates the results of the fully regulated and wholly owned subsidiaries of NiSource Gas Distribution Group, Inc. (a holding company that owns Columbia of Kentucky, Columbia of Maryland, Columbia of Ohio, Columbia of Pennsylvania, and Columbia of Virginia). Each Columbia distribution company is an operating segment which we aggregate to form the Columbia Operations reportable segment. NIPSCO Operations includes the results of NIPSCO Holdings I and its majority-owned subsidiaries, including NIPSCO, which has regulated gas and electric operations in northern Indiana.

The remainder of our operations, which are not significant enough on a stand-alone basis to warrant treatment as a reportable segment, are presented as "Corporate and Other" and primarily are comprised of interest expense on holding company debt and unallocated corporate costs and activities. Refer to Note 3, "Revenue Recognition," for additional information on our segments and their sources of revenues. The following table provides information about our reportable segments. We use operating income as the primary measurement of performance for each of the reportable segments and make decisions on financing, dividends and taxes at the corporate level on a consolidated basis. We provide this measure to our CODM, the CEO, who utilizes it to assess performance and allocation of resources at the operating segment level based on budget-to-actual and actual-to-actual variances. Segment revenues include intersegment sales to affiliated subsidiaries, which are eliminated in consolidation. Affiliated sales are recognized on the basis of prevailing market, regulated prices or at levels provided for under contractual agreements. Operating income is derived from revenues and expenses directly associated with each segment.

Three Months Ended September 30, 2025

<i>(in millions)</i>	Columbia Operations	NIPSCO Operations	Total of Reportable Segments
Operating Revenues			
External Revenue	\$ 484.9	\$ 787.0	\$ 1,271.9
Intersegment Revenue	3.3	0.3	3.6
Total Operating Revenue	\$ 488.2	\$ 787.3	\$ 1,275.5
Cost of energy	58.5	135.2	193.7
O&M	212.8	215.1	427.9
Depreciation	112.7	185.3	298.0
Total other taxes	52.0	19.1	71.1
Other segment items ⁽¹⁾	0.1	—	0.1
Operating Income	\$ 52.1	\$ 232.6	\$ 284.7

⁽¹⁾Other segment items consists of Loss on Sale or Impairment of Assets and other segment income or expenses deemed insignificant which are used to reach our measurement of segment profit or loss, Operating Income.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Three Months Ended September 30, 2024

<i>(in millions)</i>	Columbia Operations	NIPSCO Operations	Total of Reportable Segments
Operating Revenues			
External Revenue	\$ 423.4	\$ 652.6	\$ 1,076.0
Intersegment Revenue	3.3	0.3	3.6
Total Operating Revenue	426.7	652.9	1,079.6
Cost of energy	34.2	131.7	165.9
O&M	202.9	177.7	380.6
Depreciation	103.0	156.8	259.8
Total other taxes	45.4	15.4	60.8
Operating Income	\$ 41.2	\$ 171.3	\$ 212.5

Nine Months Ended September 30, 2025

<i>(in millions)</i>	Columbia Operations	NIPSCO Operations	Total of Reportable Segments
Operating Revenues			
External Revenue	\$ 2,326.7	\$ 2,409.0	\$ 4,735.7
Intersegment Revenue	10.0	0.8	10.8
Total Operating Revenue	\$ 2,336.7	\$ 2,409.8	\$ 4,746.5
Cost of energy	548.7	554.3	1,103.0
O&M	663.5	628.1	1,291.6
Depreciation	332.6	492.5	825.1
Total other taxes	171.4	55.7	227.1
Other segment items ⁽¹⁾	0.4	0.7	1.1
Operating Income	\$ 620.1	\$ 678.5	\$ 1,298.6

⁽¹⁾Other segment items consists of Loss on Sale or Impairment of Assets and other segment income or expenses deemed insignificant which are used to reach our measurement of segment profit or loss, Operating Income.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Nine Months Ended September 30, 2024

<i>(in millions)</i>	Columbia Operations	NIPSCO Operations	Total of Reportable Segments
Operating Revenues			
External Revenue	\$ 1,864.5	\$ 2,002.2	\$ 3,866.7
Intersegment Revenue	9.6	0.8	10.4
Total Operating Revenue	1,874.1	2,003.0	3,877.1
Cost of energy	319.3	436.3	755.6
O&M	604.9	556.5	1,161.4
Depreciation	300.6	432.5	733.1
Total other taxes	149.5	47.8	197.3
Other segment items ⁽¹⁾	—	(0.1)	(0.1)
Operating Income	\$ 499.8	\$ 530.0	\$ 1,029.8

⁽¹⁾Other segment items consists of (Gain) on Sale or Impairment of Assets and other segment income or expenses deemed insignificant which are used to reach our measurement of segment profit or loss, Operating Income.

The following table provides information about the assets of our reportable segments included in the Condensed Consolidated Balance Sheets (unaudited):

<i>(in millions)</i>	September 30, 2025	December 31, 2024
Assets		
Columbia Operations	\$ 15,267.9	\$ 14,769.5
NIPSCO Operations	17,834.8	15,823.5
Corporate and Other	1,300.2	1,195.1
Consolidated Assets	\$ 34,402.9	\$ 31,788.1

To reconcile the segment tables above to consolidated NiSource:

Three Months Ended September 30, 2025

<i>(in millions)</i>	Total Reportable Segments	Corporate and Other	Eliminations	Consolidated NiSource
Total Operating Revenue	\$ 1,275.5	\$ 151.8	\$ (154.2)	\$ 1,273.1
Operating Income	284.7	12.8	—	297.5

Three Months Ended September 30, 2024

<i>(in millions)</i>	Total Reportable Segments	Corporate and Other	Eliminations	Consolidated NiSource
Total Operating Revenue	\$ 1,079.6	\$ 145.9	\$ (149.2)	\$ 1,076.3
Operating Income	212.5	5.8	—	218.3

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

	Nine Months Ended September 30, 2025			
<i>(in millions)</i>	Total Reportable Segments	Corporate and Other	Eliminations	Consolidated NiSource
Total Operating Revenue	\$ 4,746.5	\$ 441.8	\$ (449.0)	\$ 4,739.3
Operating Income	1,298.6	21.2	—	1,319.8

	Nine Months Ended September 30, 2024			
<i>(in millions)</i>	Total Reportable Segments	Corporate and Other	Eliminations	Consolidated NiSource
Total Operating Revenue	\$ 3,877.1	\$ 425.1	\$ (434.9)	\$ 3,867.3
Operating Income	1,029.8	8.9	—	1,038.7

17. Other, Net

The following table displays the components of Other, Net included on the Condensed Statements of Consolidated Income (unaudited):

	Three Months Ended September 30,		Nine Months Ended September 30,	
<i>(in millions)</i>	2025	2024	2025	2024
Interest income	\$ 3.8	\$ 3.4	\$ 7.3	\$ 7.8
AFUDC equity	8.5	32.1	26.3	56.7
Pension and other postretirement non-service cost	(5.7)	(5.9)	(11.1)	(10.2)
Tax penalties	5.3	(0.5)	(3.9)	(0.5)
Miscellaneous	(2.0)	0.1	(2.4)	(2.4)
Total Other, net	\$ 9.9	\$ 29.2	\$ 16.2	\$ 51.4

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

18. Supplemental Disclosures of Cash Flow Information

The following table displays the components of Working Capital on the Condensed Statements of Consolidated Cash Flows (unaudited):

<i>(in millions)</i>	Nine Months Ended September 30,	
	2025	2024
Accounts receivable	\$ 263.3	\$ 290.0
Inventories	(86.2)	101.3
Accounts payable	(223.5)	(182.6)
Customer deposits and credits	4.6	(32.8)
Taxes accrued	7.3	(31.0)
Interest accrued	40.9	11.0
Exchange gas receivable/payable	59.8	(161.6)
Other accruals	(20.4)	(17.8)
Prepayments and other current assets	(45.4)	(61.2)
Accrued compensation and employee benefits	(26.4)	(1.1)
Total change in working capital	\$ (26.0)	\$ (85.8)

<i>(in millions)</i>	Nine Months Ended September 30,	
	2025	2024
Non-cash transactions:		
Capital expenditures included in current liabilities	\$ 408.2	\$ 348.0
Dividends declared but not paid	137.4	125.3

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

19. Subsequent Event

Minority Equity Interest Sale

On October 28, 2025, NiSource issued a 19.9% indirect equity interest in NiSource's wholly-owned subsidiary GenCo to BIP Orion Holdco L.P. and BIP Orion Holdco II L.P., affiliates of Blackstone (collectively, "Investor"), in exchange for \$35.2 million. On October 28, 2025, simultaneously with issuance of the 19.9% indirect equity interest in GenCo, Investor, Generation Holdings I, Generation Holdings II and NiSource entered into an Amended and Restated Limited Liability Company Agreement of Generation Holdings II (the "LLC Agreement").

The LLC Agreement establishes, among other things, governance rights, exit rights, requirements for additional capital contributions, mechanics for distributions, and other arrangements for Generation Holdings II. Specifically, under the terms of the LLC Agreement, Investor will provide up to \$1.325 billion in additional capital contributions over a seven-year period, which obligation is backed by an Equity Commitment Letter from Blackstone or an affiliate thereof. Under the LLC Agreement, Investor is entitled to appoint two directors to the board of directors of Generation Holdings II (the "Board") so long as Investor (together with any approved affiliate) holds at least a 17.5% Percentage Interest (as defined in the LLC Agreement). Investor is expected to appoint two directors to the Board, such that the Board will be comprised of seven directors, two appointed by Investor and five appointed by NiSource. The LLC Agreement also contains certain investor protections, including, among other things, requiring Investor approval for Generation Holdings II to take certain major actions. In addition, the LLC Agreement contains certain terms surrounding transfer rights and other obligations applicable to both Investor and NiSource. Under the LLC Agreement, Generation Holdings II has agreed that, so long as Investor holds a 14.9% or greater Percentage Interest in Generation Holdings II, Generation Holdings II, NIPSCO Holdings II (as defined below) and/or their respective subsidiaries will be the exclusive vehicles for all power, storage and generation requirements for data center customers within NIPSCO's service territory.

On October 28, 2025, the members of NIPSCO Holdings II entered into a Third Amended and Restated Limited Liability Company Agreement of NIPSCO Holdings II (the "Amended LLC Agreement"), which, among other changes, increased the amount and time period for additional mandatory capital contributions required to be contributed by Investor by \$175 million and seven years, which obligation is backed by an Equity Commitment Letter from Blackstone or an affiliate thereof, and amended certain provisions to facilitate NIPSCO Holdings II and its subsidiaries' provision of electric service to data center customers (and related activities) and their related contracts and arrangements with Generation Holdings II and its subsidiaries.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

NiSource Inc.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)**NiSource Inc.****EXECUTIVE SUMMARY**

This Management's Discussion and Analysis of Financial Condition and Results of Operations ("Management's Discussion") includes management's analysis of past financial results and certain potential factors that may affect future results, potential future risks and approaches that may be used to manage those risks. See "Note regarding forward-looking statements" at the beginning of this report for a list of factors that may cause results to differ materially.

Management's Discussion is designed to provide an understanding of our operations and financial performance and should be read in conjunction with our Condensed Consolidated Financial Statements (unaudited) included in this report and our Annual Report on Form 10-K for the fiscal year ended December 31, 2024.

We are an energy holding company under the Public Utility Holding Company Act of 2005 whose utility subsidiaries are fully regulated natural gas and electric utility companies serving customers in six states. We generate substantially all of our operating income through these rate regulated businesses. Our businesses are summarized for financial reporting purposes into two primary reportable segments: Columbia Operations and NIPSCO Operations. Refer to "Note 16, "Business Segment Information," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for further discussion of our business segments.

Our vision is to be a premier, innovative and trusted energy partner. We exist to deliver safe, reliable energy that drives value to our customers. In order to achieve this goal, we seek to develop strategies that benefit all stakeholders as we (i) support long-term infrastructure investment and safety programs to better serve our customers, (ii) align our tariff structures with our cost structure, and (iii) drive value and enable growth in an evolving energy ecosystem. These strategies focus on improving safety and reliability, enhancing customer experience, pursuing regulatory and legislative initiatives to increase accessibility for customers currently not on our gas and electric service, ensuring customer affordability and reducing emissions while generating sustainable returns. The safety of our customers, communities and employees remains our focus. Serving as a guiding practice for our SMS, NiSource is certified in conformance to the American Petroleum Institute Recommended Practice 1173, which is the foundation to our journey towards operational excellence.

Data Center Contract and Strategy:*Data Center Contract*

On September 18, 2025, NIPSCO entered into an agreement (the "Data Center Contract") with a wholly-owned subsidiary of a large publicly traded company (the "Customer"), under which NIPSCO will provide electricity to Customer's data centers. Under the Data Center Contract, which is subject to IURC approval, NIPSCO will provide electric service to the Customer pursuant to a capacity commitment beginning in 2027 and increasing annually to 2,400 MW by the end of 2032 and will construct up to 3,000 MW of dispatchable generation to provide such electric service. The Data Center Contract's initial term ends 15 years after the initial energization of Customer's initial data center. Starting January 1, 2027, Customer will regularly pay NIPSCO a fixed capacity charge and certain pass-through charges. The Customer's publicly traded, investment-grade parent company has guaranteed the Customer's payment obligations. These charges are structured to provide us with a return of our invested capital over the fifteen-year initial term. In addition, the Data Center Contract contains provisions for adjustment of the charges designed to provide us with an unlevered internal rate of return on our invested capital over the initial term within a defined range, which we expect over the life of the Data Center Contract to result in an overall realized return greater than that of NIPSCO's current electric operations, driven by execution and financing. Our realized return may be impacted by factors such as construction costs, operating performance, financing costs and other variables. NIPSCO will also propose to the IURC a mechanism to pass savings back to retail customer for use of the existing system which is expected to begin in 2027. Refer to Part II, Item 1A, "Risk Factors" for a discussion of certain of these factors and other risks relating to the Data Center Contract.

In order to meet demand under the Data Center Contract, NIPSCO plans to enter into a PPA with GenCo, which is subject to IURC approval and which is expected to contain terms and provisions substantially similar to the Data Center Contract, such that economic benefits (except savings that are expected to be passed to retail customers as described above) and obligations of the Data Center Contract as they relate to the Generation Assets (as defined below) are expected to be borne by GenCo and NiSource, as GenCo's ultimate parent company, rather than NIPSCO.

GenCo plans to construct 400 MW of new battery storage and a new power generation facility consisting of two 1,300 MW combined-cycle, natural gas-fired turbines, which are expected to reach commercial operation between 2028 and 2032 (such assets, collectively, the "Generation Assets"). GenCo has entered into engineering, procurement and construction contracts (the "EPC Contracts"), and certain equipment supply contracts, including a contract to acquire turbines, with respect to the

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)**NiSource Inc.**

construction of the Generation Assets. The aggregate cost of the Generation Assets, together with the cost to develop related transmission infrastructure (collectively, the "Contract Assets"), is currently estimated to be approximately \$7 billion. The EPC Contracts provide certain protections against cost overruns, and any excess costs with respect to the EPC Contracts beyond those protections, or arising apart from the EPC Contracts are, unless otherwise agreed by the parties, shared by Customer and NIPSCO (for transmission) and GenCo (for generation). If the Contract Assets are delivered into service late or do not achieve certain performance-related milestones, Customer is entitled to liquidated damages, subject to a cap and offset against the regular charges paid by the Customer.

Either party may terminate the Data Center Contract upon certain defaults or failure to obtain necessary related approvals from the IURC and FERC. Customer may terminate the Data Center Contract for convenience following certain notice periods and also has a one-time option (exercisable no later than March 31, 2029) to halve the committed capacity under the Data Center Contract to 1,200 MW commencing January 31, 2032. If Customer terminates for convenience, exercises its reduction option or defaults, NIPSCO or its affiliates will be reimbursed for investment costs, subject to agreed caps based on cost estimates by year as of signing. NIPSCO's aggregate liability, including liquidated damages, is subject to a cap.

NIPSCO's and GenCo's operations under the Data Center Contract will be regulated by the IURC in a different way from the regulatory mechanisms applicable to NIPSCO's historical operations. The terms of the Data Center Contract were determined by commercial negotiation with the Customer. These terms include the charges we receive from the Customer and provisions that may result in adjustments to such charges, including those relating to certain liquidated damages that we may owe Customer in the event of construction delays or capacity shortfalls, the parties' responsibility to share cost overruns, certain changes in law and force majeure events. The IURC will not regulate the commercial terms of the Data Center Contract; however, the IURC will maintain oversight under the Data Center Contract to ensure NIPSCO provides reliable service to the Customer at just and reasonable rates. In order to recover our investment costs and earn our return under the Data Center Contract, our subsidiaries must efficiently perform their own obligations and must look to the Customer (or its parent guarantor) to perform its obligations, rather than the IURC making use of its traditional rate-making process. In addition, under the Data Center Contract, NIPSCO has direct contractual obligations to the Customer to, among other things, construct the Contract Assets and deliver committed electric capacity in fixed amounts by certain dates.

Data Center Strategy

We continue to experience strong demand from potential data center customers in our northern Indiana service territory and are engaged in negotiations with potential counterparties. Through certain of our subsidiaries, we have entered into certain construction and equipment supply contracts in relation to additional generation and transmission assets that may be used to serve potential future data center customers. As we continue to evaluate our potential data center opportunities, we will continue to focus on the community, financial, operational and regulatory factors that must be managed effectively in order to succeed with our data center strategy. We believe data center development can enhance our local tax base, diversify the employment base across the state of Indiana, and provide greater value to existing customers and shareholders. We continually evaluate ways to effectively manage the potential power demand, generation sources, and transmission capabilities to meet potential further load growth from additional data center customers, while at the same time focusing on our environmental goals.

In order to perform under any further data center contracts, we expect that we would need to develop additional generation and transmission assets and obtain additional financing in connection with such development. For these and other reasons, our ability to successfully execute our data strategy is subject to a number of risks and uncertainties. Refer to Part II, Item 1A, "Risk Factors" for a discussion of certain risks relating to our data center strategy.

Energy Transition: We continue to advance our energy transition strategy, primarily through the continuation and enhancement of existing programs, such as implementing our plan to retire and replace remaining coal-fired electric generation by 2028 with a balanced mix of low- or zero-emission electric generation, ongoing pipe replacement and modernization programs, and deployment of advanced leak detection and repair. Our electric generation transition, initiated through our 2018 Integrated Resource Plan ("2018 Plan") is well underway, and we are continually adjusting to the dynamic energy landscape. As of September 30, 2025, we have placed in service owned renewable and storage projects with combined nameplate capacities of 1,950 MW and 101 MW respectively. Renewable PPA projects with a combined nameplate capacity of 1,000 MW have also been placed in service. In addition, a renewable BTA project with a nameplate capacity of 200 MW, and a renewable PPA project with a nameplate capacity of 195 MW were under development as of September 30, 2025, all of which have received IURC approval. For additional information, see Note 14, "Other Commitments and Contingencies - D. Other Matters". We are continuing to evaluate the development of federal and state executive orders, or other regulatory actions, with respect to our generation transition plans. Absent a directive to remain open, we remain on track to retire R.M. Schahfer's remaining two

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)**NiSource Inc.**

coal units by the end of 2025. We are taking steps to be prepared to respond to any executive order or regulatory action to the contrary. For additional information, see "Results and Discussion of Operations - NIPSCO Operations," in this Management's Discussion, and see Part I, Item 1A. "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024.

NIPSCO's 2021 Integrated Resource Plan ("2021 Plan") lays out a timeline to retire the Michigan City Generating Station by the end of 2028. The 2021 Plan calls for the replacement of the retiring units with a diverse portfolio of resources including demand side management resources, incremental solar, stand-alone energy storage and upgrades to existing facilities at the Sugar Creek Generating Station, among other steps. Additionally, the 2021 Plan calls for a new natural gas peaking facility to replace existing vintage gas peaking facilities at the R.M. Schahfer Generating Station to support system reliability and resiliency, and upgrades to the electric transmission system. Following approval by the IURC in October 2024, the construction of a new 400 MW natural gas peaking generation facility is underway, which is expected to support the planned retirement of the existing vintage gas peaking facilities by the end of 2028. Final retirement dates for these units, as well as Michigan City, will be subject to MISO approval.

NIPSCO's 2024 Integrated Resource Plan ("2024 Plan") was submitted to the IURC on December 9, 2024. The 2024 Plan maintains the retirement decisions and capacity additions identified in the 2018 and 2021 Integrated Resource Plans and calls for additional generation resources through 2029 to support capacity requirements. The 2024 Plan informs future generation investments required to ensure reliability for NIPSCO's customers and incorporates factors such as anticipated load growth from data centers and other economic development opportunities, EPA emissions rules, and evolving MISO resource accreditation rules. We plan to move as efficiently as possible while maintaining the integrity of our commercial, planning, regulatory, procurement and operational execution processes.

We continue to enhance safety and reduce methane emissions on our gas systems through modernization programs and utilization of advanced leak detection and repair. In addition, we plan to advance other low- or zero-emission energy resources and technologies, such as hydrogen and renewable natural gas.

Transformation: Our enterprise-wide transformation roadmap focuses on operational excellence, safety, operation and maintenance management, and unlocking efficiencies. We are committed to identifying and implementing initiatives that will enable us to streamline work and improve logistics company-wide. These efforts include investments in proven technologies backed with standardized processes that will change the way we plan, schedule, and execute work in the field and how we engage and provide service to our customers. Taken together, all of our optimization initiatives will prioritize safety and continue to optimize our long-term growth profile. Completing the first major milestone of our enterprise-wide transformation roadmap, we concluded all three phases of a WAM ERP program. Phase one of the program implemented the solution within our electric and transmission operations, while the second phase of the program included all gas distribution operations across our operating territories. The third and final phase incorporated our generation assets. This ERP system optimizes the scheduling, dispatch, and execution of our field operations. We will now proceed as planned with our enterprise transformation roadmap by focusing on our customer technology platforms. In addition to transforming technology to enhance our employee and customer experiences, we believe these programs will also ensure we remain on modern systems that help reduce enterprise risk related to end-of-life systems.

Economic Environment: We continue to monitor risks related to order and delivery lead times for construction and other materials, potential unavailability of materials due to global shortages in raw materials, and decreased construction labor productivity in the event of disruptions in the availability of materials. We continue to experience elevated material and supply costs in certain product sourcing categories driven by increased demand and tariffs. To the extent that work plan delays occur or our costs increase, our business operations, results of operations, cash flows, and financial condition could be materially adversely affected.

We are faced with increased competition for employee and contractor talent in the current labor market which has resulted in increased costs to attract and retain talent. We are ensuring that we use all internal human capital programs (development, leadership enablement programs, succession, performance management) to promote retention of our current employees along with having a competitive and attractive appeal for potential recruits. Our flexible work arrangements, where possible, support a broader talent footprint for sourcing talent needed and for remaining competitive.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

We continue to evaluate our financing plan to manage interest expense and exposure to rates. For more information on interest rate risk, see "Market Risk Disclosures".

Summary of Consolidated Financial Results

A summary of our consolidated financial results for the three and nine months ended September 30, 2025 and 2024 are presented below:

<i>(in millions, except per share amounts)</i>	Three Months Ended September 30,			Nine Months Ended September 30,		
	2025	2024	Favorable (Unfavorable)	2025	2024	Favorable (Unfavorable)
Operating Revenues	\$ 1,273.1	\$ 1,076.3	\$ 196.8	\$ 4,739.3	\$ 3,867.3	\$ 872.0
Operating Expenses						
Cost of energy	193.6	165.9	(27.7)	1,102.9	755.6	(347.3)
Other Operating Expenses	782.0	692.1	(89.9)	2,316.6	2,073.0	(243.6)
Total Operating Expenses	975.6	858.0	(117.6)	3,419.5	2,828.6	(590.9)
Operating Income	297.5	218.3	79.2	1,319.8	1,038.7	281.1
Total Other Deductions, Net	(169.9)	(105.4)	(64.5)	(435.5)	(328.8)	(106.7)
Income Taxes	20.6	15.9	(4.7)	150.1	109.5	(40.6)
Net Income	107.0	97.0	10.0	734.2	600.4	133.8
Net income attributable to noncontrolling interest	12.3	11.3	(1.0)	62.5	63.9	1.4
Net Income Attributable to NiSource	94.7	85.7	9.0	671.7	536.5	135.2
Preferred dividends and redemption premium	—	—	—	—	(20.7)	20.7
Net Income Available to Common Shareholders	94.7	85.7	9.0	671.7	515.8	155.9
Earnings Per Share						
Basic Earnings Per Share	\$ 0.20	\$ 0.19	\$ 0.01	\$ 1.42	\$ 1.15	\$ 0.27
Diluted Earnings Per Share	\$ 0.20	\$ 0.19	\$ 0.01	\$ 1.42	\$ 1.14	\$ 0.28

The majority of the costs of energy in both segments are tracked costs that are passed through directly to the customer, resulting in an equal and offsetting amount reflected in operating revenues.

The increase in net income available to common shareholders for the three and nine months ended September 30, 2025 was primarily due to higher revenues driven by our capital investments, partially offset by higher operating expenses, including increased operation and maintenance expense and depreciation expense attributed to our net plant balances, as well as increased interest expense.

For additional information on operating income variance drivers see "Results and Discussion of Segment Operations" for Columbia Operations and NIPSCO Operations in this Management's Discussion.

Income Taxes

Refer to Note 12, "Income Taxes," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on income taxes and the change in the effective tax rates for the periods presented.

RESULTS AND DISCUSSION OF SEGMENT OPERATIONS

Presentation of Segment Information

Columbia Operations aggregates the results of the fully regulated and wholly owned subsidiaries of NiSource Gas Distribution Group, Inc. Each Columbia distribution company is an operating segment which we aggregate to form the Columbia Operations reportable segment. NIPSCO Operations aggregates the results of NIPSCO Holdings I, and its majority-owned subsidiaries, including NIPSCO, which has both regulated gas and electric operations in northern Indiana. The remainder of our operations, which are not significant enough on a stand-alone basis to warrant treatment as a reportable segment, are presented as "Corporate and Other" within the Notes to the Condensed Consolidated Financial Statements (unaudited) and primarily are comprised of interest expense on holding company debt, and unallocated corporate costs and activities.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
**NiSource Inc.
Columbia Operations**

Financial and operational data for the Columbia Operations segment for the three and nine months ended September 30, 2025 and 2024 are presented below.

<i>(in millions)</i>	Three Months Ended September 30,			Nine Months Ended September 30,		
	2025	2024	Favorable (Unfavorable)	2025	2024	Favorable (Unfavorable)
Operating Revenues	\$ 488.2	\$ 426.7	\$ 61.5	\$ 2,336.7	\$ 1,874.1	\$ 462.6
Operating Expenses						
Cost of energy	58.5	34.2	(24.3)	548.7	319.3	(229.4)
Operation and maintenance	212.8	202.9	(9.9)	663.5	604.9	(58.6)
Depreciation and amortization	112.7	103.0	(9.7)	332.6	300.6	(32.0)
Loss on sale of assets, net	0.1	—	(0.1)	0.4	—	(0.4)
Other taxes	52.0	45.4	(6.6)	171.4	149.5	(21.9)
Total Operating Expenses	436.1	385.5	(50.6)	1,716.6	1,374.3	(342.3)
Operating Income	\$ 52.1	\$ 41.2	\$ 10.9	\$ 620.1	\$ 499.8	\$ 120.3
Revenues						
Residential	\$ 329.9	\$ 299.2	\$ 30.7	\$ 1,590.0	\$ 1,303.4	\$ 286.6
Commercial	95.8	79.2	16.6	531.6	402.4	129.2
Industrial	36.2	32.3	3.9	122.5	106.0	16.5
Off-System	13.8	7.2	6.6	58.9	30.5	28.4
Wholesale and Other	12.5	8.8	3.7	33.7	31.8	1.9
Total	\$ 488.2	\$ 426.7	\$ 61.5	\$ 2,336.7	\$ 1,874.1	\$ 462.6
Sales and Transportation (MMDth)						
Residential	8.3	8.3	—	119.1	102.0	17.1
Commercial	12.9	12.2	0.7	95.6	85.0	10.6
Industrial	72.3	70.9	1.4	207.9	207.9	—
Off-System	6.1	4.6	1.5	20.7	17.8	2.9
Wholesale and Other	—	—	—	0.2	0.2	—
Total	99.6	96.0	3.6	443.5	412.9	30.6
Heating Degree Days⁽¹⁾	27	28	(1)	3,191	2,659	532
Normal Heating Degree Days⁽¹⁾	47	53	(6)	3,214	3,310	(96)
% Warmer than Normal	(43)%	(47)%		(1)%	(20)%	
% (Warmer) Colder than prior year	(4)%			20 %		
Columbia Operations Customers						
Residential	2,215,788	2,202,206	13,582			
Commercial	187,005	186,087	918			
Industrial	1,976	1,975	1			
Other	6	4	2			
Total	2,404,775	2,390,272	14,503			

⁽¹⁾ Heating degree figures represent averages of the five jurisdictions served by Columbia Operations.

Comparability of operation and maintenance expenses, depreciation and amortization, and other taxes may be impacted by regulatory, depreciation, and tax trackers that allow for the recovery in rates of certain costs.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc. Columbia Operations

The underlying reasons for changes in our operating revenues for the three and nine months ended September 30, 2025 compared to the same period in 2024 are presented below.

	Favorable (Unfavorable)	
	Three Months Ended September 30, 2025 vs 2024	Nine Months Ended September 30, 2025 vs 2024
Changes in Operating Revenues (in millions)		
New rates from base rate proceedings and regulatory capital programs	\$ 31.0	\$ 139.3
The effects of weather in 2025 compared to 2024	0.2	37.9
The effects of customer growth	1.2	4.3
The effects of customer usage	0.9	(6.7)
Other	(1.1)	(0.3)
Change in operating revenues (before cost of energy and other tracked items)	\$ 32.2	\$ 174.5
Operating revenues offset in operating expense		
Higher cost of energy billed to customers	24.2	229.3
Higher tracker deferrals within operation and maintenance, depreciation, and tax	5.1	58.8
Total change in operating revenues	\$ 61.5	\$ 462.6

Weather

In general, we calculate the weather-related revenue variance based on changing customer demand driven by weather variance from normal heating degree days, net of weather and revenue normalization mechanisms. Our composite heating degree days reported do not directly correlate to the weather-related dollar impact on the results of Columbia Operations. Heating degree days experienced during different times of the year or in different operating locations may have more or less impact on volume and dollars depending on when and where they occur. When the detailed results are combined for reporting, there may be weather-related dollar impacts on operations when there is not an apparent or significant change in our aggregated composite heating degree day comparison.

Sales

The increase in total volumes for the nine months ended September 30, 2025, compared to the same period in 2024, is primarily attributable to increased usage by residential and commercial customers as a result of colder weather.

Commodity Price Impact

Cost of energy for the Columbia Operations segment is principally comprised of the cost of natural gas procured on behalf of and sold to customers while providing transportation services. All of our Columbia Operations companies have state-approved recovery mechanisms that provide a means for full recovery of prudently incurred gas costs. These are tracked costs that are passed through directly to the customer, and the gas costs included in revenues are matched with the gas cost expense recorded in the period. Any difference in actual costs incurred and amounts billed to customers is recorded on the Condensed Consolidated Balance Sheets (unaudited) as under-recovered or over-recovered gas cost to be included in future customer billings. Therefore, increases in these tracked operating expenses are offset by increases in operating revenues and have essentially no impact on net income. Certain Columbia Operations companies continue to offer choice opportunities, where customers can choose to purchase gas from a third-party supplier through regulatory initiatives in their respective jurisdictions.

The underlying reasons for changes in our operating expenses for the three and nine months ended September 30, 2025 compared to the same period in 2024 are presented below.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.
Columbia Operations

	Favorable (Unfavorable)	
	Three Months Ended September 30, 2025 vs 2024	Nine Months Ended September 30, 2025 vs 2024
Changes in Operating Expenses <i>(in millions)</i>		
Higher depreciation and amortization expense	\$ (9.7)	\$ (32.0)
Higher employee and administrative related expenses	(5.1)	(15.7)
Higher property tax	(5.0)	(9.8)
Other	(1.5)	3.3
Change in operating expenses (before cost of energy and other tracked items)	\$ (21.3)	\$ (54.2)
Operating expenses offset in operating revenue		
Higher cost of energy billed to customers	(24.2)	(229.3)
Higher tracker deferrals within operation and maintenance, depreciation, and tax	(5.1)	(58.8)
Total change in operating expense	\$ (50.6)	\$ (342.3)

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
**NiSource Inc.
NIPSCO Operations**

Financial and operational data for the NIPSCO Operations segment, which services both gas and electric customers, for the three and nine months ended September 30, 2025 and 2024 are presented below.

<i>(in millions)</i>	Three Months Ended September 30,			Nine Months Ended September 30,		
	2025	2024	Favorable (Unfavorable)	2025	2024	Favorable (Unfavorable)
NIPSCO Operations						
Operating Revenues	\$ 787.3	\$ 652.9	\$ 134.4	\$ 2,409.8	\$ 2,003.0	\$ 406.8
Operating Expenses						
Cost of energy	135.2	131.7	(3.5)	554.3	436.3	(118.0)
Operation and maintenance	215.1	177.7	(37.4)	628.1	556.5	(71.6)
Depreciation and amortization	185.3	156.8	(28.5)	492.5	432.5	(60.0)
Loss on impairment of assets	—	—	—	0.7	—	(0.7)
Gain on sale of assets	—	—	—	—	(0.1)	(0.1)
Other taxes	19.1	15.4	(3.7)	55.7	47.8	(7.9)
Total Operating Expenses	554.7	481.6	(73.1)	1,731.3	1,473.0	(258.3)
Operating Income	\$ 232.6	\$ 171.3	\$ 61.3	\$ 678.5	\$ 530.0	\$ 148.5

<i>(in millions)</i>	Three Months Ended September 30,			Nine Months Ended September 30,		
	2025	2024	Favorable (Unfavorable)	2025	2024	Favorable (Unfavorable)
NIPSCO Electric						
Revenues						
Residential	\$ 255.6	\$ 197.9	\$ 57.7	\$ 588.1	\$ 498.6	\$ 89.5
Commercial	211.5	172.7	38.8	533.3	470.0	63.3
Industrial	156.9	125.1	31.8	434.1	361.1	73.0
Wholesale and Other	34.3	43.4	(9.1)	97.7	112.6	(14.9)
Total	\$ 658.3	\$ 539.1	\$ 119.2	\$ 1,653.2	\$ 1,442.3	\$ 210.9
Sales (GWh)						
Residential	1,115.2	1,079.4	35.8	2,729.9	2,673.1	56.8
Commercial	1,040.2	1,044.7	(4.5)	2,821.7	2,850.3	(28.6)
Industrial	2,158.2	2,106.3	51.9	6,328.2	5,884.1	444.1
Wholesale and Other	328.2	327.7	0.5	794.9	818.1	(23.2)
Total	4,641.8	4,558.1	83.7	12,674.7	12,225.6	449.1
Cooling Degree Days	640	556	84	941	882	59
Normal Cooling Degree Days	588	590	(2)	852	838	14
% Warmer (Colder) than Normal	9 %	(6)%		10 %	5 %	
% Warmer than prior year	15 %			7 %		

NIPSCO Electric Customers						
Residential				432,889	429,382	3,507
Commercial				59,540	59,056	484
Industrial				2,103	2,116	(13)
Wholesale and Other				705	709	(4)
Total				495,237	491,263	3,974

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
**NiSource Inc.
NIPSCO Operations**

<i>(in millions)</i>	Three Months Ended September 30,			Nine Months Ended September 30,		
	2025	2024	Favorable (Unfavorable)	2025	2024	Favorable (Unfavorable)
NIPSCO Gas						
Revenues						
Residential	\$ 73.7	\$ 66.8	\$ 6.9	\$ 487.5	\$ 357.5	\$ 130.0
Commercial	32.6	28.5	4.1	183.4	134.0	49.4
Industrial	19.7	16.4	3.3	73.7	56.3	17.4
Other	3.0	2.1	0.9	12.0	12.9	(0.9)
Total	\$ 129.0	\$ 113.8	\$ 15.2	\$ 756.6	\$ 560.7	\$ 195.9
Sales and Transportation Volumes (MMDth)						
Residential	3.6	3.5	0.1	44.9	39.1	5.8
Commercial	4.7	4.9	(0.2)	32.3	29.2	3.1
Industrial	62.2	60.5	1.7	200.5	192.3	8.2
Total	70.5	68.9	1.6	277.7	260.6	17.1
Heating Degree Days	46	33	13	3,721	3,127	594
Normal Heating Degree Days	71	79	(8)	3,790	3,860	(70)
% Warmer than Normal	(35)%	(58)%		(2)%	(19)%	
% (Warmer) Colder than prior year	39 %	(44)%		19 %	(6)%	
NIPSCO Gas Customers						
Residential				804,777	797,711	7,066
Commercial				66,579	66,251	328
Industrial				2,683	2,739	(56)
Total				874,039	866,701	7,338

Comparability of operation and maintenance expenses and depreciation and amortization may be impacted by regulatory and depreciation trackers that allow for the recovery in rates of certain costs.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc. NIPSCO Operations

The underlying reasons for changes in our operating revenues for the three and nine months ended September 30, 2025 compared to the same period in 2024 are presented below.

	Favorable (Unfavorable)	
	Three Months Ended September 30, 2025 vs 2024	Nine Months Ended September 30, 2025 vs 2024
Changes in Operating Revenues (in millions)		
New rates from base rate proceedings, regulatory capital and DSM programs	\$ 110.7	\$ 217.6
The effects of weather in 2025 compared to 2024	11.9	42.5
The effects of customer growth	3.5	9.5
Renewable JV revenue, fully offset by JV operating expense and noncontrolling interest net income (loss)	(4.2)	(11.4)
The effects of customer usage	(6.5)	(2.1)
Other	(0.5)	(1.6)
Change in operating revenues (before cost of energy and other tracked items)	\$ 114.9	\$ 254.5
Operating revenues offset in operating expense		
Higher cost of energy billed to customers	3.5	118.0
Higher tracker deferrals within operation and maintenance, depreciation and tax	16.0	34.3
Total change in operating revenues	\$ 134.4	\$ 406.8

Weather

The results of operations for the NIPSCO Operations segment include income from both electric and gas service lines. In general, we calculate the weather-related revenue variance based on changing customer demand driven by weather variance from normal cooling degree days and normal heating degree days, net of NIPSCO Gas' weather normalization mechanism. Our composite cooling and heating degree days reported do not directly correlate to the weather-related dollar impact on the results of NIPSCO Operations. Cooling and heating degree days experienced during different times of the year or in different operating locations may have more or less impact on volume and dollars depending on when they occur. When the detailed results are combined for reporting, there may be weather-related dollar impacts on operations when there is not an apparent or significant change in our aggregated composite cooling and heating degree day comparison.

Sales

The increase in total volumes sold to electric customers for the three months ended September 30, 2025 compared to the same period in 2024 was primarily attributable to increased residential and industrial usage, partially offset by decreased commercial usage. The increase in total volumes sold to electric customers for the nine months ended September 30, 2025 compared to the same period in 2024 was primarily attributable to increased industrial and residential usage due to colder weather and increased customer count, partially offset by decreased commercial and wholesale and other usage.

The increase in total volumes sold to gas customers for the three months ended September 30, 2025 compared to the same period in 2024 was primarily attributable to increased usage by industrial customers. The increase in total volumes sold to gas customers for the nine months ended September 30, 2025 compared to the same period in 2024 was primarily attributable to increased usage by industrial and commercial customers, as well as increased residential usage due to colder weather.

Commodity Price Impact

Cost of energy for the NIPSCO Operations segment's electric activities is principally comprised of the cost of coal, natural gas purchased for internal generation of electricity, transportation of coal and natural gas, and the cost of power purchased from generators of electricity for its generation and transmission activities. For its gas distribution activities, NIPSCO Operations' cost of energy is principally comprised of the cost of natural gas procured on behalf of and sold to customers while providing transportation and distribution services. NIPSCO Operations has state-approved recovery mechanisms that provide a means for full recovery of prudently incurred costs of energy. The majority of these costs of energy are passed through directly to the customer, and the costs of energy included in operating revenues are matched with the cost of energy expense recorded in the

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc. NIPSCO Operations

period. Any difference in actual costs incurred and amounts billed to customers is recorded on the Condensed Consolidated Balance Sheets (unaudited) as under-recovered or over-recovered fuel and gas costs to be included in future customer billings. Therefore, increases in these tracked operating expenses are offset by increases in operating revenues and have essentially no impact on net income.

The underlying reasons for changes in our operating expenses for the three and nine months ended September 30, 2025 compared to the same period in 2024 are presented below.

	Favorable (Unfavorable)	
	Three Months Ended September 30, 2025 vs 2024	Nine Months Ended September 30, 2025 vs 2024
Changes in Operating Expenses (in millions)		
Higher depreciation and amortization expense driven by new base rates	(28.6)	\$ (60.8)
Higher outside services expenses	(4.0)	(22.0)
Higher employee and administrative expenses	(10.5)	(13.6)
Higher property taxes	(3.0)	(7.5)
Higher JV expenses	(1.5)	(4.9)
(Higher) lower environmental remediation costs	(0.3)	3.0
Other	(5.9)	(1.5)
Change in operating expenses (before cost of energy and other tracked items)	\$ (53.8)	\$ (107.3)
Operating expenses offset in operating revenue		
Higher cost of energy billed to customers	(3.5)	(118.0)
Higher tracker deferrals within operation and maintenance, depreciation and tax	(15.8)	(33.0)
Total change in operating expense	\$ (73.1)	\$ (258.3)

Electric Supply and Generation Transition

NIPSCO continues to execute on an electric generation transition consistent with the 2018 Plan and 2021 Plan and maintained in the 2024 Plan. The 2024 Plan outlines the path to retire the remaining two coal units at R.M. Schahfer by the end of 2025 and the remaining coal-fired generation at Michigan City by the end of 2028, to be replaced by lower-cost, reliable and cleaner options. NIPSCO is continuing to evaluate the development of federal and state executive orders, or other regulatory actions, with respect to its generation transition plans. Absent a directive to remain open, NIPSCO remain on track to retire R.M. Schahfer's remaining two coal units by the end of 2025. NIPSCO is taking steps to be prepared to respond to any executive order or regulatory action to the contrary.

The current replacement plan primarily includes renewable sources of energy, including wind, solar, battery storage, and flexible natural gas resources to be obtained through a combination of NIPSCO ownership and PPAs. NIPSCO has sold, and may in the future sell, renewable energy credits from its renewable generation to third parties to offset customer costs. Since 2020, five PPA projects (two wind and three solar) and eight owned projects (two wind, four solar and two solar plus storage) have been placed into service totaling 3,051 MW of nameplate capacity, including Dunns Bridge II, Fairbanks, Gibson and Appleseed, which were placed into service in January, May, and August 2025, respectively. NIPSCO has executed several PPAs to purchase 100% of the output from renewable generation facilities at a fixed price per MWh. Each facility supplying the energy has an associated nameplate capacity, and payments under the PPAs do not begin until the associated generation facility is placed into service. See "Executive Summary - Energy Transition" in this Management's Discussion for additional information. We expect the Templeton and Carpenter projects to be placed in service between 2025 and 2027.

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.
NIPSCO Operations

Remaining Renewables Projects	Transaction Type	Technology	Nameplate Capacity (MW)
Templeton	BTA	Wind	200
Carpenter	20 year PPA	Wind	195

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)**NiSource Inc.****Liquidity and Capital Resources**

We continually evaluate the availability of adequate financing to fund our ongoing business operations, working capital and core safety and infrastructure investment programs. Our financing is sourced through cash flow from operations and the issuance of debt and/or equity. External debt financing is provided primarily through the issuance of long-term debt, accounts receivable securitization programs and our \$1.85 billion commercial paper program, which is backstopped by our committed revolving credit facility with a total availability from third-party lenders of \$1.85 billion. We believe these sources provide adequate capital to fund our operating activities and capital expenditures in 2025 and beyond.

As discussed above under "Data Center Contract and Strategy," the aggregate cost of the Contract Assets is currently estimated to be approximately \$7 billion. We expect to finance the construction and development of these assets through a combination of funds received under the Data Center Contract and debt, equity financing raised by NiSource and capital contributions from affiliates of Blackstone to NIPSCO Holdings II and Generation Holdings II in connection with such Blackstone affiliates' minority interest investments in those entities. For additional information on these minority interest investments, refer to Part II, Item 5 (Other Information) and to our Annual Report on Form 10-K for the year ended December 31, 2024, including Note 19 to our Consolidated Financial Statements included therein. In addition, we may consider other funding sources, structures or partnerships as market conditions and strategic considerations evolve. If we enter into additional data center contracts, we expect that we would need to develop additional generation assets and obtain additional financing in connection with such development.

Sources of financing activities for the current year are as follows:

ATM program

- In February 2025, we executed a forward sale agreement, which allowed us to issue a fixed number of shares at a price to be settled in the future. The forward purchaser under our forward sale agreement borrowed 2,000,000 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$40.10 per share. In September 2025 we settled the forward sale agreement in shares for \$80.0 million, based on a net price of \$40.02 per share.
- In March 2025, we executed a forward sale agreement, which allowed us to issue a fixed number of shares at a price to be settled in the future. The forward purchaser under our forward sale agreement borrowed 1,707,320 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$41.00 per share. In September 2025 we settled the forward sale agreement in shares for \$69.9 million, based on a net price of \$40.92 per share.
- In June 2025, we executed a forward sale agreement, which allowed us to issue a fixed number of shares at a price to be settled in the future. The forward purchaser under our forward sale agreement borrowed 2,518,393 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$39.71 per share. In September 2025 we settled the forward sale agreement in shares for \$99.1 million, based on a net price of \$39.36 per share.
- As of September 30, 2025, the ATM program had approximately \$47.5 million of capacity available.

Long-Term Debt

- On March 27, 2025 we completed the issuance and sale of \$750.0 million of 5.850% senior unsecured notes maturing in 2055, which resulted in approximately \$739.6 million of net proceeds after discount and debt issuance costs.
- On June 27, 2025, we completed the issuance and sale of an additional \$750.0 million of 5.850% senior unsecured notes maturing in 2055 (the "2055 Notes"). The terms of the 2055 Notes, other than the issue date and the price to the public, are identical to the terms of, and constitute a reopening of, our 5.850% senior unsecured notes maturing in 2055 issued on March 27, 2025. With the incremental issuance, we now have \$1.5 billion of 5.850% senior unsecured notes maturing in 2055. On June 27, 2025, we also completed the issuance and sale of \$900.0 million of 5.350% senior unsecured notes maturing in 2035 (the "2035 Notes"). These issuances of the additional 2055 Notes and the 2035 Notes resulted in approximately \$1.616 billion of total net proceeds after discount and debt issuance costs.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
NiSource Inc.

- On August 15, 2025, we repaid \$1,250.0 million of 0.95% senior unsecured notes at maturity.

See Note 6, "Equity," Note 7, "Short-Term Borrowings," and Note 8, "Long-Term Debt," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for more information on our financing activities.

Cash Flow Activities

The following table summarizes our cash flow activities:

<i>(in millions)</i>	Nine Months Ended September 30,		
	2025	2024	Change in 2025 vs 2024
Cash from (used for):			
Operating Activities	\$ 1,649.7	\$ 1,241.7	\$ 408.0
Investing Activities	(3,396.6)	(2,414.5)	(982.1)
Financing Activities	1,667.8	(949.5)	2,617.3

Operating Activities

The increase in cash from operating activities was primarily attributable to year over year changes in exchange gas receivables, higher net income before deferred income taxes and depreciation and a reduction in inventory resulting from an elevated rate of withdrawals due to warmer weather in 2025.

Investing Activities

Year over year increase in investing activities was primarily comprised of milestone payments to renewable generation asset developers for certain of our BTA projects and advanced deposits.

We expect to make capital investments totaling \$4.0 billion to \$4.3 billion during the 2025 period. In addition to ongoing capital expenditures, these capital investments include advanced deposits for project costs as well as milestone payments to the renewable generation asset developers and excludes \$400 million to \$500 million of capital investments relating to the Data Center Contract. We also expect to invest approximately \$21.0 billion during the 2026-2030 period to support our base business (exclusive of investments relating to the Data Center Contract), including capital investments to support our generation transition strategy, and to invest approximately \$6.4 billion during that period to develop the Contract Assets in connection with the Data Center Contract, as set forth in the table below. These forecasted capital investments are subject to continuing review and adjustment. Actual capital investments may vary from these estimates.

<i>(in billions)</i>	2026 Estimated	2027 Estimated	2028 Estimated	2029 Estimated	2030 Estimated
Capital Investments (Base Business)	\$3.9 - 4.1	\$3.7 - 3.9	\$3.7 - 3.9	\$4.9 - 5.1	\$4.3 - 4.5
Capital Investments (Data Center Contract)	\$1.2 - 1.4	\$1.5 - 1.7	\$1.8 - 2.0	\$1.0 - 1.2	\$0.4 - 0.6
Capital Investments (Total)	\$5.1 - 5.5	\$5.2 - 5.6	\$5.5 - 5.9	\$5.9 - 6.3	\$4.7 - 5.1

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

Regulatory Capital Programs. We continue to upgrade and modernize our electric system to enhance safety and reliability by addressing aged infrastructure and deploying advanced grid technologies. We are also upgrading and modernizing our gas infrastructure to enhance safety and reliability by reducing leaks. An ancillary benefit of these programs is the reduction of GHG emissions. In 2025, we continue to move forward on core infrastructure investment programs supported by complementary regulatory and customer initiatives across five states of our operating area.

The following table describes the most recent vintage of our regulatory programs to recover infrastructure replacement and other federally mandated compliance investments:

(in millions)

Company	Program	Capital Investment	Investment Period	Filing Date	Costs Covered ⁽¹⁾
Approved					
Columbia of Ohio	IRP - 2025	\$ 978.7	4/21-12/24	2/27/2025	Replacement of hazardous service lines, cast iron, wrought iron, uncoated steel, and bare steel pipe.
Columbia of Ohio	PHMSA IRP - 2025	\$ 78.2	1/23-12/24	2/28/2025	Investments necessary to comply with the PHMSA Mega Rule.
Columbia of Ohio	CEP - 2025	\$ 1,027.8	4/21-12/24	2/27/2025	Assets not included in the IRP or PHMSA IRP.
Columbia of Virginia	SAVE - 2025	\$ 89.0	10/24-12/25	8/15/2024	Replacement projects that (1) enhance system safety or reliability, or (2) reduce, or potentially reduce, greenhouse gas emissions. Includes costs associated with Advanced Leak Detection and Repair.
Columbia of Kentucky	SMRP - 2025	\$ 128.5	1/23-12/25	10/15/2024	Replacement of mains and inclusion of system safety investments.
NIPSCO - Electric ⁽²⁾	TDSIC - 7	\$ 315.6	7/22-3/25	5/27/2025	New or replacement projects undertaken for the purpose of safety, reliability, system modernization or economic development.
NIPSCO - Electric ⁽³⁾	GCT - 2	\$ 80.1	11/25-4/26	6/18/2025	New gas peaker generation project costs forecasted through April 2026.
NIPSCO - Gas	TDSIC - 9	\$ 34.0	3/24-3/25	5/23/2025	New or replacement projects undertaken for the purpose of safety, reliability, system modernization, or economic development.
NIPSCO - Gas	FMCA - 4	\$ 9.4	6/24-12/24	2/25/2025	Project costs to comply with federal mandates.
Pending Commission Approval					
NIPSCO - Gas	FMCA - 5	\$ 21.9	6/24-6/25	8/27/2025	Project costs to comply with federal mandates.
Columbia of Virginia	SAVE - 2026	\$ 176.1	10/24-12/26	8/12/2025	Replacement projects that (1) enhance system safety or reliability, or (2) reduce, or potentially reduce, greenhouse gas emissions. Includes costs associated with Advanced Leak Detection and Repair.
Columbia of Kentucky	SMRP - 2026	\$ 181.4	1/23-12/26	10/15/2025	Replacement of mains and inclusion of system safety investments.

⁽¹⁾Programs do not include any costs already included in base rates.

⁽²⁾TDISC – 7 was originally filed on May 27, 2025 and refiled on July 2, 2025, due to the Electric Rate Case Order. The refiling adjusted the capital in the tracker to go down from \$744.7 million to \$315.6 million.

⁽³⁾Capital investment is based on a projected amount. The capital investment has not all been incurred to date and represents a forecasted average for the billing period.

NIPSCO Gas filed an FMCA CPCN on April 21, 2025. The petition is seeking recovery of spend incurred related to certain federally mandated Pipeline Safety IV Compliance Plan costs. The request includes \$244.1 million of estimated capital, including indirect costs and AFUDC. An order was received on October 22, 2025 granting the CPCN requested.

Financing Activities

Common Stock. Refer to Note 6, "Equity," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on common stock.

Long-Term Debt. Refer to Note 8, "Long-Term Debt," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on long-term debt activity.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
NiSource Inc.

Short-Term Debt. Refer to Note 7, "Short-Term Borrowings," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on short-term debt activity.

Noncontrolling Interest. Refer to Note 4, "Noncontrolling Interests," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on contributions and distributions from noncontrolling interests.

Sources of Liquidity

The following table displays our liquidity position as of September 30, 2025 and December 31, 2024:

<i>(in millions)</i>	September 30, 2025	December 31, 2024
Current Liquidity		
Revolving Credit Facility	\$ 1,850.0	\$ 1,850.0
Accounts Receivable Programs ⁽¹⁾	245.0	175.0
Less:		
Commercial Paper	1,060.0	604.6
Accounts Receivable Programs Utilized	200.0	—
Letters of Credit Outstanding Under Credit Facility	25.0	9.4
Add:		
Cash and Cash Equivalents	95.0	156.6
Net Available Liquidity	\$ 905.0	\$ 1,567.6

⁽¹⁾Represents the lesser of the seasonal limit or maximum borrowings supportable by the underlying receivables.

Debt Covenants. We are subject to a financial covenant under our revolving credit facility, which requires us to maintain a debt to capitalization ratio that does not exceed 70.0%. As of September 30, 2025, the ratio was 54.7%.

Credit Ratings. The credit rating agencies periodically review our ratings, taking into account factors such as our capital structure and earnings profile. The following table includes our and NIPSCO's credit ratings and ratings outlook as of September 30, 2025. There were no changes to the below credit ratings or outlooks since February 2020.

A credit rating is not a recommendation to buy, sell, or hold securities, and may be subject to revision or withdrawal at any time by the assigning rating organization.

	S&P		Moody's		Fitch	
	Rating	Outlook	Rating	Outlook	Rating	Outlook
NiSource	BBB+	Stable	Baa2	Stable	BBB	Stable
NIPSCO	BBB+	Stable	Baa1	Stable	BBB	Stable
Commercial Paper	A-2	Stable	P-2	Stable	F2	Stable

Certain of our subsidiaries have agreements that contain "ratings triggers" that require increased collateral if our credit rating or the credit ratings of certain of our subsidiaries are below investment grade. These agreements are primarily for insurance purposes and for the physical purchase or sale of power. As of September 30, 2025, the collateral requirement that would be required in the event of a downgrade below the ratings trigger levels would amount to approximately \$141.8 million. In addition to agreements with ratings triggers, there are other agreements that contain "adequate assurance" or "material adverse change" provisions that could necessitate additional credit support such as letters of credit and cash collateral to transact business.

Equity. Our authorized capital stock consists of 770,000,000 shares, \$0.01 par value, 750,000,000 are common stock and 20,000,000 are preferred stock. As of September 30, 2025, 477,136,079 shares of common stock were outstanding and no shares of preferred stock were outstanding.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

Contractual Obligations. A summary of contractual obligations is included in the Company's Annual Report on Form 10-K for the year ended December 31, 2024. We will be required to make substantial cash payments under supply and other agreements, including the EPC Contracts, although we may terminate the EPC Contracts for convenience and make associated termination payments if the Data Center Contract is terminated or the underlying assets are not approved by the IURC. The expected payments under the EPC Contracts and other contracts relating to our data center developments and potential future data center developments are included in the estimated amounts set forth in row "Capital Investments (Data Center Contract)" in the table included under "Investing Activities" above. Except for these items and our March and June 2025 debt issuances, there were no additional material changes from year-end during the nine months ended September 30, 2025. Refer to Note 8, "Long-Term Debt," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information regarding the debt issuances. Refer to "Executive Summary - NIPSCO Data Center Contract and Strategy" and Footnote 14, Commitments and Contingencies for additional information regarding the EPC Contracts and equipment supply contracts.

Guarantees, Indemnities and Other Off Balance Sheet Arrangements. We and certain of our subsidiaries enter into various agreements providing financial or performance assurance to third parties on behalf of certain subsidiaries as a part of normal business. Such agreements include guarantees and stand-by letters of credit. Refer to Note 14, "Other Commitments and Contingencies," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information about such arrangements.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

Regulatory, Environmental and Safety Matters

Cost Recovery and Trackers

Comparability of our line item operating results is impacted by regulatory trackers that allow for the recovery in rates of certain costs such as those described below. Increases in the costs that are subject to approved regulatory tracker mechanisms generally lead to increased regulatory assets, which ultimately result in a corresponding increases in operating revenues and expenses and, therefore, have essentially no impact on total operating income results. Certain approved regulatory tracker mechanisms allow for abbreviated regulatory proceedings in order for the operating companies to quickly implement revised rates and recover associated costs.

A portion of the Columbia Operations' and NIPSCO Operations' revenue is related to the recovery of gas costs, the review and recovery of which occurs through standard regulatory proceedings. All states in our operating area require periodic review of actual gas procurement activity to determine prudence and to confirm the recovery of prudently incurred energy commodity costs supplied to customers.

We recognize that energy efficiency reduces emissions, conserves natural resources and saves our customers money. Our gas distribution companies offer programs such as energy efficiency upgrades, home checkups and weatherization services. The increased efficiency of natural gas appliances and improvements in home building codes and standards contributes to a long-term trend of declining average use per customer. While we are looking to expand offerings so the energy efficiency programs can benefit as many customers as possible, our gas distribution operations utilities have pursued changes in rate design to more effectively match recoveries with costs incurred. Columbia of Ohio has adopted a straight fixed variable rate design for residential and small commercial customers that closely links the recovery of fixed costs with fixed charges. Columbia of Maryland and Columbia of Virginia have regulatory approval for weather and revenue normalization adjustments for certain customer classes, which adjust monthly revenues that exceed or fall short of approved levels. Columbia of Pennsylvania continues to operate its pilot residential weather normalization adjustment and also has a fixed customer charge. This weather normalization adjustment only adjusts revenues when actual weather compared to normal varies by more than 3%. Columbia of Kentucky charges certain customer classes a mix of fixed and weather normalized volumetric rates during the peak heating season. NIPSCO Gas and Electric include a fixed customer charge for residential and small commercial and industrial customer classes. NIPSCO Gas has implemented a weather normalization adjustment for certain of its customer classes.

A portion of the NIPSCO Operations' revenue is related to the recovery of fuel costs to generate power and the fuel costs related to purchased power. These costs are recovered through a FAC, which is updated quarterly to reflect actual costs incurred to supply electricity to customers.

While increased efficiency of electric appliances and improvements in home building codes and standards have similarly impacted the average use per electric customer in recent years, NIPSCO expects future growth in per customer usage as a result of increasing electric applications, such as electric vehicles. These ongoing changes in use of electricity will likely lead to development of innovative rate designs, and NIPSCO will continue efforts to design rates that increase the certainty of recovery of fixed costs.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

Regulatory, Environmental and Safety Matters

Rate Case Actions

The following table describes current rate case actions as applicable in each of our jurisdictions net of tracker impacts:

(in millions)

Company	Approved ROE	Requested Incremental Revenue	Approved Incremental Revenue	Filing Date	Rates Effective
Approved Rate Cases					
Columbia of Pennsylvania ⁽¹⁾	None specified	\$ 124.1	\$ 74.0	March 15, 2024	December 2024
Columbia of Maryland	9.80 %	\$ 10.7	\$ 7.8	September 24, 2024	April 2025
Columbia of Kentucky	9.75 %	\$ 23.8	\$ 14.3	May 16, 2024	January 2025
Columbia of Virginia ⁽²⁾	9.75 %	\$ 37.2	\$ 28.2	April 29, 2024	October 2024
Columbia of Ohio	9.60 %	\$ 221.4	\$ 68.3	June 30, 2021	March 2023
NIPSCO - Gas ⁽³⁾	9.75 %	\$ 161.9	\$ 120.9	October 25, 2023	August 2024
NIPSCO - Electric ⁽⁴⁾	9.75 %	\$ 368.7	\$ 257.0	September 12, 2024	July 2025
Pending Rate Cases					
Columbia of Pennsylvania ⁽⁵⁾	In process	\$ 110.5	In process	March 20, 2025	December 2025

⁽¹⁾No approved ROE is identified for this matter since the approved revenue increase is the result of a black box settlement under which parties agree upon the amount of increase.

⁽²⁾The approved rate case resulted in a black box settlement, representing a settlement to a specific revenue increase but not a specified ROE. The settlement provides use of a 9.75% ROE for future SAVE filings.

⁽³⁾New rates were implemented in 2 steps, with implementation of Step 1 rates effective in August 2024 and Step 2 rates effective in February 2025.

⁽⁴⁾New rates were implemented in multiple steps, with implementation of Step 1 rates effective in July 2025 and Step 2 rates effective no later than March 2026.

⁽⁵⁾In October 2025, a Recommended Decision (RD) was issued by the Administrative Law Judges (ALJs) for the PUC to deny the request of Columbia Gas to increase base rates. Alternatively, the ALJs recommended that Columbia Gas be granted a \$66.4 million revenue increase, effective for service rendered on and after January 1, 2026. Columbia Gas filed Exceptions to the ALJs' RD, proposing an increase of at least \$74.2 million, effective on and after December 19, 2025. A Final Order from the PUC is expected in the fourth quarter of 2025.

PHMSA Legislation and Regulations

To fulfill our vision of being a trusted energy provider, we follow safety practices required by regulations and we implement our Safety Management System ("SMS"). SMS serves as the framework to identify and reduce risks and ensure consistent safety processes, procedures and operations across the organization.

As directed by law in the Protecting Our Infrastructure of Pipelines and Enhancing Safety (PIPES) Act of 2020, PHMSA has revised, and continues to revise, the pipeline safety regulations focused on public safety and environmental hazard mitigation. The PIPES Act of 2020 specifically includes leak detection and repair criteria (the "LDAR" rule) and regulations that require operators to upgrade their existing low-pressure regulating stations with enhanced safeguards and update distribution integrity management plans, emergency response plans, and operation and maintenance plans (the Safety of Gas Distribution Pipelines, or "SGDP" rule).

In May 2023, PHMSA proposed regulatory revisions under the PIPES Act of 2020 to minimize methane emissions and improve public safety. Under these proposed revisions, our subsidiaries would be required to detect and repair an increased number of gas leaks, reduce the time to repair leaks, increase leak survey, and expand our existing advanced leak detection program. In January 2025, PHMSA withdrew the final LDAR rule and it has not gone into effect.

In September 2023, PHMSA proposed additional regulatory revisions under the PIPES Act of 2020 to enhance distribution system safety through equipment and procedural expectations in the form of the SGDP rule. Operators will be required to incorporate additional protections for low pressure distribution systems that prevent over-pressurization, amend construction procedures designed to minimize the risk of incidents caused by system over-pressurization, and update distribution integrity management programs to cover and prepare for over-pressurization incidents. PHMSA did not progress the SGDP rulemaking in 2024.

We continue to evaluate and monitor PHMSA-related legislation and regulations but cannot predict the impact of changing pipeline safety regulations on our business at this time.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)**NiSource Inc.****Regulatory, Environmental and Safety Matters****Environmental and Climate Change Issues**

On March 12, 2025, the EPA announced it will undertake 31 deregulatory actions to advance the administration's policy priorities as directed by various executive orders. These actions will address multiple existing water, waste, air and climate regulations including, but not limited to, GHG rules and the Legacy CCR Rule. On July 22, 2025, the EPA proposed a rule that, if finalized, would extend the deadline to submit Part 1 Facility Evaluation Reports from February 2026 to February 2027. On July 29, 2025, the EPA proposed rescinding the 2009 Endangerment Finding, the scientific and legal foundation for federal GHG regulations under the Clean Air Act. NiSource will continue to monitor these matters and assess the impacts to our business as regulations are proposed and finalized, or as otherwise required by law.

Physical Climate Risks. Increased frequency of severe and extreme weather events associated with climate change could materially impact our facilities, energy sales, and results of operations. We are unable to predict these events. However, we perform assessments of physical risk, including physical climate risk, to our business. More extreme and volatile temperatures, increased storm intensity and flooding, and more volatile precipitation leading to changes in lake and river levels are among the weather events that are most likely to impact our business. Efforts to mitigate these physical risks continue to be implemented.

Transition Climate Risks and Opportunities. We actively engage with and monitor the impact that proposed legislative and regulatory programs related to GHG emissions, at both the federal and state levels, would have on our business.

On June 11, 2025, the EPA proposed to repeal GHG emissions standards for fossil fuel-fired power plants that were finalized by the previous federal administration in May 2024. The proposed repeal would eliminate key requirements from the 2024 Carbon Pollution Standards, including capacity factor thresholds and carbon capture and storage (CCS) mandates. If finalized, this action would remove regulatory constraints that could significantly impact NIPSCO's planned gas generation, allowing customers to avoid approximately \$675 million in additional cost as contemplated through the 2024 NIPSCO IRP.

We also continue to monitor evolving state policies related to GHG emissions from our gas distribution companies. The Climate Solutions Now Act of 2022 requires Maryland to reduce GHG emissions by 60% by 2031 (from 2006 levels), and it requires the state to reach net zero emissions by 2045. The Maryland Department of the Environment ("MDE") adopted a plan to achieve its 2031 goal and is required to adopt a plan for their 2045 net zero goal by 2030. The Act also enacts a state policy to move to broader electrification of both existing buildings and new construction. In December 2024, the MDE issued final Building Energy Performance Standards, which would require net zero direct GHG emissions from large buildings by 2040 with interim targets, or payments of an alternative compliance fee. Under an executive order, Maryland is also developing a Clean Heat Standard and a Zero-Emission Heating Equipment Standard that are intended to transition gas appliances to electric heat pumps. In June 2025, the Public Service Commission ("PSC") issued an order directing its Staff to prepare proposed regulations by December 2025, eliminating Company contributions to main or service extensions to new residential and commercial customers. In August 2025, the PSC instituted formal proceedings to investigate issues pertaining to long-term natural gas company planning practices. One purpose of the proceedings is to ensure that planning is consistent with Maryland's climate goals. Columbia of Maryland cannot predict the final impact of these policies on our business at this time.

Net Zero Goal. In November 2022, we announced a goal of net zero GHG emissions by 2040 covering both Scope 1 and Scope 2 GHG emissions ("Net Zero Goal"). Our Net Zero Goal builds on GHG emission reductions achieved to-date. We plan to achieve our Net Zero Goal primarily through continuation and enhancement of existing programs, such as retiring and replacing coal-fired electric generation with low- or zero-emission electric generation, ongoing pipe replacement and modernization programs, and deployment of advanced leak-detection technologies. In addition, we plan to advance other low- and zero-emission energy resources and technologies, which may include hydrogen, renewable natural gas, long-duration storage, and/or deployment of carbon capture and utilization technologies, if and when these become technologically and economically feasible. Carbon offsets and renewable energy credits may also be used to support achievement of our Net Zero Goal. As of the end of 2024, we had reduced Scope 1 GHG emissions by approximately 72% from 2005 levels.

Our GHG emissions projections, including achieving a Net Zero Goal, are subject to various assumptions that involve risks and uncertainties, and did not include any assumptions related to data center development and associated load growth. We remain committed to our Net Zero Goal, however, certain of our interim goals may evolve as we assess and respond to business opportunities such as data centers. Achievement of our Net Zero Goal by 2040 will require supportive regulatory and legislative policies, favorable stakeholder environments and advancement of technologies that are not currently economically or

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

Regulatory, Environmental and Safety Matters

technologically feasible to deploy at scale, as well as execution of our business plan. Otherwise, our actual results or ability to achieve our Net Zero Goal, including by 2040, may differ materially.

Market Risk Disclosures

Risk is an inherent part of our businesses. The extent to which we properly and effectively identify, assess, monitor and manage each of the various types of risk involved in our businesses is critical to our profitability. We seek to identify, assess, monitor and manage, in accordance with defined policies and procedures, the following principal market risks that are involved in our businesses: commodity price risk, interest rate risk and credit risk. We manage risk through a multi-faceted process with oversight by the Risk Management Committee that requires constant communication, judgment and knowledge of specialized products and markets. Our senior management takes an active role in the risk management process and has developed policies and procedures that require specific administrative and business functions to assist in the identification, assessment and control of various risks. These may include, but are not limited to market, operational, financial, compliance and strategic risk types. In recognition of the increasingly varied and complex nature of the energy business, our risk management process, policies and procedures continue to evolve and are subject to ongoing review and modification.

Commodity Price Risk

Our gas and electric subsidiaries have commodity price risk primarily related to the purchases of natural gas and power. To manage this market risk, our subsidiaries use derivatives, including commodity futures contracts, swaps, forwards and options. We do not participate in speculative energy trading activity.

Commodity price risk resulting from derivative activities at our rate-regulated subsidiaries is limited and does not bear significant exposure to earnings risk, since our current regulatory mechanisms allow recovery of prudently incurred purchased power, fuel and gas costs through the rate-making process, including gains or losses on these derivative instruments. These changes are included in the GCA and FAC regulatory rate-recovery mechanisms. If these mechanisms were to be adjusted or eliminated, these subsidiaries may begin providing services without the benefit of the traditional rate-making process and may be more exposed to commodity price risk. For additional information, see "Results and Discussion of Segment Operations" in this Management's Discussion.

Our subsidiaries are required to make cash margin deposits with their brokers to cover actual and potential losses in the value of outstanding exchange traded derivative contracts. The amount of these deposits, some of which are reflected in our restricted cash balance, may fluctuate significantly during periods of high volatility in the energy commodity markets.

Refer to Note 10, "Risk Management Activities," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for further information on our commodity price risk assets and liabilities.

Interest Rate Risk

We are exposed to interest rate risk as a result of changes in interest rates on borrowings under our revolving credit agreement, commercial paper program, and accounts receivable programs, which have interest rates that are indexed to short-term market interest rates. Based upon average borrowings and debt obligations subject to fluctuations in short-term market interest rates, an increase (or decrease) in short-term interest rates of 100 basis points (1%) would have increased (or decreased) interest expense by \$1.8 million and \$6.1 million for the three and nine months ended September 30, 2025 and \$1.7 million and \$6.9 million for the three and nine months ended September 30, 2024, respectively. We are also exposed to interest rate risk as a result of changes in benchmark rates that can influence the interest rates of future long-term debt issuances. From time to time we may enter into forward interest rate instruments to lock in long term interest costs and/ or rates.

Credit Risk

Due to the nature of the industry, credit risk is embedded in many of our business activities. Our extension of credit is governed by a Corporate Credit Risk Management Policy which establishes guidelines for documenting management approval levels for credit limits, evaluating creditworthiness, and credit risk mitigation efforts. Exposures to credit risks are monitored by the risk management function, which is independent of commercial operations. Credit risk arises due to the possibility that a customer, supplier or counterparty will not be able or willing to fulfill its obligations on a transaction on or before the settlement date. For derivative-related contracts, credit risk arises when counterparties are obligated to deliver or purchase defined commodity units of gas or power to us at a future date per execution of contractual terms and conditions. Exposure to credit risk is measured in

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terms of both current obligations and the market value of forward positions net of any posted collateral such as cash and letters of credit.

The financial status of our banking partners is periodically assessed through traditional credit ratings provided by major credit rating agencies.

Other Information

Critical Accounting Estimates

A summary of our critical accounting estimates is included in the Company's Annual Report on Form 10-K for the year ended December 31, 2024. There were no material changes made as of September 30, 2025.

Recently Issued Accounting Pronouncements

Refer to Note 2, "Recent Accounting Pronouncements," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information about recently issued and adopted accounting pronouncements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Quantitative and qualitative disclosures about market risk are reported in Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations - Market Risk Disclosures."

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our chief executive officer and our chief financial officer are responsible for evaluating the effectiveness of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)). Our disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed by us in reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure and is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. Based upon that evaluation, our chief executive officer and chief financial officer concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were effective at a reasonable assurance level.

Changes in Internal Controls

During the third quarter, we implemented the second and third phases of our three-phased Enterprise Asset Management ERP program. This implementation reflects our ongoing commitment to streamlining operations and enhancing logistics across the company. While there are inherent risks involved with the implementation of new systems and changes in internal controls associated with the transition to the new system, management believes it is adequately monitoring and managing the transition. Apart from this ERP implementation, there have been no changes in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting during the most recently completed quarter covered by this report.

PART II

ITEM 1. LEGAL PROCEEDINGS

For a description of our legal proceedings, see Note 14, "Other Commitments and Contingencies - B. Legal Proceedings," in the Notes to the Condensed Consolidated Financial Statements (unaudited).

ITEM 1A. RISK FACTORS

Please refer to the risk factors set forth in Part I, Item 1A of the Annual Report on Form 10-K for the year ended December 31, 2024 and Part II, Item 1A of the Quarterly Report on Form 10-Q for the quarter ended June 30, 2025. There have been no material changes to such risk factors other than as set forth below.

Our construction of the Contract Assets involves significant risks. Construction delays, cost overruns or performance issues with the Contract Assets could reduce our returns under the Data Center Contract and could require us to obtain additional financing. Any further development of generation and transmission assets in connection with future data center contracts is expected to be subject to similar risks.

We expect to construct, through GenCo, 400 MW of new battery storage and a new power generation facility consisting of two 1,300 MW combined-cycle, natural gas-fired turbines, which are expected to reach commercial operation between 2028 and 2032, as well as related transmission and distribution assets (which will be constructed by NIPSCO). In addition, in order to perform under any further data center contracts, we expect that we will need to develop additional generation and transmission assets. Our return under the Data Center Contract will be, and our return under future data center contract is expected to be, affected by our ability to construct, develop and place into service these assets on time or at all and consistent with initial cost estimates, as well as the performance of these assets once constructed and placed into service.

We have not previously constructed generation assets of the type and scale contemplated by the Data Center Contract. Although we have engaged reputable EPC contractors to manage the construction of these new assets, our ability to complete the construction in a timely manner and within budget is contingent upon many variables and subject to substantial risks. These variables include, but are not limited to, the receipt, timing and terms of required regulatory approvals, including approvals from the IURC and FERC; the ability of key suppliers and contractors to timely satisfy their obligations under existing or future contracts and in compliance with the terms of such contracts, including the EPC Contracts and equipment supply contracts we have already entered into; the impact of new tariffs, if any, inflation and other trade or economic factors that may impact the cost of supplies and services; changes in law or regulation, including environmental compliance requirements; the availability of and ability of our contractors to hire and retain qualified labor and the cost of such labor; the impact of public health emergencies or natural disasters or other severe weather events; capital market conditions, including the availability of credit and our ability to obtain financing on acceptable terms (as discussed below); charges allocated to us by MISO with respect to these assets; and the impact of public involvement, intervention or litigation. In addition, our ability to complete construction of any additional generation and transmission assets developed to support future data center contracts will be subject to all or most of the foregoing risks.

Under the Data Center Contract, if the Contract Assets are delivered into service late or do not achieve certain other performance-related milestones, Customer is entitled to liquidated damages, which would be offset against NIPSCO's billings to Customer and reduce the rate of return earned under the Data Center Contract. In addition, our actual costs to construct the Contract Assets may exceed the budget contemplated by the Data Center Contract, which could result from delays in construction or from other factors. Any such cost overruns will need to be funded initially by us, either through our cash flows from operating activities or additional debt or equity financing. Although our EPC contracts provide certain protections against cost overruns under those contracts, and any excess costs not recoverable through the EPC contracts are to be shared by us and Customer, any recoveries from our EPC contractors and/or Customer would occur over an extended period of time. The need for us to fund these expenses in the first instance may reduce our ability to use our operating cash flows for other purposes or may require us to obtain additional debt or equity financing, which may not be available on favorable terms or at all. These costs, if incurred, could negatively impact our return under the Data Center Contract or adversely affect our future results and financial condition. In addition, we expect that construction delays, performance shortfalls or cost overruns in connection with construction of generation and transmission assets supporting any future data center contracts could similarly have a negative effect on our return under such contracts and our financial condition.

We will be required to obtain significant additional financing in order to construct the Contract Assets and any generation or transmission assets we develop to support future data center contracts. Such financing may not be available on favorable terms, if at all.

In order to finance the construction of the Contract Assets, as well as any generation and transmission assets we develop to support future data center contracts, we expect to incur significant additional long-term debt and issue additional equity in NiSource, in addition to the financing we otherwise would seek to support investments in our existing businesses and refinance

ITEM 1A. RISK FACTORS

NiSource Inc.

existing indebtedness. The LLC Agreement and Amended LLC Agreement will allow for additional capital contributions from affiliates of Blackstone to NIPSCO Holdings II and Generation Holdings II in connection with such Blackstone affiliates' minority interest investments in those entities. In addition, we may consider other funding sources, structures, or partnerships as market conditions and strategic considerations evolve. The amount of additional long-term debt or NiSource equity needed to support construction of the Contract Assets and any generation and transmission assets to support future data center contracts could increase, potentially significantly, from our current expectations if we experience construction delays or cost overruns.

External factors such as inflation, monetary policy or other market conditions could impact our cost of borrowing and could make it more difficult to obtain the financing that is required to construct the Contract Assets on favorable terms, or at all. The issuance of additional debt could negatively impact our credit ratings and overall cost of capital, which could in turn adversely affect our future results and liquidity. In addition, an economic downturn or uncertainty, market turmoil, changes in interest rates, changes in tax policy, challenges faced by financial institutions, or a change in investor sentiment toward us or the utilities industry or the cloud-computing, artificial intelligence and data center industry generally could adversely affect our ability to raise the necessary capital. Reduced access to capital markets, increased borrowing costs, and/or lower equity valuation levels could jeopardize our ability to complete construction of the Contract Assets on-time and within budget, and could reduce future earnings per share and cash flows. In addition, any rise in interest rates may lead to higher borrowing costs, which may adversely impact reported earnings, cost of capital and capital holdings.

Pursuit of our partnership with Customer creates significant opportunity costs and reduces our strategic and financial flexibility in the near term.

We expect to incur significant indebtedness to fund our construction of the Contract Assets. Doing so will reduce our ability to incur further indebtedness to pursue other strategic opportunities, such as partnerships with other large data center customers or strategic mergers and acquisitions, while at the same time maintaining our investment grade credit ratings, which may require us to rely to a greater degree on equity financing in connection with future data center contracts and also may increase our reliance on equity financing for future investments in our existing traditionally regulated utility business, each of which could lead to substantial dilution of our existing shareholders. In addition, our credit rating agencies consider the percentage of our business comprised of traditionally regulated utility operations in their analysis of our credit quality.

In addition to these factors relating to our financing and credit ratings, our partnership with Customer is expected to employ a significant amount of our existing excess transmission infrastructure, which will limit our ability to use these assets for other opportunities, including additional data center opportunities. Furthermore, effectively overseeing the construction and financing of the Contract Assets will require significant time and attention of our management, which could detract from their oversight of our existing business and ability to pursue other strategic opportunities.

The return structure and risk profile of Data Center Contract and related development of the Contract Assets differ from those of NIPSCO's traditionally regulated utility operations. Any future data center contracts we enter into are expected to have a comparable structure and risk profile.

NIPSCO's and GenCo's operations under the Data Center Contract will be, and under future data center contracts are expected to be, regulated by the IURC in a different way from the regulatory mechanisms applicable to NIPSCO's historical operations, which could affect the manner in which we recover our investment costs and earn a return on our investment. NIPSCO's electric utility rates historically have been determined and approved in regulatory proceedings with the IURC based on an analysis of NIPSCO's costs to provide utility service and a return on, and recovery of, NIPSCO's investment in the utility business. Through the IURC rate-making process, retail rates may be adjusted over time, and NIPSCO may request additional revenue, in order to cover ongoing costs and investment and earn an adequate return.

In contrast, the terms of the Data Center Contract were, and the terms of any future data center contracts will be, determined by commercial negotiation with Customer. In the case of the Data Center Contract, these terms include the charges that we receive from Customer, which are designed to allow us to recover the costs that we incur to construct and operate the Contract Assets and earn a return, and provisions that may result in adjustments to those charges such as, among other factors, those relating to certain liquidated damages that we may owe Customer in the event of construction delays or capacity shortfalls and the parties' responsibility to share cost overruns, among other provisions. These terms do not guarantee a specific overall rate of return, and the overall return we earn under the Data Center Contract may ultimately be lower than that of NIPSCO's traditional utility operations. The IURC will not regulate the commercial terms of the Data Center Contract and is not expected to regulate the commercial terms of any future data center contracts; however, the IURC is expected to maintain oversight under the Data Center Contract and any future data center contracts to ensure NIPSCO provides reliable service to Customer and any future data center customers at just and reasonable rates. In order to recover our investment costs and earn our return under the Data Center Contract and any future data center contracts, our subsidiaries must efficiently perform their own obligations and must look to the Customer or future customers (or, if applicable, any parent guarantor) to perform its obligations, rather than the IURC making use of its traditional rate-making process. In addition, under the Data Center Contract, NIPSCO has direct contractual obligations to the Customer to, among other things, construct the Contract Assets and deliver committed electric

ITEM 1A. RISK FACTORS

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capacity in fixed amounts by certain dates. We expect our subsidiaries to have similar contractual obligations to customers in connection with any future data center contracts. If disputes arise with data center customers, including the Customer, regarding provisions of a data center contract, including the Data Center Contract, or payments to be made or actions to be taken thereunder, we may be significantly disadvantaged as a result of, among other factors, the significance of such contracts to us and the greater resources (financial and otherwise) available to the relevant customer. Any dispute or litigation with a data center customer, including the Customer, could create significant demands on the attention of management and result in significant costs to us.

In addition, the IURC, through its review and approval of the Data Center Contract and PPA between NIPSCO and GenCo, will have ultimate authority over the implementation of these agreements. In this context, we will need to continuously assess the applicability of ASC Topic 980 over the life of the Data Center Contract. It is possible that significant construction overruns, capacity shortfalls or other events that could result in NIPSCO or GenCo owing liquidated damages could either preclude ongoing application of ASC Topic 980 or result in an immediate disallowance and impairment of the Contract Assets. In addition, early termination of the Data Center Contract, could result in such impairment and discontinuation of application of ASC Topic 980, unless the Contract Assets can be used to support new or existing customers. If we incur significant costs that we are not able to recover from Customer (for example, greater than expected purchases of market capacity or operations and maintenance costs significantly exceeding those contemplated by the Data Center Contract), this also could discontinue the application of ASC Topic 980 to the Data Center Contract and the Contract Assets. We expect any future data center contracts will be subject to comparable risks.

Our partnership with Customer exposes us to significant customer concentration risk.

Customer will be a significant customer of our electric utility operations. For example, the generating capacity of the Contract Assets, when fully delivered into service, is expected to be approximately equivalent to the generating capacity of all NIPSCO's existing generating assets. However, Customer has the right to terminate the Data Center Contract for convenience following certain notice periods. If Customer terminates or defaults under the Data Center Contract or elects not to renew the Data Center Contract after the initial term, we may not be able to replace Customer's demand or otherwise fully utilize the assets constructed in connection with the Data Center Contract. We also may not receive the same level of return with respect to any alternative use.

In addition, Customer has a one-time option (exercisable no later than March 31, 2029) to halve committed capacity under the Data Center Contract to 1,200 MW commencing January 31, 2032. If Customer elects to reduce the committed capacity under the Data Center Contract or to terminate the Data Center Contract during its initial term, we will not receive the full earnings we expect to receive over the life of the Data Center Contract. Although the Data Center Contract provides for reimbursement for our investment in the Contract Assets and related expenses in the event of a reduction in the committed capacity or early termination, the amount of any reimbursement is capped under the Data Center Contract, with the amount of the caps being based on cost estimates determined as of signing. Furthermore, our ability to collect any reimbursable amounts will depend upon the willingness and ability of the Customer or its parent guarantor to satisfy their payment obligations under the Data Center Contract and related guarantee. Accordingly, we may not be able to recover our full investment, which may adversely affect our future results and financial condition.

Any of the above outcomes could adversely affect our future results, financial conditions and results of operations. Termination of the Data Center Contract during its initial term or exercise by Customer of its one-time option to reduce capacity also may cause us reputational harm, which could, among other things, negatively affect our ability to source and execute contracts with additional data center customers.

Many factors, including those outside our and Customer's control, could cause Customer to exercise its one-time option to reduce the committed capacity under the Data Center Contract or terminate the Data Center Contract during the initial term. Such factors include, for example: (i) construction delays, cost overruns or capacity shortfalls that occur in connection with our construction of the Contract Assets, (ii) similar problems that Customer may encounter in connection with constructing its data centers, (iii) any decrease or lessening of current cloud-computing or artificial intelligence demand trends or a change in the current supportive legal and regulatory environment (in Northern Indiana or elsewhere) with respect to cloud-computing or artificial intelligence, as well as other factors, which could negatively impact the demand for data centers, (iv) technological or other advances impacting the design and operation of data centers, which could reduce the amount of electricity needed to power data centers and (v) competing energy technologies could become a preferred source of energy for powering data centers.

Any future data center contracts our subsidiaries enter into may contain termination and/or capacity reduction provisions and related reimbursement comparable to the Data Center Contract, exposing us to risks comparable to those described above (the significance of which will be affected by the relative size of any such contract and the costs we incur to develop resources supporting such contract).

ITEM 1A. RISK FACTORS

NiSource Inc.

In addition, as a result of the Data Center Contract, and any further agreements we may sign with data center companies, our stock price may experience increased volatility as a result of factors outside our control. For example, our stock price may be negatively affected as a result of any actual or perceived slowdown in the adoption of artificial intelligence technology, the regulation or proposed regulation of such technology, or actual or perceived changes in the strategic or financial position of our data center customers.

The long-term MISO capacity accreditation of capacity resources is uncertain. If the capacity resources that we construct to serve Customer or any future data center customers lose accreditation, we would need to construct additional generation assets to fulfill our obligations to such customers.

In recent years, MISO has implemented new capacity accreditation rules and continues to put forth new plans and proposals relating to its accreditation requirements. Recent MISO accreditation changes have affected both natural gas and battery storage generation resources, but battery storage has been more significantly impacted. It is possible that, under future MISO rules, the capacity accreditation for the capacity resources we construct to serve Customer will be eliminated or reduced, in which case we would need to replace or supplement the accredited generation capacity we are planning to build in order to fulfill our obligations to Customer under the Data Center Contract. This additional investment would be funded initially by us. Although under the terms of the Data Center Contract the costs of this additional investment would be shared by us and Customer, our recovery from Customer would occur over an extended period of time. We expect that we would need to obtain significant additional debt and equity financing to fund these investments, which may not be available on favorable terms or at all. These costs, if incurred, could negatively impact our return under the Data Center Contract or adversely affect our future results and financial condition. In addition, these activities would be subject to the construction and financing-related risks described above. Any generation assets we develop to support future data center contracts will be subject to similar risks relating to MISO accreditation, which, depending on the terms of our future data center contracts, may expose us to risks similar to those described above or additional risks.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

Minority Equity Interest Sale

On October 28, 2025, NiSource issued a 19.9% indirect equity interest in NiSource's wholly-owned subsidiary GenCo to BIP Orion Holdco L.P. and BIP Orion Holdco II L.P., affiliates of Blackstone (collectively, "Investor"), in exchange for \$35.2 million. On October 28, 2025, simultaneously with issuance of the 19.9% indirect equity interest in GenCo, Investor, Generation Holdings I, Generation Holdings II and NiSource entered into an Amended and Restated Limited Liability Company Agreement of Generation Holdings II (the "LLC Agreement").

The LLC Agreement establishes, among other things, governance rights, exit rights, requirements for additional capital contributions, mechanics for distributions, and other arrangements for Generation Holdings II. Specifically, under the terms of the LLC Agreement, Investor will provide up to \$1.325 billion in additional capital contributions over a seven-year period, which obligation is backed by an Equity Commitment Letter from Blackstone or an affiliate thereof. Under the LLC Agreement, Investor is entitled to appoint two directors to the board of directors of Generation Holdings II (the "Board") so long as Investor (together with any approved affiliate) holds at least a 17.5% Percentage Interest (as defined in the LLC Agreement). Investor is expected to appoint two directors to the Board, such that the Board will be comprised of seven directors, two appointed by Investor and five appointed by NiSource. The LLC Agreement also contains certain investor protections, including, among other things, requiring Investor approval for Generation Holdings II to take certain major actions. In addition, the LLC Agreement contains certain terms surrounding transfer rights and other obligations applicable to both Investor and NiSource. Under the LLC Agreement, Generation Holdings II has agreed that, so long as Investor holds a 14.9% or greater Percentage Interest in Generation Holdings II, Generation Holdings II, NIPSCO Holdings II (as defined below) and/or their respective subsidiaries will be the exclusive vehicles for all power, storage and generation requirements for data center customers within NIPSCO's service territory.

On October 28, 2025, the members of NIPSCO Holdings II entered into a Third Amended and Restated Limited Liability Company Agreement of NIPSCO Holdings II (the "Amended LLC Agreement"), which, among other changes, increased the amount and time period for additional mandatory capital contributions required to be contributed by Investor by \$175 million and seven years, which obligation is backed by an Equity Commitment Letter from Blackstone or an affiliate thereof, and amended certain provisions to facilitate NIPSCO Holdings II and its subsidiaries' provision of electric service to data center customers (and related activities) and their related contracts and arrangements with Generation Holdings II and its subsidiaries.

The foregoing descriptions of the LLC Agreement and the Amended LLC Agreement do not purport to be complete and are qualified in their entirety by reference to the terms and conditions of the LLC Agreement and Amended LLC Agreement, which are filed as Exhibits 10.1 and 10.2, respectively, and are incorporated by reference herein.

Director and Officer Trading Arrangements

During the quarter ended September 30, 2025, none of our directors or executive officers adopted or terminated a Rule 10b5-1 trading plan or adopted or terminated a non-Rule 10b5-1 trading arrangement (as defined in Item 408(c) of Regulation S-K).

ITEM 6. EXHIBITS

NiSource Inc.

- (10.1) [Amended and Restated Liability Company Agreement of Generation Holdings II LLC, dated October 28, 2025.](#) * **
 - (10.2) [Third Amended and Restated Liability Company Agreement of NIPSCO Holdings II LLC, dated October 28, 2025](#) * **
 - (31.1) [Certification of Chief Executive Officer pursuant to Rule 13a-14\(a\)/15d-14\(a\), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.](#) *
 - (31.2) [Certification of Chief Financial Officer pursuant to Rule 13a-14\(a\)/15d-14\(a\), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.](#) *
 - (32.1) [Certification of Chief Executive Officer pursuant to 18. U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 \(furnished herewith\).](#) *
 - (32.2) [Certification of Chief Financial Officer pursuant to 18. U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 \(furnished herewith\).](#) *
 - (101.INS) Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
 - (101.SCH) Inline XBRL Schema Document
 - (101.CAL) Inline XBRL Calculation Linkbase Document
 - (101.LAB) Inline XBRL Labels Linkbase Document
 - (101.PRE) Inline XBRL Presentation Linkbase Document
 - (101.DEF) Inline XBRL Definition Linkbase Document
 - (104) Cover page Interactive Data File (formatted as inline XBRL, and contained in Exhibit 101.)
- * Exhibit filed herewith.
- ** Schedules and similar attachments to this Exhibit have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company agrees to furnish supplementally a copy of any omitted schedule or exhibit to the U.S. Securities and Exchange Commission (the "SEC") upon request

SIGNATURE

NiSource Inc.

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

NiSource Inc.

(Registrant)

Date: October 29, 2025

By:

/s/ Gunnar J. Gode

Gunnar J. Gode

Senior Vice President, Chief Accounting and Tax Officer
(Principal Accounting Officer)

AMENDED AND RESTATED
LIMITED LIABILITY COMPANY AGREEMENT
OF
GENERATION
HOLDINGS II LLC

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Appendix A – Prohibited Competitors

Article I
TRANSFERS OF MEMBERSHIP INTERESTS

Section 1.1 General Restriction.

(a) No Member shall Transfer any of its Membership Interests except pursuant to and in accordance with this Article VI. Any purported Transfer by any Member of its Membership Interests in violation of this Section 6.1(a), or without compliance in all respects with the provisions of this Article VI pertaining to such purported Transfer, shall be invalid and void ab initio, and such purported Transfer by such Member shall constitute a material breach of this Agreement for purposes of Article VI.

(b) Subject to Section 6.2, neither Investor Member may Transfer any of its Membership Interests to any Person prior to the date that is the seventh (7th) anniversary of the Effective Date (the "Lock-Up Period") other than with the prior written consent of the NiSource Member. After the expiration of the Lock-Up Period, each Investor Member, as applicable, may Transfer its Membership Interests in accordance with this Article VI. Notwithstanding the forgoing, each Investor Member may at any time Transfer Membership Interests in compliance with Section 6.2.

(c) Transfers by Members in accordance with and pursuant to this Article VI shall entitle each applicable transferee to the rights and obligations of the transferor under this Agreement.

(d) The Investor Members and the NiSource Member acknowledge any indirect Transfers of any Member's Membership Interest shall be deemed a Transfer by such Member hereunder.

(e) The Parent has joined this Agreement solely for the purpose of acknowledging the obligations of the NiSource Member under this Article VI.

Section 1.2 Transfers to Permitted Transferees; Liens by Members.

(a) Notwithstanding Section 6.1, each Member may Transfer at any time all or any portion of the Membership Interests held by it to any one of its Permitted Transferees; provided, that, in connection with any such Transfer, (a) such Permitted Transferee shall, in writing, assume all of the rights and obligations of the transferring Member as a Member under this Agreement and as a Party hereto with respect to the Transferred Membership Interests, (b) such Permitted Transferee is as creditworthy as the transferring Member and provides evidence thereof to the non-transferring Members, (c) the transferring Member remains liable for all liabilities and obligations of the Permitted Transferee, and (d) effective provision shall be made whereby such Permitted Transferee shall be required, prior to the time when it shall cease to be a Permitted Transferee of the transferring Member, to Transfer such Membership Interests to the transferring Member or to another Person that would be a Permitted Transferee of the transferring Member as of such applicable time. In the event that a Member (including, as the case may be, a Permitted Transferee) intends to Transfer its Membership Interests to a Permitted Transferee, such transferring Member or the Permitted Transferee, as applicable, shall notify the other Members and the Company of the intended Transfer at least twenty (20) Business Days prior to the intended Transfer.

(b) Each Member shall be permitted to directly or indirectly Encumber its Membership Interests or any Equity Interests in such Member in connection with any debt financing, the proceeds of which have been or will be used by such Member to finance its purchase of such Membership Interests

(whether in respect of an issuance of new Membership Interests by the Company or the purchase of existing Membership Interests from a Member or the refinancing of any such debt financing in the future), to fund the capital expenditure needs of the Company and its Subsidiaries or to fund its capital needs for any Mandatory Capital Contribution and neither such Lien nor any commencement or consummation of foreclosure proceedings or exercise of foreclosure remedies by a secured party on a Member's Membership Interests Encumbered in connection with any such debt financing shall, in either case, be considered a "Transfer" for any purpose under this Agreement; provided, that (i) such Member shall be obligated to promptly notify the other Members and the Company in writing following the commencement of any such foreclosure remedies or proceedings, (ii) in the event of the consummation of such a foreclosure, such Member will automatically cease to be deemed the owner of the Membership Interests so foreclosed and will cease to have any rights in respect thereof (with the financing source foreclosing on such Membership Interests succeeding to the rights and responsibilities of the Member hereunder), and (iii) the consummation of any such foreclosure will be subject to the receipt of any required authorization, approval or consent of all applicable Governmental Bodies; provided, further, following exercise of any foreclosure or similar rights, such lender or similar Person may not further Transfer such Membership Interests without complying with this Article VI, including, Section 6.3.

Section 1.3 Right of First Offer.

(a) Prior to any Transfer by a Member (each, a "Transferring Member") of all or any portion of its Membership Interests other than to a Permitted Transferee of such Transferring Member, the Transferring Member must first offer to sell to the other Members (the "Non-Transferring Member"; provided, that (x) if the Transferring Member is an Investor Member, the other Investor Member shall not be deemed a Non-Transferring Member for any purpose under this Section 6.3 and (y) if the Transferring Member is the NiSource Member, the Investor Members jointly shall be deemed the Non-Transferring Member for all purposes under this Section 6.3) all of its Membership Interests that it desires to sell (such Membership Interests to be offered for sale to the Non-Transferring Member pursuant to this Section 6.3, the "Subject Membership Interests"), in each case, in accordance with the procedures set forth in the provisions of this Section 6.3.

(i)

(A) If the Investor Member is the Transferring Member, the Investor Member shall first deliver to the Non-Transferring Member a written notice which shall be a binding offer (an "Investor Sale Notice") setting forth the cash price and all other material terms and conditions at which the Investor Member is willing to sell the Subject Membership Interests to the Non-Transferring Member, which notice shall constitute an offer to the Non-Transferring Member to effect such purchase and sale on the terms set forth therein. Any such Investor Sale Notice shall be firm, not subject to withdrawal, and prepared and delivered in good faith. Within ninety (90) days following its receipt of an Investor Sale Notice, the Non-Transferring Member may accept the Investor Member's offer and purchase the Subject Membership Interests at the cash price and upon the other material terms and conditions set forth in the Investor Sale Notice, in which event the closing of the purchase and sale of the Subject Membership Interests will take place as promptly as practicable, subject to customary closing conditions, including the receipt of required regulatory approvals.

(B) If the NiSource Member is the Transferring Member, the NiSource Member shall first deliver to the Non-Transferring Member a written right of first offer notice (a "NiSource Sale Notice") describing the Subject Membership Interests and setting forth all other material terms and conditions (other than the cash price) upon which the NiSource Member is willing to sell the Subject Membership Interests to the Non-Transferring Member. The NiSource Sale Notice shall not be a binding offer and need not include a price. Within ninety (90) days following its receipt of a NiSource Sale Notice, the Investor Member (as the Non-Transferring Member) may deliver to the NiSource Member a written response setting forth the cash price and confirming the other material terms and conditions specified in the NiSource Sale Notice (the "Investor Offer"). The Investor Offer shall be a binding offer by the Investor Member to purchase the Subject Membership Interests on the terms set forth therein, shall be firm, not subject to withdrawal, and prepared and delivered in good faith, and shall remain open for acceptance by the NiSource Member for a period of ninety (90) days following the

NiSource Member's receipt thereof. The NiSource Member may accept the Investor Offer within such ninety (90)-day period, in which event the closing of the purchase and sale of the Subject Membership Interests will take place as promptly as practicable, subject to customary closing conditions, including the receipt of required regulatory approvals. If the NiSource Member does not accept the Investor Offer within such ninety (90)-day period, the Investor Offer shall be deemed rejected and shall terminate without further action by any party.

(ii) If the NiSource Member does not accept the offer made pursuant to the Investor Sale Notice or the Investor Offer within such ninety (90)-day period (or if the Investor Member does not make an Investor Offer within ninety (90) days following receipt of a NiSource Sale Notice), then the Transferring Member will, for a period of one hundred eighty (180) days commencing on the earlier of (A) the expiration of such ninety (90)-day period (or ninety (90) -day period if the Investor Member does not make an Investor Offer) and (B) the delivery of a written notice by the NiSource Member to the Investor Member rejecting the offer set forth in the Investor Sale Notice or Investor Offer, as applicable, (if any) (such one hundred eighty (180)-day period, the "Sale Period"), be entitled to sell the Subject Membership Interests to any one Third Party for (x) in the case of the NiSource Member being the Transferring Member, at any higher price than the price set forth in the Investor Offer (or at any price if the Investor Member does not make an Investor Offer) and (y) in the case of the Investor Member being the Transferring Member, at a price greater than one hundred and seven and a half percent (107.5%) of the price set forth in the Investor Sale Notice (the "Threshold Price") and upon other terms and conditions (excluding price) that are not more favorable to the acquiror than those specified in the Investor Sale Notice or Investor Offer, as applicable, subject to the other terms of this Section 6.3 (including Section 6.3(e)); provided, that, to the extent the Investor Member receives a price lower than the Threshold Price, the Investor Member will offer to sell such Subject Membership Interests at the offered price to the NiSource Member and the NiSource Member shall have thirty (30) days to accept such offer; provided, if the NiSource Member does not accept such offer or respond in that period, then the Investor Member may sell the Subject Membership Interests to the third party at the revised price that is below the Threshold Price. If such sale to any Third Party is not completed prior to the expiration of the Sale Period, then the process initiated by the delivery of the Investor Sale Notice or NiSource Sale Notice, as applicable, shall be lapsed, and the Transferring Member will be required to repeat the process set forth in this Section 6.3 before entering into any agreement with respect to, or consummating, any sale of Membership Interests to any Third Party; provided, that if a definitive agreement providing for the consummation of such sale is executed within the Sale Period but such sale has not been consummated at the expiration of the Sale Period solely as a result of a failure to receive the requisite authorization, approval or consent of any Governmental Body in respect of such sale, then the Sale Period shall be extended solely to the extent necessary to permit the receipt of all such authorizations, approvals or consents which are in process but have not been received from the relevant Governmental Body as of the original expiration date of the Sale Period and the consummation of the sale provided for in such definitive agreement; provided, that the Transferring Member shall have used efforts in seeking such authorizations, approvals and consents, consistent with its obligations under such definitive agreements in respect thereof.

(b) The Investor Members and their respective Permitted Transferees (if any) shall not be permitted to Transfer any of their Membership Interests to a Prohibited Competitor without the prior written consent of the NiSource Member. Within ten (10) Business Days after January 1 of each year, the NiSource Member shall have the right (i) to update the list of Prohibited Competitors set forth on Appendix (A) to replace no more than three (3) of the Prohibited Competitors with other Competitors designated by the NiSource Member, and (ii) in addition to any replacements pursuant to clause (i), to add up to two (2) additional Competitors designated by the NiSource Member to such list.

(c) No Transfer of Membership Interests by an Investor Member to any Third Party pursuant to Section 6.3(a)(ii) may be effected if it would, or would reasonably be expected to in the reasonable and good faith determination of the NiSource Member in consultation with the Board, (i) have a material and adverse effect on the Company Group or (ii) create a material risk of a material adverse regulatory consequence on any member of the Company Group or the Outside Group as a result of the identity of the Third Party transferee, any action taken or reasonably expected to be taken by any Governmental Body with respect to such Transfer or change in Tax status of any Person caused or reasonably expected to be caused by such Transfer, any terms or conditions of such Transfer, any requirement that the Membership Interests be registered under any applicable securities Laws in connection with or as a result of such

Transfer, or any other similar matter. For purposes of this Section 6.3 and Section 6.4, “control” means (x) the ownership of at least a majority of the issued and outstanding Membership Interests of the Company, or (y) the ability to elect, directly or indirectly, a majority of the Directors of the Company in accordance with this Agreement.

(d) Prior to the consummation of any Transfer pursuant to Section 6.3(a)(ii), the Transferring Member shall have delivered to the Board and the Non-Transferring Member evidence reasonably satisfactory to the Board (with the Directors appointed by the Transferring Member abstaining from any such determination) and to the Non-Transferring Member that (i) the transferee is a Qualified Transferee and (ii) the Transfer complies with the provisions of Section 6.3(b) (if applicable) and Section 6.3(c).

(e) Any sale by the Transferring Member to the Non-Transferring Member, pursuant to Section 6.3(a) shall be consummated pursuant to a membership interest purchase agreement which shall contain representations and warranties by the Transferring Member to the Non-Transferring Member that (i) the Transferring Member has full right, title and interest in and to the Subject Membership Interests, (ii) the Transferring Member has all the necessary power and authority and has taken all necessary action to Transfer the Subject Membership Interests to the Non-Transferring Member as contemplated by this Section 6.3, (iii) the Subject Membership Interests are free and clear of any and all Liens other than those arising as a result of or under the terms of this Agreement and those arising under securities Laws of general applicability pertaining to limitations on the transfer of unregistered securities and (iv) other customary representations and warranties.

Section 1.4 Tag-Along Rights.

(a) Other than with respect to a Transfer proposed and made in accordance with Section 6.5, in the event that the NiSource Member proposes to effect a Transfer to a Third Party transferee (the “Tag-Along Buyer”) of a number of its Membership Interests constituting more than 25% of the total Membership Interests then outstanding (a “Tag-Along Sale”), then the NiSource Member shall give the Investor Members written notice (a “Tag-Along Notice”) of such proposed Transfer at least thirty (30) days prior to the consummation of such Tag-Along Sale, setting forth (w) the number of Membership Interests (“Tag-Along Offered Membership Interests”) proposed to be Transferred to the Tag-Along Buyer and the purchase price, (x) the identity of the Tag-Along Buyer, (y) any other material terms and conditions of the proposed Transfer and (z) the intended dates on which the NiSource Member will enter into a definitive agreement in respect of such proposed Transfer and consummate such proposed Transfer.

(b) Upon delivery of a Tag-Along Notice, the Investor Members shall have the right to sell up to their respective Tag Portions, at the same price per Membership Interest, for the same form of consideration and pursuant to the same terms and conditions (including time of payment) as set forth in the Tag-Along Notice (or, if different, as such are applicable at the time of the entry into a definitive agreement in respect of, or at the time of the consummation of, the Tag-Along Sale). If an Investor Member wishes to participate in the Tag-Along Sale, then such Investor Member shall provide written notice to the NiSource Member no less than forty-five (45) days after the date of the Tag-Along Notice, indicating such election, provided however if the BIP Investor Member elects to sell its respective Tag Portion the VCOC Investor Member shall be required to sell its respective Tag Portion on the same terms set forth in the election notice by the BIP Investor Member. Such notice shall set forth the number of its Membership Interests that such Investor Member elects to include in the Tag-Along Sale (which number shall not exceed its Tag Portion), and such notice shall constitute such Investor Member’s binding agreement to sell such Membership Interests on the terms and subject to the conditions applicable to the Tag-Along Sale.

(c) Any Transfer of an Investor Member’s Membership Interests in a Tag-Along Sale shall be on the same terms and conditions as the Transfer of the NiSource Member’s Membership Interests in such Tag-Along Sale, except as otherwise provided in this Section 6.4(c). Any participating Investor Member shall be required to make customary representations and warranties in connection with the Transfer of its Membership Interests, including as to its ownership and authority to Transfer, free and clear of all Liens, such Membership Interests and shall indemnify and hold harmless, to the fullest extent permitted by applicable Law, the Tag-Along Buyer against all losses of whatever nature arising out of, in connection with or related to any breach of any representation or warranty made by, or agreements,

understandings or covenants of such Investor Member, as the case may be, under the terms of the agreements relating to such Transfer of such Investor Member's Membership Interests, in each case not to exceed the equivalent obligations to indemnify and hold harmless the Tag-Along Buyer provided by the NiSource Member; provided, that (i) liability for misrepresentation or indemnity shall (as between the NiSource Member and any such Investor Member) be expressly stated to be several but not joint and the NiSource Member and any such Investor Member shall not be liable for any breach of covenants or representations or warranties as to the Membership Interests of any other Member and shall not, in any event, be liable for more than its pro rata share (based on the proceeds to be received) of any liability for misrepresentation or indemnity, (ii) any participating Investor Member shall benefit from any releases of sellers or other provisions in the transaction documentation of general applicability to sellers to the same extent as the NiSource Member, (iii) any participating Investor Member shall not be obligated to agree to any non-customary administrative covenants (such as any non-compete covenants that would restrict its or its Affiliates' business activities), and (iv) any participating Investor Member shall not be obligated to provide indemnification obligations that exceed its proceeds from the Tag-Along Sale.

(d) Notwithstanding the foregoing, and for the avoidance of doubt, no Investor Member shall be entitled to Transfer its Membership Interests pursuant to this Section 6.4 in the event that, notwithstanding delivery of a written notice of election to participate in such Tag-Along Sale pursuant to this Section 6.4, such Investor Member fails to consummate the Transfer of its Membership Interests (on the terms and conditions required by this Section 6.4) in the applicable Tag-Along Sale.

(e) For the avoidance of doubt, the rights conferred to each Investor Member under this Section 6.4 do not apply in the event of a Change in Control of the NiSource Member.

Section 1.5 Drag-Along Rights.

(a) In the event that the NiSource Member intends to effect a sale of all or any portion of the Membership Interests owned by the NiSource Member and such Membership Interests constitute at least a majority of the issued and outstanding Membership Interests of the Company (a "Drag-Along Sale"), then the NiSource Member shall have the option (but not the obligation) to require each Investor Member to Transfer all of its Membership Interests to the Third Party buyer (the "Drag-Along Buyer") (or to such other Party as the Drag-Along Buyer directs) in accordance with the provisions of this Section 6.5 (such right of the NiSource Member, the "Drag-Along Right").

(b) If the NiSource Member elects to exercise the Drag-Along Right pursuant to Section 6.5(a), then the NiSource Member shall send a written notice to each applicable Investor Member (a "Drag-Along Notice") specifying (i) that such Investor Member is required to Transfer all of its Membership Interests pursuant to this Section 6.5, (ii) the amount and form of consideration payable for such Investor Member's Membership Interests, (iii) the name of the Third Party to which such Investor Member's Membership Interests are to be Transferred (or which is otherwise entitled to direct the disposition thereof at the consummation of the Drag-Along Sale), (iv) any other material terms and conditions of the proposed Transfer and (v) the intended dates on which the NiSource Member will enter into a definitive agreement in respect of such proposed Transfer and consummate such proposed Transfer.

(c) In the event that the NiSource Member elects to exercise the Drag-Along Right, then each Investor Member hereby agrees with respect to all Membership Interests it holds:

(i) in the event such transaction requires the approval of Members, to vote (in person, by proxy or by action by written consent, as applicable) all of its Membership Interests in favor of such Drag-Along Sale;

(ii) to execute and deliver all related documentation and take such other action reasonably necessary to enter into definitive agreements in respect of and to consummate the proposed Drag-Along Sale in accordance with, and subject to the terms of, this Section 6.5; and

(iii) not to deposit its Membership Interests in a voting trust or subject any Membership Interests to any arrangement or agreement with respect to the voting of such Membership Interests, unless specifically requested to do so by the Drag-Along Buyer in connection with a Drag-Along Sale.

(d) Subject to Section 6.5(e), any Transfer of an Investor Member's Membership Interests in a Drag-Along Sale shall be on the same terms and conditions as the proposed Transfer of the NiSource Member's Membership Interests in the Drag-Along Sale. Upon the request of the NiSource Member, each Investor Member shall be required to make customary representations and warranties in connection with the Transfer of such Investor Member's Membership Interests, including as to its ownership and authority to Transfer, free and clear of all Liens, its Membership Interests, and shall indemnify and hold harmless, to the fullest extent permitted by applicable Law, the Drag-Along Buyer against all losses of whatever nature arising out of, in connection with or related to any breach of any representation or warranty made by, or agreements, understandings or covenants of such Investor Member as the case may be, under the terms of the agreements relating to such Transfer of such Investor Member's Membership Interests, in each case not to exceed the equivalent obligations to indemnify and hold harmless the Drag-Along Buyer provided by the NiSource Member; provided, that (i) liability for misrepresentation or indemnity shall (as between the NiSource Member and such Investor Member) be expressly stated to be several but not joint and the NiSource Member and such Investor Member shall not be liable for any breach of covenants or representations or warranties as to the Membership Interests of any other Member and shall not, in any event, be liable for more than its pro rata share (based on the proceeds to be received) of any liability for misrepresentation or indemnity, (ii) such Investor Member shall benefit from any releases of sellers or other provisions in the transaction documentation of general applicability to sellers to the same extent as the NiSource Member and (iii) such Investor Member shall not be obligated to provide indemnification obligations that exceed its proceeds from the Drag-Along Sale.

(e) Any Transfer required to be made by an Investor Member pursuant to this Section 6.5 shall be for consideration consisting of cash or cash equivalents (or a combination thereof). Without the consent of the applicable Investor Member, an Investor Member shall not be required in connection with such Drag-Along Sale to agree to any material indemnification obligations, material, non-customary administrative covenants (including, but not limited to, restrictive covenants (such as non-solicit and non-compete covenants) that would restrict its or its Affiliates' business activities).

(f) At the consummation of the Drag-Along Sale, each Investor Member shall Transfer all of its Membership Interests to the Drag-Along Buyer (or its designee), and the Drag-Along Buyer shall pay the consideration due for such Investor Member's Membership Interest. If either Investor Member has failed, as of immediately prior to the time that the consummation of the Drag-Along Sale would otherwise have occurred, to have taken all actions necessary in accordance with this Agreement to consummate the Transfer of the Membership Interests held by it, then such Investor Member shall be deemed to be in material breach of this Agreement for purposes of Article IV and for all other purposes hereunder, shall be a Defaulting Member, and shall be deemed to have granted (and hereby grants, contingent only on the occurrence of such failure) an irrevocable appointment of any Person nominated for the purpose by the NiSource Member to be such Investor Member's agent and attorney to execute all necessary documentation and instruments on its behalf to Transfer such Investor Member's Membership Interest to the Drag-Along Buyer (or as it may direct) as the holder thereof, in each case consistent with the terms set forth in this Section 6.5.

(g) The NiSource Member shall have a period of 180 days commencing on the delivery of the Drag-Along Notice (such 180-day period, the "Drag Sale Period") to consummate the Drag-Along Sale. If the Drag-Along Sale is not completed prior to the expiration of the Drag Sale Period, then the process initiated by the delivery of the Drag-Along Notice shall be lapsed, and the NiSource Member will be required to repeat the process set forth in this Section 6.5 to pursue any Drag-Along Sale; provided that if a definitive agreement providing for the consummation of such Drag-Along Sale is executed within the Drag Sale Period but such Drag-Along Sale has not been consummated at the expiration of the Drag Sale Period solely as a result of a failure to receive the requisite authorization, approval or consent of any Governmental Body in respect of such Drag-Along Sale, then the Drag Sale Period shall be extended solely to the extent necessary to permit the receipt of all such authorizations, approvals or consents which are in process but have not been received from the relevant Governmental Body as of the original expiration date of the Drag Sale Period and the consummation of the Drag-Along Sale provided for in such definitive agreement; provided, that the NiSource Member shall have used efforts in seeking such authorizations, approvals and consents consistent with its obligations under such definitive agreement(s) in respect thereof.

(h) Notwithstanding the foregoing, the NiSource Member may not exercise the Drag-Along Right or consummate any Drag-Along Sale, without the prior written consent of the BIP Investor Member unless the applicable Drag-Along Sale would result in the Investor Members receiving proceeds resulting in the Investor Members collectively achieving at least a IRR of 10% (the “Investor Return Threshold”) and a MOIC of 2.15x (the “MOIC Return Threshold”); provided, that any shortfall in the Investor Members collectively achieving the Investor Return Threshold or the MOIC Return Threshold may be paid by the NiSource Member to the Investor Members in immediately available funds at the closing of the Drag-Along Sale, in which case the prior written consent of the BIP Investor Member shall not be required to exercise the Drag-Along Right or consummate such Drag-Along Sale.

(i) For the avoidance of doubt, the rights conferred to the NiSource Member under this Section 6.5 do not apply in the event of a Change in Control of the NiSource Member.

Section 1.6 Cooperation. The transferring Member acknowledges and agrees that it shall cooperate reasonably to obtain the requisite authorization, approval or consent of any Governmental Body necessary to consummate any Transfers contemplated or permitted by this Article VI. The Members shall have the right in connection with any Transfer of Membership Interests permitted by this Agreement (or in connection with the investigation or consideration of any such potential Transfer) to require the Company to reasonably cooperate with potential purchasers in such prospective Transfer (at the sole cost and expense of the applicable Member or such potential purchasers) by taking such actions reasonably requested by the applicable Member or such potential purchasers to cooperate in such Transfer, including (a) preparing or assisting in the preparation of due diligence materials and (b) providing such reasonable access to the Company’s and each of its Subsidiaries’ books, records, properties and other materials (subject, in each case, to the execution of customary confidentiality and non-disclosure agreements and subject to attorney-client privilege) to potential purchasers; provided that no such cooperation by the Company shall be required (i) until the relevant potential purchaser executes and delivers to the Company a customary confidentiality agreement, (ii) to the extent such cooperation would unreasonably interfere with the normal business operations of the Company or any of its Subsidiaries, and (iii) to the extent the provision of any information would (A) conflict with, or constitute a violation of, any applicable Law or Order or cause a loss of attorney-client privilege of the Company or any of its Subsidiaries, (B) in the NiSource Member’s reasonable determination, require the disclosure of any information that is proprietary, confidential or sensitive to the NiSource Member or to any member of the Outside Group, or (C) require the disclosure of any information relating to any joint, combined, consolidated or unitary Tax Return that includes the NiSource Member or any other member of the Outside Group or any supporting work papers or other documentation related thereto.

Section 1.7 Blocker Entity.

(a) Notwithstanding anything to the contrary in this Agreement, if an Investor Member is participating in any sale of Membership Interests pursuant to Section 6.3, Tag-Along Sale or Drag-Along Sale or any other Transfer of its Membership Interests, the owners of such Investor Member (or, as applicable, the regarded owner of such Investor Member for U.S. federal income tax purposes) (each, a “Blocker Seller”) shall, use commercially reasonable efforts to sell, and the NiSource Member and the Company will use commercially reasonable efforts to structure such sale or transfer such that the Blocker Seller is able to sell, Equity Interests in such Investor Member (or, as applicable, the regarded owner of such Investor Member for U.S. federal income tax purposes), in lieu of selling the Membership Interests held (directly or indirectly) by such Investor Member in exchange for consideration equal to the value of the Membership Interests as determined in such sale pursuant to Section 6.3, Tag-Along Sale or Drag-Along Sale or other Transfer, held (directly or indirectly) by such Investor Member without discount (as appropriately adjusted for any partial sale).

(b) Notwithstanding anything to the contrary in this Agreement, but subject to the last sentence of this Section 6.7(b), the Members shall use reasonable efforts and cooperate in good faith to (i) minimize any tax liabilities of the Company or its Members, including with respect to the structure of each Member’s ownership in the Company and in connection with claiming any tax credits or accelerated tax depreciation deductions, and (ii) ensure recoverability of tax expense under any applicable rates approved by the IURC, FERC or such other applicable Governmental Body. In no event shall any Member be required to take any action that would reasonably be expected to result in a material economic, financial or tax consequence on such Member or its Affiliates, as determined by such Member in good faith.

(c) With respect to tax exempt entities which hold a Percentage Interest in the Company, directly or indirectly, the Investor Members shall use commercially reasonable efforts, to the extent requested by the NiSource Member but no more frequently than a quarterly basis, to provide the NiSource Member a reasonable estimate based on information then available to the Investor Member of the estimated amount of Percentage Interest held by such entities in the aggregate, until such time as the applicable Investor Member has no tax-exempt investors in such Investor Member's ownership structure in the Company.

Article II PREEMPTIVE RIGHTS

Section 2.1 Preemptive Rights. The Company hereby grants to each Member the right to purchase such Member's Preemptive Right Share of all (or any part) of any New Securities that the Company may from time to time issue after the Effective Date (the "Preemptive Right"); provided, however, that the Preemptive Right shall not apply with respect to New Securities issues or to be issued in any public offering or pursuant to failures to fund Additional Funding Requirements or as otherwise specifically provided herein. In the event the Company proposes to undertake an issuance of New Securities (in a single transaction or a series of related transactions), the Company shall give to each Member written notice of its intention to issue New Securities (the "Preemptive Right Participation Notice"), describing the amount and type of New Securities, the cash purchase price and the general terms upon which it proposes to issue such New Securities. Each Member shall have twenty (20) days from the date of receipt of any such Preemptive Right Participation Notice (the "Preemptive Right Notice Period") to agree in writing to purchase for cash up to such Member's Preemptive Right Share of such New Securities for the price and upon the terms and conditions specified in the Preemptive Right Participation Notice by giving written notice to the Company and stating therein the quantity of New Securities to be purchased (not to exceed such Members' Preemptive Right Share) as well as the maximum amount of New Securities it would purchase. If any Member fails to so respond in writing within the Preemptive Right Notice Period, then such Member shall forfeit the right hereunder to purchase its Preemptive Right Share of such New Securities and the Company will allocate the rights to purchase such New Securities to any other Member that indicated it would purchase New Securities in excess of its Preemptive Right Share based on their relative Preemptive Right Shares. Subject to obtaining the requisite authorization, approval or consent of any Governmental Body, the closing of any purchase by any Member pursuant to this Section 7.1 shall be consummated concurrently with the consummation of the issuance or sale described in the Preemptive Right Participation Notice. The Company shall be free to complete the proposed issuance or sale of New Securities described in the Preemptive Right Participation Notice with respect to any New Securities not elected to be purchased pursuant to this Section 7.1 in accordance with the terms and conditions set forth in the Preemptive Right Participation Notice (except that the amount of New Securities to be issued or sold by the Company may be reduced). If a Member indicates in its response to a Preemptive Right Participation Notice that it shall purchase New Securities but then does not fund such amounts, such Member shall be a Defaulting Member.

Article III PROTECTIVE PROVISIONS

Section 3.1 Investor Member Threshold Matters. Notwithstanding anything to the contrary in this Agreement, the Company shall not cause or permit, in each case, so long as the Investor Members' aggregate Percentage Interest is equal to or greater than the Investor Consent Threshold (except with respect to subclauses (a)–(g) and (i), in which case so long as the Investor Members' aggregate Percentage Interest is at least 4.9%), and no Investor Member is a Defaulting Member, without the prior written consent of the BIP Investor Member (except that no such written consent shall be required to the extent that such matter is necessary to comply with applicable Law or Order or is in response to an Emergency Situation):

(a) make an election or take any other action that results in a change in the tax classification of the Company or any of its Subsidiaries, with respect to its Subsidiaries only if such change adversely affects the BIP Investor Member;

(b) any non-*pro rata* repurchase or redemption of any Equity Interests issued by the Company;

(c) any (i) issuance of any class of Equity Interest in the Company, other than pursuant to Sections 1.9, 5.1, Section 7.1 or as otherwise specifically contemplated herein or (ii) change to the existing rights or obligations of any class of Equity Interest of the Company if such change would have a disproportionate material adverse impact on any Member in a manner different from the NiSource Member;

(d) the filing of a petition seeking relief, or the consent to the entry of a decree or order for relief in an involuntary case, under the bankruptcy, rearrangement, reorganization or other debtor relief Laws of the United States or any state or any other competent jurisdiction or a general assignment for the benefit of its creditors by the Company or any of its Subsidiaries of all or substantially all of the assets of the Company and its Subsidiaries;

(e) the conversion of the Company or GenCo from its current legal business entity form to any other business entity form (e.g., the conversion of the Company from a Delaware limited liability company to a Delaware corporation);

(f) the listing of any Equity Interests of the Company or its Subsidiaries on any stock exchange (other than any spin off, split off or similar transaction of the Company, the NiSource Member or GenCo, or any of their Affiliates, which, for the avoidance of doubt, shall be subject to Sections 5.1(e) or 6.5 and the Spin Return Threshold);

(g) any amendment or modification to any Organizational Document of the Company or any Subsidiary of the Company, other than (i) ministerial amendments thereto or (ii) amendments thereto that are not disproportionately adverse to the BIP Investor Member as compared to any other holder of Equity Interests of the Company;

(h) the transfer, sale or other disposition, whether by the way of asset sale, stock sale, merger, or otherwise, of (i) all or substantially all of the assets of the Company Group, taken as a whole on a consolidated basis, or (ii) assets of the Company's Subsidiaries having a Fair Market Value in excess of 2.5% of the Qualifying Core Asset Base in the aggregate in any transaction or series of related transactions, other than Qualifying Core Assets and Excluded Transactions (it being understood, for the avoidance of doubt, that this Section 8.1(h) shall not be deemed to restrict a transfer, sale or other disposition of the equity of the Company) and other than pursuant to Article VI or a Change in Control of the Company, or the NiSource Member or as set forth below;

(i) the transfer, sale, issuance, or other disposition of any Equity Interests in GenCo or in any Subsidiary of the Company that directly or indirectly holds any Equity Interests in GenCo to any Person that is not the Company or one of its wholly-owned Subsidiaries;

(j) any new agreements or amendments to existing agreements, among the Company or any of its Subsidiaries, on the one hand, and any Member or any of their respective Affiliates (other than the Company or any of its Subsidiaries), on the other hand, which such agreement (or series of related transactions) are entered into after the Effective Date, other than (x) those that (i) are on an arms-length basis and (ii) involve revenues or expenditures of less than \$55,000,000.00 per Contract or series of related transactions individually or less than \$112,500,000.00 in the aggregate, subject to an annual increase by the CPI Escalator, for any fiscal year for all such affiliate transactions (it being acknowledged and agreed that no prior written consent of the BIP Investor Member will be required with respect to any amendments to any affiliate transaction made in the ordinary course of business unless to the extent such amendment would have a disproportionately adverse effect on the Company Group) in any material respect or (y) the GenCo Offtake Agreements or such other agreements by and among the Company or any of its Subsidiaries, on the one hand, and NHII or any of its Subsidiaries, on the other hand, which are reasonably necessary (as determined by the Board in good faith) for the Company's and its Subsidiaries' performance of any obligations under any GenCo Offtake Agreements (including with respect to the transfer or sale of Zonal Resource Credits or other similar capacity credits to or from NIPSCO or its Subsidiaries to or from the Company or its Subsidiaries) or otherwise be required for NIPSCO's performance of, or compliance with, any obligations arising under any "special contract" entered into by NIPSCO and a large load or hyperscale customer or similar arrangement (including any tariff), which in each case are as submitted to the IURC and/or otherwise consistent with applicable Law at such time,

including any applicable IURC rules and regulations and, in each case, which are on an arm's-length basis;

(k) the acquisition by the Company or any of the Company's Subsidiaries of any Equity Interests or assets of any Person or the entry into joint ventures, in each case, having a Fair Market Value in excess of 2.5% of the Qualifying Core Asset Base in the aggregate in any calendar year, other than in connection with Qualifying Core Assets or Excluded Transactions;

(l) any capital expenditure by the Company or its Subsidiaries, that is in excess of 1.0% of the Qualifying Core Asset Base in any calendar year and is not made (i) in connection with a Qualifying Core Asset, (ii) reasonably necessary to fund an Emergency Expenditures, or (iii) an Excluded Transaction;

(m) incurring long-term Indebtedness (other than the refinancing of existing Indebtedness on commercially reasonable terms consistent with current market conditions as determined by the Board in good faith) by the Company or its Subsidiaries, if after giving pro forma effect to such incurrence and the application of the proceeds therefrom, the Company's and its Subsidiaries' Debt-to-Capital Ratio would exceed 0.7;

(n) making any political or charitable contribution made by or on behalf of the Company or any of its Subsidiaries to any Governmental Body or any official, representative or staff thereof, including any community leaders or elected officials, in excess of \$250,000 individually or \$1,000,000 in the aggregate in a fiscal year; and

(o) entering into any binding agreement or arrangement by the Company or any of its Subsidiaries to effect any of the foregoing actions.

Notwithstanding the foregoing, no BIP Investor Member approval shall be required with respect to any spin off, split off or similar transaction of the Company, the NiSource Member or GenCo, or any of their Affiliates; provided, that any such transaction must satisfy the requirements of Section 5.1(e) or Section 6.5 and the Spin Return Threshold.

Section 3.2 Consultation Matters. For so long as (x) the Investor Members' aggregate Percentage Interest is at least 9.9% and (y) no Investor Member is a Defaulting Member, the Company (and, as applicable, the Board) shall use reasonable efforts to consult in good faith with the BIP Investor Member prior to the Company undertaking, or causing or permitting any of its Subsidiaries to undertake, the following matters (except as would be impracticable in respect of a particular action that the Board reasonably believes to be necessary or appropriate to comply with applicable Law, Order or in response to an Emergency Situation):

- (a) appointing or replacing the President;
- (b) establishing or materially amending, or material deviating from the then-current plan or budget of the Company and its Subsidiaries; provided, that the Company (and, as applicable, the Board) the NiSource Member and the Parent shall (i) provide to the BIP Investor Member a draft of the business plan and budget of the Company and its Subsidiaries for a given fiscal year no later than November 10 of the prior fiscal year, which budget shall include quarterly fiscal projections, (ii) schedule and attend a meeting among representatives of the Company, the NiSource Member, the Parent and the BIP Investor Member, including the Chief Financial Officer and Head of Regulatory Affairs of the Parent, no later than November 24 of the prior fiscal year, to discuss the draft business plan and budget, (iii) schedule and attend a meeting between the Chief Executive Officer of the Parent and the Global Head of Infrastructure of Blackstone Inc., within 5 Business Days of a written request by the BIP Investor Member, to discuss the draft business plan and budget as well as any changes proposed by BIP Investor Member and (iv) consider the BIP Investor Member's comments to the business plan and budget in good faith;

(c) material decisions relating to the conduct (including the settlement) of any litigation, administrative, or criminal proceeding to which the Company or any of its Subsidiaries is a party where (i) it is reasonably expected that the liability of the Company and its Subsidiaries would exceed

\$75,000,000 (as adjusted by the CPI Escalator) (solely with respect to litigation proceedings), (ii) such proceeding would have material reputational damage on the Company or its Subsidiaries, or (iii) such proceeding would reasonably be expected to have a material and adverse effect on the BIP Investor Member or any of its Affiliates (other than in its or (if applicable, their) capacity as an investor in the Company); provided, that, for the avoidance of doubt, the foregoing shall not be applicable to any ordinary course regulatory proceedings (including rate cases) that do not involve claims of criminal conduct or intentional violations of applicable Law; and

(d) entering into or materially amending any GenCo Offtake Agreement or related support agreements, in which case such consultation shall include the Company (and, as applicable, the Board) using reasonable efforts to keep the BIP Investor Member reasonably informed regarding the negotiation of any GenCo Offtake Agreements or related support agreements and to consult in good faith with the BIP Investor Member regarding the form, material terms, structuring and implementation of any such GenCo Offtake Agreements or related support agreements, including any material changes to such GenCo Offtake Agreement or related support agreement.

Section 3.3 Indebtedness. Each of the Company and its Subsidiaries shall use commercially reasonable efforts to incur Indebtedness, both intercompany and with respect to any Third Party, to support its operations, working capital and capital investments in accordance with the informational compliance filings provided by GenCo to the IURC.

Section 3.4 Actions by the Investor Directors on behalf of the BIP Investor Member. Where any action requires the consent of the BIP Investor Member pursuant to Section 8.1, the Investor Directors shall, unless the BIP Investor Member indicates in writing to the NiSource Member otherwise, have the authority to provide such consent on behalf of the BIP Investor Member at any meeting of the Board called to discuss such matters, and the Company, the other Members and the other Directors shall be entitled to rely on such action of the Investor Directors as an action of the BIP Investor Member with such action being binding upon the BIP Investor Member.

Section 3.5 Additional Actions. The NiSource Member and Investor Members further agree to the additional actions set forth on Schedule 2.

Section 3.6 Acknowledgement of Purpose of Provisions. It is hereby acknowledged and agreed by the Parties that the rights of the Investor Members set forth in this Article VIII are protection mechanisms for each Investor Member acting in its capacity as an investor in the Company and are not for purposes of, and should not be construed or otherwise interpreted as, providing either Investor Member or any of its Representatives or Affiliates with the ability to take any action that would constitute exercising substantial influence or control over the Company or any of its Subsidiaries or would otherwise provide either Investor Member or any of their respective Representatives or Affiliates with any right to direct the operation of the business of the Company or any of its Subsidiaries.

Article IV OTHER COVENANTS AND AGREEMENTS

Section 4.1 Books and Records.

(a) The Company shall keep and maintain, or cause to be kept and maintained, books and records of accounts, taxes, financial information and all matters pertaining to the Company and its Subsidiaries at the offices and place of business of the Company in a commercially reasonable manner consistent with the manner in which similar books and records are kept and maintained by other members of the Outside Group. Each Member (other than any Defaulting Member) and its duly authorized Representatives shall have the right to, at reasonable times during normal business hours, upon reasonable notice, under supervision of the Company's personnel and in such a manner as to not unreasonably interfere with the normal operations of any member of the Company Group, visit and inspect the books and records of the Company Group, and, at its expense, make copies of and take extracts from any books and records of the Company Group; provided, that, in the case of an Investor Member, any Person gaining access to such information regarding the Company Group pursuant to this Section 9.1 shall agree to hold in strict confidence, not make any disclosure of, and not use for purposes other than good faith administration of such Investor Member's continuing investment, all information regarding any member of the Company Group that is not otherwise publicly available.

(b) Notwithstanding the foregoing, the Company shall not be obligated to provide to either Investor Member any record or information (i) relating to the negotiation and consummation of the

transactions contemplated by this Agreement, including confidential communications with Representatives or Advisors, including legal counsel, representing the Company or any of its Affiliates, (ii) that is subject to an attorney-client or other legal privilege, (iii) that, in the NiSource Member's reasonable determination, are proprietary, confidential or sensitive to the NiSource Member or to any other member of the Outside Group, (iv) relating to any joint, combined, consolidated or unitary Tax Return that includes the NiSource Member or any other member of the Outside Group or any supporting work papers or other documentation related thereto if such work papers or documentation includes the information of the NiSource Member or Outside Group, or (v) the provision of which would violate any applicable Law or Order; provided, with respect to (ii) and (iv) above that the Company shall use commercially reasonable efforts to develop an alternative to make such information available, including to make redactions to any such material and provide such redacted materials to such Investor Member.

(c) Each Member shall reimburse the Company for all reasonable, documented, out-of-pocket costs and expenses incurred by the Company in connection with such Member's exercise of its inspection and information rights pursuant to this Section 9.1.

Section 4.2 Financial Reports. The Company shall provide, or otherwise make available, to any Member (unless such Member is a Defaulting Member):

(a) on an annual basis, within 120 days after the end of each fiscal year, an unaudited consolidated balance sheet, statement of operations and statement of cash flow of GenCo and its Subsidiaries;

(b) on a quarterly basis, within 60 days after the end of each fiscal quarter, an unaudited consolidated balance sheet and related quarter and year to date statement of operation and related quarter and year to date statement of cash flow of GenCo and its Subsidiaries;

(c) on a monthly basis, within 30 days after the end of each month-end, an unaudited income statement as readily available of GenCo and its Subsidiaries and related financial information prepared in the ordinary course;

(d) on an annual basis (or more frequently, if applicable), as soon as reasonably practicable after the approval thereof by the Board, the annual budget and business plan for GenCo and its Subsidiaries;

(e) on an annual basis, as soon as reasonably practicable after the approval thereof by the Board, financial forecasts for GenCo and its Subsidiaries, which shall be in such manner and form as approved by the Board, and which shall include a projection of income and a projected cash flow statement for each fiscal quarter in such fiscal year and a projected balance sheet as of the end of each fiscal quarter in such fiscal year;

(f) (i) within 45 days after the end of each fiscal year, an estimated Schedule K-1 for the immediately preceding taxable year based on best-available information to date and depreciation will be subject to change based on final year end financial reporting results and (ii) not less than 45 days prior to the due date, including extensions, for the filing of the Company's federal information return for the immediately preceding taxable year, a final Schedule K-1, along with copies of all other federal, state and local income tax returns or reports filed by the Company for the previous year, as may be required as a result of the operations of the Company, and a schedule of Company book tax differences for the immediately preceding year;

(g) each Investor Member shall promptly upon request by the NiSource Member provide the following information: (i) Form SS-4/IRS determination letter and Form 8832 Entity Classification Election (if applicable) and (ii) Form W-9; and

(h) promptly, upon reasonable notice, any information that is reasonably requested by any Member in order to manage its regulatory or tax affairs or make filings with Governmental Bodies, including but not limited to Federal and Indiana corporate tax returns and financial statements (whether or not audited) for either Investor Member (or the regarded owner of either Investor Member if such Investor Member is a disregarded entity for tax purposes).

Section 4.3 Other Business; Corporate Opportunities.

(a) To the extent permitted by applicable Law, any Member and any Affiliate of any Member may engage in, possess an interest in or otherwise be involved in other business ventures of any nature or description, independently or with others, similar or dissimilar to the businesses of the Company Group, and neither the Company nor any other Member shall have any rights by virtue of this Agreement in and to such independent ventures or the income or profits derived therefrom, and the pursuit of any such venture, even if competitive with the businesses of the Company Group, shall be deemed not to be wrongful or improper so long as it is consistent with all Laws and Orders applicable to the Company and its Subsidiaries.

(b) The Company and each Member expressly acknowledge and agree that, (i) neither the Members nor any of their respective Affiliates or Representatives shall have any duty to communicate or present an investment or business opportunity to the Company in which the Company may, but for the provisions of this Section 9.3, have an interest or expectancy (a “Corporate Opportunity”), and (ii) neither the Members nor any of their respective Affiliates or Representatives (even if such Person is also an officer or Director of the Company) shall be deemed to have breached any duty or obligation to the Company by reason of the fact that such Person pursues or acquires a Corporate Opportunity for itself or directs, sells, assigns or transfers such Corporate Opportunity to another Person or does not communicate information regarding such Corporate Opportunity to the Company. The Company and each Member expressly renounce any interest in Corporate Opportunities and any expectancy that a Corporate Opportunity will be offered to the Company.

(c) Notwithstanding anything to the contrary contained in this Section 9.3, for so long as the Investor Members are Affiliated Members and the Investor Members’ aggregate Percentage Interest is equal to or greater than 14.9%, the Company and/or its Subsidiaries (including for the avoidance of doubt, GenCo) and NHII and/or its Subsidiaries (including for the avoidance of doubt, NIPSCO) shall be the exclusive vehicles for all power, storage and generation requirements for customers within NIPSCO’s service territory, which, for the avoidance of doubt, will include the State of Indiana to the extent included within NIPSCO’s service territory as of the applicable time, for which a “special contract” is required except to the extent (i) necessary to comply with applicable Law or Order or (ii) consented to by BIP Investor Member; provided, that, to the extent required by applicable Law or Order, the Parties will use their reasonable efforts to give effect to the foregoing exclusivity to the maximum extent permitted, and if any portion of this Section 9.3 is prohibited or unenforceable, it shall be enforced to the fullest lawful extent and otherwise deemed modified only as necessary to be valid, with the remainder continuing in full force and effect.

Section 4.4 Compliance with Laws.

(a) The Company shall and shall cause its Subsidiaries to use their respective commercially reasonable efforts to procure that the Company and its Subsidiaries and Company Group’s respective Representatives shall not in the course of their actions for, or on behalf of, any member of the Company Group:

(i) offer promise, provide or authorize the provision of any money, property, contribution, gift, entertainment or other thing of value, directly or knowingly indirectly, to any government official, to unlawfully influence official action or secure an improper advantage, or to unlawfully encourage the recipient to improperly influence or affect any act or decision of any Governmental Body, in each case, in order to assist any member of the Company Group in obtaining or retaining business, or otherwise act in violation of any applicable Anti-Corruption Laws;

(ii) violate any applicable Anti-Money Laundering Laws; or

(iii) engage in any unlawful dealings or transactions with or for the benefit of any Sanctioned Person or otherwise violate Sanctions.

(b) The Company shall promptly notify the Members of (i) any allegations of material misconduct by any member of the Company Group or any actions, suits or proceedings by or before any Governmental Body to which any member of the Company Group becomes a party, or to which the Company becomes aware that any Representative of the Company Group (in relation to such

Representative's actions for, or on behalf of, any member of the Company Group) is a party, in each case, relating to any material breach or suspected material breach of any applicable Anti-Corruption Laws, Anti-Money Laundering Laws, or Sanctions or (ii) any fact or circumstances of which it becomes aware that would reasonably be expected to result in a breach of this Section 9.4.

Section 4.5 Non-Solicit. Without the prior written consent of the Company, during the term of this Agreement, each Investor Member shall not, shall cause its Affiliates not to, and shall use its reasonable best efforts to procure that other Persons in which it is invested do not, solicit for employment, hire or engage as a consultant any individual who is serving in any position within the then-current NiSource Leadership Team; provided, that this Section 9.5 shall not prohibit any Person from issuing general public solicitations not specifically targeted at the then-current NiSource Leadership Team or from hiring or engaging any Person responding to such general solicitations.

Section 4.6 Confidentiality.

(a) Each Member shall, and shall cause its Representatives to, keep confidential and not divulge any information (including all budgets, business plans and analyses) concerning the Company and its Subsidiaries, including their respective assets, business, operations, financial condition and prospects, or with respect to another Member of this Agreement ("Confidential Information"), and to use such Confidential Information only in connection with the operation of the Company and its Subsidiaries or such Member's administration of its investment in the Company; provided that nothing herein shall prevent any Member from disclosing such Confidential Information (i) upon the Order of any court or administrative agency, (ii) upon the request or demand of any Governmental Body having jurisdiction over such party, (iii) to the extent compelled by legal process or required pursuant to binding requirement of any Governmental Body, (iv) to the other Parties, (v) to such party's Representatives that in the reasonable judgment of such party need to know such Confidential Information, (vi) to any potential Permitted Transferee in connection with a proposed Transfer of Membership Interests from a Member so long as such transferee agrees to be bound by the provisions of this Section 9.6 as if a Member, or (vii) to actual and prospective limited partners of such Member or its Affiliates in connection with reporting requirements or fundraising efforts; provided, further, that in the case of clauses (i), (ii), or (iii), such Member shall prior to making any disclosure seek a protective order or other relief to prevent or reduce the scope of such disclosure, to the extent legally permissible, notify the other Parties of the proposed disclosure as far in advance of such disclosure as practicable and use reasonable efforts to ensure that any Confidential Information so disclosed is accorded confidential treatment, when and if available; provided, further, that in the cases of clauses (v) through (vii), such party receiving any Confidential Information is bound to an obligation of confidentiality no less stringent than that contained in this Agreement including such other protective provisions to protect the misuse of material non-public information.

(b) The restrictions in Section 9.6(a) shall not apply to information that (i) is or becomes generally available to the public other than as a result of a disclosure by a Member or any of its Representatives in violation of this Agreement, (ii) is or has been independently developed or conceived by such Member or its Affiliates without use of the Company's or any of its Subsidiaries' Confidential Information or (iii) becomes available to the receiving Member or any of its Representatives on a non-confidential basis from a source other than the Company or any of its Subsidiaries, any other Party or any of their respective Representatives; provided, that such source is not known by the recipient of the information to be bound by a confidentiality agreement with the disclosing party or any of its Representatives.

(c) Each Party shall inform any Representatives to whom it provides Confidential Information that such information is confidential and instruct them (i) to keep such Confidential Information confidential and (ii) not to disclose Confidential Information to any Third Party (other than those Persons to whom such Confidential Information has already been disclosed in accordance with the terms of this Agreement). The disclosing Party shall be responsible for any breach of this Section 9.6 by the Person to whom the Confidential Information is disclosed.

(d) The restrictions in Section 9.6(a) shall not restrict any Member and its Affiliates from disclosing any Confidential Information required to be disclosed under applicable securities Laws or the rules of any stock exchange on which any of their securities are traded.

(e) Notwithstanding anything herein to the contrary, the provisions of this Section 9.6 shall survive the termination of this Agreement for a period of three (3) years and, with respect to each Member, shall survive for a period of three (3) years following the date on which such Member is no longer a Member. The provisions of this Section 9.6 shall supersede the provisions of any non-disclosure agreements entered into by the Company (or its Affiliates, including the NiSource Member) and any of the Members (or their respective Affiliates) with respect to the transactions contemplated hereby prior to the Effective Date.

Section 4.7 Expenses. Except as otherwise expressly provided herein, all costs and expenses, including fees and disbursements of Representatives and other Advisors, incurred in connection with this Agreement and the transactions contemplated hereby, shall be paid by the Party incurring such costs and expenses. Notwithstanding the foregoing, should any litigation be commenced between the Parties or their Representatives concerning this Agreement or the rights, duties, or obligations hereunder, the Party or Parties prevailing in such proceeding shall be entitled, in addition to any other relief granted, to the reasonable attorneys' fees and other litigation costs incurred by reason of such litigation.

Section 4.8 Obligations in Respect of Financings.

(a) Subject to Section 9.8(b), during the term of this Agreement, the NiSource Member and the Company shall cooperate with each Investor Member as reasonably requested by such Investor Member in connection with any Debt Financing. Such assistance shall include (i) providing to such Investor Member such information as may be reasonably necessary in connection with the Debt Financing and any related credit-rating process in accordance therewith, and (ii) taking such other actions as are reasonably requested by such Investor Member to facilitate the consummation of any Debt Financing and any related credit-rating process in accordance therewith (including providing customary authorization letters authorizing the distribution of information to prospective financing sources, subject to customary terms and conditions). Such cooperation will include cooperating with the due diligence requirements of the debt financing sources, including the furnishing of customary financial and operational information about the Company reasonably requested by the Investor Members or the debt financing sources solely for diligence and underwriting; causing management to participate in a reasonable number of customary presentations; providing access (at reasonable times upon reasonable notice) to senior management; cooperating with the Investor Member to support the Investor Member's production of any customary third-party reports reasonably required in connection with such financing including engineering, insurance broker or similar reports; and providing copies of permits, material project contracts to which the Company or any of its Subsidiaries is party and any progress reports and other notices received under or in connection with such material project contracts, in each case, as reasonably requested in connection with any such debt financing. Further, each of the NiSource Member and the Company shall have its reasonable, documented and invoiced out-of-pocket costs and expenses incurred in providing such cooperation and assistance pursuant to this Section 9.8 reimbursed by the Investor Member pursuing the applicable Debt Financing.

(b) Notwithstanding anything in Section 9.8(a) or this Agreement to the contrary, the cooperation requested by either Investor Member pursuant to Section 9.8(a) shall not (i) unreasonably interfere with the ongoing operations of the NiSource Member or its Subsidiaries, or (ii) require the NiSource Member or any of its Subsidiaries (other than the Company) to (A) pay any commitment or other similar fee, (B) have or incur any liability or obligation in connection with any Debt Financing, including under any agreement or any document related to any Debt Financing, other than any such documents that are customary in connection with such Debt Financing as set forth in Section 9.8(a), (C) commit to taking any action (including entering into any Contract) or to otherwise execute any definitive agreement in connection with any Debt Financing, or (D) take any action that would conflict with, violate or breach or result in a violation or breach of or default under any Contract, this Agreement or any other document contemplated hereby or any Law or regulatory requirements. In no event shall the Company or NiSource Member be required to provide information relating to the transactions contemplated hereby or with any other Person in connection with any possible sale or transfer of assets or equity of the Company and its Subsidiaries, any information subject to the attorney-client privilege or any confidential or sensitive information, or relating to any Tax Return; provided, that, the Company and NiSource Member will use commercially reasonable efforts to redact such materials to remove any such confidential or sensitive information to provide to the Investor Member.

Section 4.9 Credit Support. For so long as there are (a) any guarantees, credit support, letters of credit or financial assurances of a member of the Outside Group related to support obligations of the Company Group, each Member shall pay the portion equal to its Percentage Interest of any payment or draw request on such credit support facilities on or before the applicable payment date required or (b) any guarantees, credit support, letters of credit or financial assurances of the Company or any of its Subsidiaries related to support obligations of a member of the Outside Group, the NiSource Member shall pay all such payments on or before the applicable payment date required. If a Member does not make a payment in accordance with the above, the Company may issue a Capital Call Request Notice in accordance with Section 5.1 for such amount from the applicable Member. For the avoidance of doubt, the failure to make the payment in clauses (a) or (b) prior to a Capital Call Request Notice shall not be an Event of Default and the failure to fund pursuant to a Capital Call Request Notice shall be treated in accordance with Section 5.1. Notwithstanding the foregoing, if the VCOC Investor Member fails to make its payment in accordance with this Section 9.9, the BIP Investor Member shall be obligated to make such payment.

Article V TAX MATTERS

Section 5.1 Tax Classification. The Parties intend that the Company be classified as a partnership for U.S. federal income (and applicable state and local) Tax purposes. Without limiting Section 8.1(a), neither the Company nor any Member shall make any election to change the tax classification of the Company or otherwise take any action inconsistent with such intended tax classification without the consent of the Board (or its designee).

Section 5.2 Partnership Representative.

(a) The NiSource Member is hereby designated the “Partnership Representative” within the meaning of Code Section 6223(a) of the Company. The Partnership Representative shall, if required, designate from time to time a “designated individual” to act on behalf of the Partnership Representative, and such designated individual shall be subject to replacement by the Partnership Representative in accordance with the Code and Treasury Regulations. If any state or local tax law provides for a tax matters partner, partnership representative, or person having similar rights, powers, authority, or obligations, the Partnership Representative shall also serve in such capacity. The Partnership Representative is authorized to represent the Company before the Internal Revenue Service and any other governmental agency with jurisdiction, make all decisions regarding permitted elections under the Code, Treasury Regulations, and other state and local tax law with respect to tax proceedings; provided, however, the Partnership Representative shall not enter into any settlement or similar agreement without the consent of the Board (such consent not to be unreasonably withheld, conditioned, or delayed). All Members (and former Members) agree to cooperate with, and to do and refrain from doing any or all things reasonably required by the Partnership Representative in connection with the conduct of all such proceedings or to otherwise allow the Company and the Partnership Representative to comply with the partnership audit provisions of the Code, Treasury Regulations, and similar state and local law. All Members shall cooperate in good faith to amend this Section 10.2 or other provisions of this Agreement as necessary to reflect any statutory amendments or the promulgation of Treasury Regulations or other administrative authority promulgated under the Partnership Audit Rules so as to, to the extent possible, preserve the relative rights, duties, and obligations of the Members hereunder. The Company shall, to the fullest extent permitted by law, reimburse and indemnify the Partnership Representative for all third-party expenses (including legal and accounting fees), claims, liabilities, losses, and damages incurred as the Partnership Representative in connection with any examination, administrative, or judicial proceeding, or otherwise acting in its capacity as Partnership Representative.

(b) Notwithstanding anything to the contrary in this Agreement, each Member (including, for purposes of this Section 10.2, any Person who is or becomes a Member but who for any reason ceases to be a Member) (i) hereby covenants to treat each item of income, gain, loss, deduction, or credit attributable to the Company in a manner consistent with the treatment of such income, gain, loss deduction, or credit on the tax return of the Company or as determined in a notice of final partnership adjustment pursuant to Section 6226 of the Code, (ii) hereby agrees to indemnify and hold harmless the Company from such Member’s share of any tax and any penalties, interest, and additions to tax attributable to any adjustment to the income, gain, loss, deduction, or credit of the Company pursuant to Section 6226 of the Code, and (iii) hereby agrees to take all other actions as the Partnership Representative may reasonably direct with respect to the Member’s (or, in respect of the Member, the

Company's) tax liabilities, which shall not include filing an amended return for any "reviewed year" to account for all adjustments under Section 6225(a) of the Code properly allocable to the Member as provided in and otherwise contemplated by Section 6225(c) of the Code and any Treasury Regulations that may be promulgated thereunder. If the Company or any other entity in which the Company holds an interest is obligated to pay any amount to a governmental agency or body or to any other Person (or otherwise makes a payment) of any taxes arising under a federal, state, or local tax audit or other proceeding and the Partnership Representative determines that all or a portion of such payment is specifically attributable to a Member (or former Member), then such Member (or former Member) shall reimburse the Company in full for the entire amount paid (including any interest, penalties, and expenses associated with such payment). The obligations of a Member under this Section 10.2 shall survive such Member's sale or other disposition of its interests in the Company and the termination, dissolution, liquidation, or winding up of the Company.

(c) The Partnership Representative (i) shall keep the Investor Members reasonably informed of any material tax audit, settlement or proceeding and (ii) shall not settle or otherwise compromise a material tax audit, settlement or proceeding that would have a material adverse impact on either Investor Member, without the BIP Investor Member's prior written consent (such consent not to be unreasonably withheld, conditioned, or delayed).

Section 5.3 Tax Elections. Except as otherwise provided by this Agreement, all material elections and decisions required or permitted to be made by the Company under any applicable tax law shall be determined by the NiSource Member; provided however, that any election with respect to taxes that is disproportionately materially adverse to either Investor Member shall require the BIP Investor Member's prior consent (such consent not to be unreasonably withheld, conditioned, or delayed). The elections shall include, but not be limited to, the following:

(a) Upon the written request of a Member, the Company may make the election under Section 754 of the Code in accordance with applicable regulations thereunder for the Company and each applicable Subsidiary;

(b) To the extent permitted under Section 706 of the Code, to elect the calendar year as the Company's taxable year and, (i) for clarity, to the extent the Company is permitted to adopt the calendar year, no other year shall be adopted as the taxable year and (ii) to the extent any additional filings or elections are required, to make such required filings or elections;

(c) To elect the accrual method of accounting;

(d) To elect to amortize any organizational expenses of the Company ratably over a period of one hundred eighty (180) months as permitted by Section 709(b) of the Code, and to elect to deduct the start-up expenditures of the Company as permitted by Section 195(b) of the Code;

(e) If "bonus depreciation" is available with respect to qualified property, the NiSource Member shall make the election described in Section 168(k)(7) of the Code to opt out of "bonus depreciation" for the taxable year during which the placed in service date occurs;

(f) To the extent permitted by law, to elect to apply the de minimis safe harbor under Treasury Regulations Section 1.263(a)-1(f);

(g) To the extent permitted under Code Section 461(h)(3), to elect the adoption of the exception for certain recurring items;

(h) To the extent permitted under Code Section 461(c), to elect to ratably accrue real property taxes; and

(i) To elect under Code Section 163(j) to be treated as an excepted trade or business.

Section 5.4 Cooperation. Each Investor Member shall, and shall cause its Affiliates to, provide to the NiSource Member and its Subsidiaries (including the Company and its Subsidiaries), and the NiSource Member and the Company shall, and shall cause their Affiliates to, provide to each Investor

Member, in each case, such cooperation, documentation and information as any of them reasonably may request in connection with (a) filing any Tax Return, amended Tax Return or claim for refund, (b) determining a liability for Taxes or (c) preparing for or conducting any Tax audits, examinations or other proceedings by any taxing authority of any Governmental Body.

Section 5.5 Withholding. The Company may withhold and pay over to the United States Internal Revenue Service (or any other relevant Tax authority) such amounts as it is required to withhold or pay over, pursuant to the Code or any other applicable Tax Law, on account of a Member, including in respect of distributions made pursuant to Section 5.2 or Section 5.3, and, for the avoidance of doubt, the amount of any such distribution or other payment to a Member shall be net of any such withholding. To the extent that any amounts are so withheld and paid over, such amounts shall be treated as paid to the Person(s) in respect of which such withholding was made. For all purposes under this Agreement, any amounts withheld or paid with respect to a Member pursuant to this Section 10.5 shall offset any distributions to which such Member is entitled concurrently with such withholding or payment and shall be treated as having been distributed to such Member pursuant to Section 5.2 or Section 5.3 at the time such offset is made. To the extent that the cumulative amount of such withholding or payment exceeds the distributions to which such Member is entitled concurrently with such withholding or payment, the amount of such excess shall be promptly paid to the Company by the Member on whose behalf such withholding is required to be made; provided, however, that any such payment shall not be treated as a Capital Contribution and shall not reduce the amount that a Member is otherwise obligated to contribute to the Company. To the extent that a Member claims to be entitled to a reduced rate of, or exemption from, a withholding Tax pursuant to an applicable income Tax treaty, or otherwise, such Member shall furnish the Company with such information and forms as such Member may be required to complete where necessary to comply with any and all Laws and regulations governing the obligations of withholding Tax agents, and the Company shall apply such reduced rate of, or exemption from, withholding Tax as reflected on such information and forms that have been provided by such Member. Each Member agrees that if any information or form provided pursuant to this Section 10.5 expires or becomes obsolete or inaccurate in any respect, such Member shall update such form or information.

Section 5.6 Certain Representations and Warranties. Each Member represents and warrants that any such information and forms furnished by such Member shall be true and accurate and agrees to indemnify the Company from any and all damages, costs and out-of-pocket expenses resulting from the filing of inaccurate or incomplete information or forms relating to such withholding Taxes.

Article VI

LIABILITY; EXCULPATION; INDEMNIFICATION

Section 6.1 Liability; Member Duties. The debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and no Covered Person shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a Covered Person. Each Member acknowledges and agrees that each Member, in its capacity as a Member, may decide or determine any matter subject to the approval of such Member pursuant to any provision of this Agreement in the sole and absolute discretion of such Member, and in making such decision or determination such Member shall have no duty, fiduciary or otherwise, to any other Member or to the Company Group, it being the intent of all Members that such Member, in its capacity as a Member, has the right to make such determination solely on the basis of its own interests.

Section 6.2 Exculpation. To the fullest extent permitted by applicable Law, no Covered Person shall be liable to the Company or any other Covered Person for any loss, damage or claim incurred by reason of any act or omission performed or omitted by such Covered Person in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of the authority conferred on such Covered Person by this Agreement, except that a Covered Person shall be liable for any such loss, damage or claim incurred by reason of such Covered Person's fraud or willful misconduct.

Section 6.3 Indemnification. The Company shall indemnify, defend and hold harmless any Person who was or is a party or is threatened to be made a party to any threatened, pending or completed actions, suits or proceedings by reason of the fact that such Person is or was a Director or officer of the Company, or is or was a Director or officer of the Company serving at the request of the Company as a director, officer or agent of another limited liability company, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' and experts' fees), judgments, settlements, penalties and fines actually and reasonably incurred by him or her in connection with the defense or settlement of such, action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to

be in or not opposed to the best interests of the Company; and, with respect to any criminal action or proceeding, either he or she had reasonable cause to believe such conduct was lawful or no reasonable cause to believe such conduct was unlawful; provided, however, for the avoidance of doubt, this Section 11.3 shall not apply with respect to any such actions between the Company and such Person.

Section 6.4 Authorization. To the extent that such present or former Director or officer of the Company has been successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to in Section 11.3, or in the defense of any claim, issue or matter therein, the Company shall indemnify him or her against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection therewith. Any other indemnification under Section 11.3 shall be made by the Company only as authorized in the specific case, upon a determination that indemnification of the present or former Director or officer is permissible in the circumstances because such present or former Director or officer has met the applicable standard of conduct. Such determination shall be made, with respect to a Person who is a Director or officer at the time of such determination, (a) by a majority vote of the Directors who are not parties to such action, suit or proceeding, even with less than a quorum, or (b) if there are no such Directors, or if such Directors so direct, by independent legal counsel in a written opinion, or (c) by the NiSource Member and the BIP Investor Member. Such determination shall be made, with respect to former Directors and officers, by any Person or Persons having the authority to act on the matter on behalf of the Company.

Section 6.5 Reliance on Information. For purposes of any determination under Section 11.3, a present or former Director or officer of the Company shall be deemed to have acted in good faith and have otherwise met the applicable standard of conduct set forth in Section 11.3 if his or her action is based on the records or books of account of the Company or on information supplied to him or her by a Director or an officer of the Company in the course of his or her duties, or on the advice of legal counsel for the Company or on information or records given or reports made to the Company by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Company. The provisions of this Section 11.5 shall not be deemed to be exclusive or to limit in any way the circumstances in which a present or former Director or officer of the Company may be deemed to have met the applicable standard of conduct set forth in Section 11.3.

Section 6.6 Advancement of Expenses. Expenses (including reasonable attorneys' fees) incurred by the present or former Director or officer of the Company in defending any civil, criminal, administrative or investigative action, suit or proceeding may be paid by the Company as authorized in the specific case in the same manner described in Section 11.4, upon receipt of a written affirmation of the present or former Director or officer that he or she has met the standard of conduct described in Section 11.3 and upon receipt of a written undertaking by or on behalf of him or her to repay such amount if it shall ultimately be determined that he or she did not meet the standard of conduct, and a determination is made that the facts then known to those making the determination shall not preclude indemnification under this Article XI.

Section 6.7 Non-Exclusive Provisions. The indemnification and advancement of expenses provided by, or granted pursuant to, this Article XI shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled. The Company hereby acknowledges that certain of its Directors and certain of its Members and the direct and indirect partners therein or owners thereof (the "Fund Indemnitees") may have rights to indemnification, advancement of expenses and/or insurance with respect to their service on the Board (collectively, the "Fund Indemnitors"). The Company hereby agrees: (a) that it is the indemnitor of first resort (i.e., its obligations to the Fund Indemnitors are primary and any obligation of the Fund Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by the Fund Indemnitors are secondary) and (b) that it irrevocably waives, relinquishes and releases the Fund Indemnitors from any and all claims against the Fund Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof, except to the extent that a Fund Indemnitor breaches its undertaking to repay advanced expenses as provided in Section 11.6. The Company further agrees that no advancement or payment by the Fund Indemnitors on behalf of the Fund Indemnitors with respect to any claim for which the Fund Indemnitors have sought indemnification from the Company shall affect the foregoing and that the Fund Indemnitors shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of the Fund Indemnitors against the Company.

Section 6.8 Survival of Indemnification and Advancement of Expenses. The indemnification and advancement of expenses provided by, or granted pursuant to, this Article XI shall, unless otherwise provided when authorized or ratified, continue as to a Person who has ceased to be a Director or officer of the Company and shall inure to the benefit of his or her heirs, executors and administrators.

Section 6.9 **Limitations.** Notwithstanding anything contained in this Article XI to the contrary, the Company shall not be obligated to indemnify any Director or officer (or his or her heirs, executors or personal or legal representatives) or advance expenses in connection with a proceeding (or part thereof) initiated by such Person unless such proceeding (or part thereof) was authorized or consented to by the Board.

**Article VII
REPRESENTATIONS AND WARRANTIES**

Section 7.1 **Company Representations and Warranties.** As of the Effective Date, the Company hereby represents and warrants to the Members as follows:

(a) Each of the Company and GenCo is duly organized, validly existing and in good standing under the Laws of its jurisdiction of organization and has all requisite power and authority to own its properties and to carry on its business as now being conducted. Each of the Company and GenCo is duly qualified or licensed to conduct its business as currently conducted and is in good standing in each jurisdiction in which the location of the property owned, leased or operated by it or the nature of its business makes such qualification necessary.

(b) The Company has full legal capacity, power and authority to execute and deliver this Agreement and any other agreements or instruments executed by it in connection herewith and to perform its obligations herein and therein and to consummate the transactions contemplated herein and therein. The execution, delivery and performance of this Agreement by the Company, and the consummation of the transactions contemplated by this Agreement, have been duly authorized and approved by all necessary limited liability company action, and no other action on the part of the Company or its equityholders is necessary to authorize the execution, delivery and performance of this Agreement by the Company and the consummation of the transactions contemplated by this Agreement.

(c) This Agreement and the other agreements and instruments to be executed by the Company in connection herewith have been duly executed and delivered by the Company and are valid and binding obligations of the Company enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other similar Laws relating to or affecting enforcement of creditors' rights generally and except as enforcement thereof is subject to general principles of equity (regardless of whether enforcement is considered in a proceeding in equity or at law).

(d) The execution and delivery of this Agreement by the Company and the issuance of the Membership Interests contemplated herein will not (i) conflict with, or result in any violation of, or default, or give rise to any right of termination, cancellation or acceleration, (with or without notice or lapse of time, or both) under (x) the governing documents of the Company, (y) any Law or governmental order applicable to the Company or by which any property or asset of the Company is bound or affected or (z) any Contract or other obligation to which the Company is a party, (ii) require the Company to obtain any consent or approval, or give any notice to, or make any filing with, any Governmental Body on or prior to the Effective Date.

(e) The Membership Interests are duly authorized, validly issued, fully paid and, if applicable, nonassessable, and free and clear of all Liens, preemptive rights, rights of first refusal, subscription and similar rights (other than as described here and as arising under applicable securities Laws). The Membership Interests on Schedule 1 constitute all of the issued and outstanding Equity Interests of the Company as of the Effective Date.

(f) The Company does not have any liabilities other than (i) for Taxes accrued and not yet payable or being contested in good faith through appropriate proceedings so long as adequate reserves have been maintained in accordance with U.S. GAAP, (ii) for obligations pursuant to this Agreement, (iii) liabilities incurred in the ordinary course of business of the Company and its Subsidiaries as conducted prior to the Effective Date, including pursuant to Contracts with respect to the purchase, development, financing, construction, commercialization, ownership, operation or maintenance of the GenCo Assets in connection with the Company Business, and (iv) for obligations under its organizational documents and nominal amounts necessary for the corporate maintenance and existence of the Company.

(g) The Company has no Subsidiaries, other than GenCo, and does not own, directly or indirectly, any Equity Interests in, or any securities convertible into or exercisable or exchangeable for Equity Interests of, any other Person, nor is the Company a party to any agreement, option, warrant, right or other commitment obligating it to acquire any such Equity Interests.

(h) The Company owns one hundred percent (100%) of the membership interests in GenCo and such membership interests are duly authorized, validly issued, fully paid and, if applicable, nonassessable, and free and clear of all Liens, preemptive rights, rights of first refusal, subscription and similar rights (other than as described here and as arising under applicable securities Laws). Such membership interests constitute all of the issued and outstanding Equity Interests of GenCo as of the Effective Date.

Section 7.2 Members Representations and Warranties. As of the Effective Date, each Member hereby represents and warrants, severally and not jointly, to the Company and to the other Member as follows:

(a) Such Member is a limited liability company or limited partnership duly organized, validly existing and in good standing under the Laws of its jurisdiction of organization or formation, as applicable, with full power and authority to enter into this Agreement and perform all of its obligations hereunder.

(b) The execution and delivery of this Agreement by such Member, and the performance by such Member of its obligations hereunder, have been duly and validly authorized by all requisite action by such Member, and no other proceedings on the part of such Member are necessary to authorize the execution, delivery or performance of this Agreement by such Member.

(c) This Agreement has been duly and validly executed and delivered by such Member, and, assuming that this Agreement is a valid and binding obligation of the other Parties, this Agreement constitutes a valid and binding obligation of such Member, enforceable against such Member in accordance with its terms, except as limited by the application of bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other Laws relating to or affecting creditors' rights or general principles of equity.

(d) The execution and delivery by such Member of this Agreement, and the performance by such Member of its obligations hereunder, does not (i) violate or breach its Organizational Documents, (ii) violate any applicable Law to which such Member is subject or by which any of its assets are bound, or (iii) result in any breach of or constitute a default (or an event that, with notice or lapse of time or both, would become a default) under any Contract to which such Member is a party or by which any of its assets are bound.

(e) Such Member is acquiring its Membership Interests (i) for such Member's own account and not directly or indirectly for the account of any other Person and (ii) for investment and not with a view to their sale or distribution. Such Member understands that the Membership Interests have not been registered under the Securities Act and may be resold only if registered pursuant to the provisions of the Securities Act or if an exemption from registration is available. Such Member understands that no public market now exists for the Membership Interests and that it is unlikely that a public market will ever exist for the Membership Interests. Such Member understands that its investment in the Company is highly speculative in nature and is subject to a high degree of risk of loss, in whole or in part.

Article VIII MISCELLANEOUS

Section 8.1 Notices. Except as otherwise expressly provided herein, all notices, demands and other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given (a) when personally delivered, (b) when transmitted by electronic mail (unless if transmitted after 5:00 p.m. Eastern time or other than on a

Business Day, then on the next Business Day) to the address specified below (with confirmation of transmission), (c) when sent by internationally-recognized courier in which case it shall be deemed to have been given at the time of actual recorded delivery, or (d) the third (3rd) Business Day following the day on which the same is sent by certified or registered mail, postage prepaid, in each case, to the respective Party at the number, electronic mail address or street address, as applicable, set forth below, or at such other number, electronic mail address or street address as such Party may specify by written notice to the other Party.

Notices to either Investor Member:

BIP Orion Holdco L.P or BIP Orion Holdco II L.P.,
345 Park Avenue
New York, NY 10154
Attention: Legal Counsel – Blackstone Infrastructure Partners; Max Wade
Email: BIP-Legal@blackstone.com; max.wade@blackstone.com

with copies to (which shall not constitute notice):

Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas
New York, NY 10019
Attention: Ravi Purohit; Michael Spirtos
Email: rpurohit@paulweiss.com; mspirtos@paulweiss.com

Notices to the NiSource Member:

Generation Holdings I LLC
290 W. Nationwide Boulevard
Columbus, OH 43215
Attention: Shawn Anderson, Executive Vice President and Chief Financial Officer; Kim Cuccia, Senior Vice President, General Counsel and Corporate Secretary
Email: sanderson@nisource.com; kscuccia@nisource.com

with a copy to (which shall not constitute notice):

McGuireWoods LLP
800 East Canal Street
Richmond, Virginia 23219
Attention: Joanne Katsantonis; Emilie McNally
Email: jkatsantonis@mcguirewoods.com; emcnally@mcguirewoods.com

Notices to the Company:

Generation Holdings II LLC
290 W. Nationwide Boulevard
Columbus, OH 43215
Attention: Shawn Anderson, Executive Vice President and Chief Financial Officer; Kim Cuccia, Senior Vice President, General Counsel and Corporate Secretary
Email: sanderson@nisource.com; kscuccia@nisource.com

with a copy to (which shall not constitute notice):

McGuireWoods LLP
800 East Canal Street
Richmond, Virginia 23219
Attention: Joanne Katsantonis; Emilie McNally
Email: jkatsantonis@mcguirewoods.com; emcnally@mcguirewoods.com

Section 8.2 Assignment. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns; provided, that no Member, nor the Company, shall purport to assign or Transfer all or any of its rights or obligations under this Agreement nor grant, declare, create or dispose of any right or interest in this Agreement in whole or in part except with respect to a Transfer in accordance with the terms of this Agreement, and any attempted or purported assignment hereof not in accordance with the terms hereof shall be void ab initio.

Section 8.3 Waiver of Partition. Each Member hereby waives any right to partition of the Company property.

Section 8.4 Further Assurances. From and after the Effective Date, from time to time, as and when requested by any Party and at such Party's expense, any other Party shall execute and deliver, or cause to be executed and delivered, all such documents and instruments and shall take, or cause to be taken, all such further or other actions as such requesting Party may reasonably deem necessary or desirable to carry out the purposes and intent of this Agreement.

Section 8.5 Third Party Beneficiaries. Except as otherwise expressly provided herein, nothing expressed or referred to in this Agreement shall be construed to give any Person other than the Parties any legal or equitable right, remedy or claim under or with respect to this Agreement or any provision of this Agreement; provided, that Covered Persons are express third party beneficiaries of Article XI.

Section 8.6 Parties in Interest; Non-Recourse. This Agreement shall inure to the benefit of, and be binding upon, the Parties and their respective successors, legal representatives and permitted assigns. This Agreement may only be enforced against, and any claim, action, suit, proceeding or investigation based upon, arising out of or related to this Agreement may only be brought against, the Persons that are expressly named as Parties to this Agreement. Except to the extent named as a Party to this Agreement, and then only to the extent of the specific obligations of such Parties set forth in this Agreement, no past, present or future shareholder, member, partner, manager, director, officer, employee, Affiliate (without giving effect to the proviso set forth in the definition thereof), agent or advisor of any Party shall have any liability (whether in contract, tort, equity or otherwise or by or through theories of equity, agency, control, instrumentality, alter ego, domination, sham, single business enterprise, piercing the veil, undercapitalization or any other attempt to avoid or disregard the entity form of any Person not a Party) for any of the representations, warranties, covenants, agreements or other obligations or liabilities of any of the Parties or for any claim, action, suit, proceeding or investigation based upon, arising out of or related to this Agreement. Notwithstanding anything contained herein, in no event shall this Section 13.6 limit in any way or waive any rights the Company or the NiSource Member may have with respect to the Equity Commitment Letter.

Section 8.7 Severability. If any term, provision, covenant or restriction contained in this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void, unenforceable or against its regulatory policy, the remainder of the terms, provisions, covenants and restrictions contained in this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and, to the extent permitted and possible, any invalid, void or unenforceable term shall be deemed replaced by a term that is valid and enforceable and that comes closest to expressing the intention of such invalid, void or unenforceable term.

Section 8.8 Construction. The language used in this Agreement shall be deemed to be the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Person. The headings of the sections and paragraphs of this Agreement have been inserted for convenience of reference only and shall in no way restrict or otherwise modify any of the terms or provisions hereof.

Section 8.9 Complete Agreement. This Agreement (including any schedules thereto), constitutes the entire agreement of the Parties hereto with respect to the subject matter hereof and thereof and supersedes any prior understandings, agreements or representations by or among the Parties hereto or Affiliates thereof, written or oral, to the extent they relate in any way to the subject matter hereof.

Section 8.10 Amendment; Waiver. Subject to Article VIII, neither this Agreement nor any other Organizational Document of the Company may be amended (whether by merger or otherwise) except in a written instrument signed by Members owning at least a majority of the Membership Interests; provided, that (a) the prior written consent of any Member shall be required in respect of any such proposed modification, alteration, supplement or amendment that would have a material disproportionate adverse impact on that Member (in its capacity as a Member) as compared to the other Members (in their capacity as Members) and (b) notwithstanding anything in this Agreement to the contrary, Article V, Article VI, Article VII, Article VIII and this Section 13.10 may not be amended other than by a written instrument signed by the BIP Investor Member. In the event that the Company issues Membership Interests to one (1) or more Third Parties pursuant to Section 5.1(c) or Section 7.1, the Members and the Company shall negotiate in good faith to amend this Agreement to the extent reasonably necessary to reflect such additional Members. Any amendment or revision to Schedule 1 that is made by an officer solely to reflect information regarding Members or the Transfer or issuance of Membership Interests made in accordance with the terms of this Agreement shall not be considered an amendment to this Agreement and shall not require any Board or Member approval. Any failure or delay on the part of any Party in exercising any power or right hereunder shall not operate as a waiver thereof, nor shall any single or partial exercise of any such right or power preclude any other or further exercise thereof or the exercise of any other right or power hereunder or otherwise available at law or in equity.

Section 8.11 Governing Law. This Agreement, and any claim, action, suit, investigation or proceeding of any kind whatsoever, including a counterclaim, cross-claim or defense, regardless of the legal theory under which such liability or obligation may be sought to be imposed, whether sounding in contract or tort, or whether at law or in equity, or otherwise under any legal or equitable theory, that may be based upon, arising out of or related to this Agreement or the negotiation, execution or performance of this Agreement or the transactions contemplated hereby shall be governed by and construed in accordance with the internal Laws of the State of Delaware applicable to agreements executed and performed entirely within such State without regards to conflicts of law principles of the State of Delaware or any other jurisdiction that would cause the Laws of any jurisdiction other than the State of Delaware to apply.

Section 8.12 Specific Performance. The Parties agree that irreparable damage, for which monetary relief, even if available, shall not be an adequate remedy, would occur in the event that any provision of this Agreement is not performed in accordance with its specific terms or is otherwise breached. It is accordingly agreed that (a) the Parties shall be entitled to seek an injunction or injunctions, specific performance or other equitable relief to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof without proof of damages or otherwise, this being in addition to any other remedy to which they are entitled under this Agreement, and (b) the right of specific performance and other equitable relief is an integral part of this Agreement and the business and legal understandings among the Members with respect to the Company, and without that right, none of the Members would have entered into this Agreement. The Parties acknowledge and agree that any Party pursuing an injunction or injunctions or other Order to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement in accordance with this Section 13.12 shall not be required to provide any bond or other security in connection with any such Order. The remedies available to the Parties pursuant to this Section 13.12 shall be in addition to any other remedy to which they may be entitled at law or in equity, and the election to pursue an injunction or specific performance shall not restrict, impair or otherwise limit any Party from seeking to collect or collecting damages. Each of the Parties agrees that it shall not oppose the granting of an injunction, specific performance and other equitable relief on the basis that any other Party has an adequate remedy at law or that any award of specific performance is not an appropriate remedy for any reason at law or in equity.

Section 8.13 Escalation; Arbitration.

(a) In connection with any dispute, controversy or claim among the Members relating to or arising out of this Agreement, the Members will use their reasonable efforts to resolve such dispute within thirty (30) days. If the dispute has not been resolved within such thirty (30) day period, the Members will escalate the dispute to the respective Senior Officers, who will meet to discuss and use their reasonable efforts to resolve the dispute. If the Members remain unable to resolve the dispute within thirty (30) days of the initial meeting of the Senior Officers or such later date as the Members subject to such dispute may agree, such dispute shall be finally settled by binding arbitration administered by the American Arbitration Association (“AAA”) utilizing its Commercial Arbitration Rules in effect as of the date the arbitration is commenced. The arbitration shall be conducted before a single arbitrator, if the Parties can agree on the one arbitrator. If the Parties cannot agree on a single arbitrator, there shall be a panel of three arbitrators with one chosen by the BIP Investor Member, one chosen by the NiSource Member, and the third arbitrator selected by the two Members-appointed arbitrators. If a Party fails to appoint an arbitrator

within 30 days following a written request by another Party to do so or if the two party-appointed arbitrators fail to agree upon the selection of a third arbitrator, as applicable, within thirty (30) days following their appointment, the additional arbitrator shall be selected by the AAA pursuant to its applicable procedures. Each arbitrator shall be disinterested and have at least twenty (20) years of experience with commercial matters. The arbitrator(s) shall have the power to award any appropriate remedy consistent with the objectives of the arbitration and subject to, and consistent with, all Laws and Orders applicable to the Company and its Subsidiaries (including, for the avoidance of doubt, the necessity of obtaining any requisite authorization, approval or consent of any Governmental Body necessary to implement the appropriate remedy). The decision of the one arbitrator or, if applicable, the majority of the three arbitrators shall be final and binding upon the Parties (subject only to limited review as required by applicable Law). Judgment upon the award of the arbitrator(s) may be entered in any court of competent jurisdiction or otherwise enforced in any jurisdiction in any manner provided by applicable Law. The losing Party shall pay the prevailing Party's attorney's fees and costs and the costs associated with the arbitration, including expert fees and costs and the arbitrators' fees and costs; provided, however, that each Party shall bear its own fees and costs until the arbitrator(s) determine which, if any, Party is the prevailing Party and the amount that is due to such prevailing Party. The arbitration proceedings shall take place in Chicago, Illinois and, for the avoidance of doubt, the arbitration proceedings shall be conducted in the English language.

(b) All discussions, negotiations and proceedings under this Section 13.13, and all evidence given or discovered pursuant hereto, will be maintained in strict confidence by all Parties, except where disclosure is required by applicable Law, necessary to comply with any legal requirements of such Party or necessary or advisable in order for a Party to assert any legal rights or remedies, including the filing of a complaint with a court or, based on the advice of counsel, such disclosure is determined to be necessary or advisable under applicable securities Laws or the rules of any stock exchange on which any of such Party's securities are traded. Disclosure of the existence of any arbitration or of any award rendered therein may be made as part of any action in court for interim or provisional relief or to confirm or enforce such award.

(c) Any settlement discussions occurring and negotiating positions taken by any Party in connection with the procedures under this Section 13.13 will be subject to Rule 408 of the Federal Rules of Civil Procedure and shall not be admissible as evidence in any proceeding relating to the subject matter of this Agreement.

(d) The fact that the dispute resolution procedure specified in this Section 13.13 has been or may be invoked will not excuse any Party from performing its obligations under this Agreement, and during the pendency of any such procedure, all Parties must continue to perform their respective obligations in good faith. In addition, in no event shall the fact that this provision has been invoked and the pendency of the proceedings limit, suspend, delay or waive any other rights and remedies provided in this Agreement to any Member.

(e) Notwithstanding the agreement to arbitrate contained in this Section 13.13, in the event that either Party wishes to seek a temporary restraining order, a preliminary or temporary injunction, or other injunctive relief in connection with any claim, demand, cause of action, dispute, controversy, or other matter arising out of or relating to this Agreement or the alleged breach thereof, whether such claim sounds in contract, tort, or otherwise, at law or in equity, under state or federal law, whether provided by statute or the common law, each Party shall have the right to pursue such injunctive relief in court, rather than by arbitration. The Parties agree that such action for a temporary restraining order, a preliminary or temporary injunction, or other injunctive relief may be brought in the state or federal courts of Delaware, or in any other forum in which jurisdiction is appropriate.

Section 8.14 Counterparts. This Agreement may be executed in counterparts, and any Party may execute any such counterpart, each of which when executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute one and the same instrument. This Agreement shall become effective when each Party shall have received a counterpart hereof signed by the other Parties. The Parties agree that the delivery of this Agreement may be effected by means of an exchange of facsimile or electronically transmitted signatures.

Section 8.15 Fair Market Value Determination. In the event the Board makes a determination of Fair Market Value under this Agreement, upon request by the NiSource Member or the BIP Investor Member, so long as such Member holds a Percentage Interest (or, with respect to the BIP Investor Member, the Investor Members collectively hold an aggregate Percentage Interest) greater than five percent (5%), within five (5) Business Days after receiving written notice of the Board's determination in connection with any determination of Fair Market Value of Membership Interests or other assets under this Agreement (which determination shall be provided by the Company to each Member promptly following the making thereof), the Company shall select a nationally recognized independent valuation firm with no existing or prior business or personal relationship with any Member or any of its Affiliates in the three year period immediately preceding the date of engagement, pursuant to this Section 13.15 (the "Independent Evaluator") to determine such Fair Market Value. Each of the Company and the requesting Member shall submit their view of the Fair Market Value of the Membership Interests or the relevant asset(s) to the Independent Evaluator, and each party will receive copies of all information provided to the Independent Evaluator by the other party. The final Independent Evaluator's determination of the Fair Market Value of such Membership Interests or asset(s) shall be set forth in a detailed written report addressed to the Company and the Members within thirty (30) days following the Company's selection of such Independent Evaluator and such determination shall be final, conclusive and binding. In rendering its decision, the Independent Evaluator shall determine which of the positions of the Company and the requesting Member submitted to the Independent Evaluator is, in the aggregate, more accurate (which report shall include a worksheet setting forth the material calculations used in arriving at such determination), and, based on such determination, adopt either the Fair Market Value determined by the Company or the requesting Member. Any fees and expenses of the Independent Evaluator incurred in resolving the disputed matter(s) will be borne by the party whose positions were not adopted by the Independent Evaluator. Notwithstanding the foregoing, the Board's determination of Fair Market Value under this Agreement shall be conclusive and relied upon by the Members in carrying out their obligations hereunder, unless and until the Independent Evaluator determines otherwise. The pendency of this process shall not excuse the performance of any obligations of a Member hereunder.

Section 8.16 Certain Definitions. As used in this Agreement, the following terms shall have the meanings ascribed to them below:

"Act" means the Delaware Limited Liability Company Act, as amended from time to time.

"Adjusted Capital Account" means, with respect to any Member, the balance in such Member's Capital Account as of the end of the relevant Allocation Year or other period, after giving effect to the following adjustments:

(a) Add to such Capital Account the following items:

(i) The amount, if any, that such Member is obligated to contribute to the Company upon liquidation of such Member's Percentage Interest; and

(ii) The amount that such Member is obligated to restore or is deemed to be obligated to restore pursuant to Treasury Regulations Section 1.704-1(b)(2)(ii)(c) or the penultimate sentence of each of Treasury Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5).

(b) Subtract from such Capital Account such Member's share of the items described in Treasury Regulations Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5) and 1.704-1(b)(2)(ii)(d)(6).

The foregoing definition of Adjusted Capital Account is intended to comply with the provisions of Treasury Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

"Adjusted Capital Account Deficit" means, with respect to any Member, the deficit balance, if any, in such Member's Adjusted Capital Account as of the end of the Allocation Year (or other relevant period).

"Advisors" means, with respect to any Person, the accountants, attorneys, consultants, advisors, investment bankers, or other representatives of such Person.

“Affiliate” of any particular Person means any other Person Controlling, Controlled by or under common Control with such particular Person, provided, however, that, (i) no portfolio company of any investment fund affiliated with or advised by The Blackstone Group Inc. or Blackstone Infrastructure Partners L.P., or Blackstone Infrastructure Advisors, LLC, shall be deemed to be an “Affiliate” of either Investor Member (excluding the Investor Members’ Subsidiaries) and (ii) no investment fund affiliated with or advised by The Blackstone Group Inc. shall be deemed an “Affiliate” of either Investor Member (excluding funds or investment vehicles controlled or advised by Blackstone Infrastructure Advisors, LLC).

“Affiliated Member” means a Member that is Controlled by a NHII Member, Controls a NHII Member, or is under common Control with a NHII Member.

“Affiliated NHII Member” means a NHII Member that is Controlled by a Member, Controls a Member, or is under common Control with a Member.

“Allocation Year” means (a) the period commencing on the Effective Date and ending on the immediately succeeding December 31; (b) any subsequent twelve (12) month period commencing on January 1 and ending on December 31; or (c) any portion of the period described in preceding clause (a) or (b) for which the Company is required to allocate items of the Company income, gain, loss, deduction or credit.

“Anti-Corruption Laws” means any Law concerning or relating to bribery or corruption imposed, administered or enforced by any Governmental Body.

“Anti-Money Laundering Laws” means any Law concerning or relating to money laundering, any predicate crime to money laundering or any record keeping, disclosure or reporting requirements related to money laundering imposed, administered or enforced by any Governmental Body.

“Assumed Tax Liability” means, for any Member, the product of (a) such Member’s allocable share of net taxable income of the Company for such Fiscal Year (or applicable portion thereof), reduced by such Member’s allocable share of cumulative net taxable loss of the Company not previously been taken into account (calculated taking into account the effect of any basis adjustment under Code Section 734, 743 or 754 and allocations pursuant to Code Section 704(c)), determined as if such Member has no items of income, gain, loss, deduction or credit other than through the Company, multiplied by (b) the Assumed Tax Rate.

“Assumed Tax Rate” means the highest effective combined marginal U.S. federal, state and local income tax rate applicable to a corporation for such Fiscal Year (taking into account the character of the underlying taxable income) and the deductibility of state and local income taxes for U.S. federal income tax purposes (and any applicable limitations thereon). The Assumed Tax Rate shall be the same for each Member.

“Available Cash” means, for any fiscal quarter, the cash flow generated from the normal business operations of the Company and its Subsidiaries in such fiscal quarter, less any amounts that the Board reasonably determines are necessary and appropriate to be retained in order to (a) permit the Company and its Subsidiaries to pay their obligations as they become due in the ordinary course of business, (b) maintain the Company’s and its Subsidiaries’ capital structure and credit metrics, (c) subject to Section 8.1(1), fund planned and approved (as applicable) capital expenditures, (d) maintain an adequate level of working capital, (e) maintain prudent reserves for future obligations (including contingent obligations of the Company and its Subsidiaries), (f) comply with applicable Law, Order, the terms of the Company’s

and its Subsidiaries' Indebtedness (including making any required payments of principal or interest in satisfaction of Indebtedness), or (g) respond to an Emergency Situation.

"Business Day" means any day other than a Saturday, Sunday or a day on which banking institutions located in New York, New York or Delaware are closed generally.

"Capital Account" means the capital account maintained for each Member on the Company's books and records in accordance with the following provisions:

(a) To each Member's Capital Account there shall be added (i) such Member's Capital Contributions, (ii) such Member's allocable share of net Profits and any items in the nature of income or gain that are specially allocated to such Member pursuant to Section 5.6 or Section 5.7 hereof or other provisions of this Agreement, and (iii) the amount of any Company liabilities assumed by such Member or which are secured by any property distributed to such Member.

(b) From each Member's Capital Account there shall be subtracted (i) the amount of (A) cash and (B) the Gross Asset Value of any Company assets (other than cash) distributed to such Member pursuant to any provision of this Agreement, (ii) such Member's allocable share of net Losses and any other items in the nature of expenses or losses that are specially allocated to such Member pursuant to Section 5.6 or Section 5.7 hereof or other provisions of this Agreement, and (iii) liabilities of such Member assumed by the Company or which are secured by any property contributed by such Member to the Company.

(c) In the event any Membership Interest is transferred in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred Membership Interest.

(d) In determining the amount of any liability for purposes of subparagraphs (a) and (b) above, there shall be taken into account Code Section 752(c) and any other applicable provisions of the Code and Regulations.

The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Regulations Sections 1.704-1(b) and 1.704-2 and shall be interpreted and applied in a manner consistent with such Regulations.

"Capital Contribution" means, with respect to any Member, the total amount of cash and the initial Gross Asset Value of property (other than cash) contributed to the capital of the Company by such Member, whether as an initial Capital Contribution or as an additional Capital Contribution.

"Change in Control" means with respect to the applicable Party, any person or group (within the meaning of Sections 13(d)(3) and 14(d)(2) of the Securities Exchange Act of 1934, as amended) at any time becoming the beneficial owner of more than fifty percent (50%) of the combined voting power of the voting securities of such Party (including through general partner and limited partner arrangements).

"Code" means the Internal Revenue Code of 1986, as amended.

"Company Group" means the Company and each of its Subsidiaries, collectively.

"Company Minimum Gain" has the meaning set forth in Treasury Regulations Sections 1.704-2(b)(2) and 1.704-2(d)(1) for the phrase "partnership minimum gain."

“Competitor” means any Person that is, or through its Subsidiaries is, directly involved in or competes with the Company Business in the United States. For the avoidance of doubt, a Competitor shall not include any financial sponsors that own equity in any Person that is directly involved in the Company Business in the United States.

“Consolidated Capitalization” means the sum of the Consolidated Debt and all amounts that would, in conformity with GAAP, be included on a consolidated balance sheet of the Company and its Subsidiaries under the total members’ equity interests at such time.

“Consolidated Debt” means, the Indebtedness of the Company and its Subsidiaries that would be classified as debt on a consolidated balance sheet of the Company and its Subsidiaries in accordance with GAAP.

“Contract” means any written agreement, arrangement, commitment, indenture, instrument, purchase order, license or other binding agreement.

“Control” means the possession, directly or indirectly, of the power to direct the management and policies of a Person whether through the ownership of voting securities, Contract or otherwise.

“Covered Person” means any (a) Member, any Affiliate of a Member or any officers, directors, shareholders, partners, members, employees, representatives or agents of a Member or their respective direct or indirect Affiliates, (b) Director, or (c) employee, officer, or agent of the Company or its Affiliates.

“CPI Escalator” means that certain increase calculated annually on the anniversary of the Effective Date by the percentage increase of services measured by the consumer price index as determined by the U.S. Department of Labor, Bureau of Labor Statistics.

“Debt Financing” means any debt financing incurred by the BIP Investor Member or any of its Affiliates (other than the Company), including, the incurrence of any loans or the issuance of any bonds, notes, debentures or hybrid securities.

“Debt-to-Capital Ratio” means the ratio of the Consolidated Debt to Consolidated Capitalization.

“Depreciation” means, for Allocation Year or other period, an amount equal to the depreciation, amortization or other cost recovery deduction allowable for federal income tax purposes with respect to an asset for such Allocation Year or other period, except that (a) with respect to an asset the Gross Asset Value of which differs from its adjusted basis for U.S. federal income tax purposes and which difference is being eliminated by use of the “remedial allocation method” as defined in Treasury Regulations Section 1.704-3(d), Depreciation for such period shall be the amount of the book basis recovered for such period under the rules prescribed in Treasury Regulations Section 1.704-3(d)(2), and (b) if the Gross Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such Allocation Year or other period, Depreciation shall be an amount that bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization or other cost recovery deduction for such Allocation Year or other period bears to such beginning adjusted tax basis; provided, however, that if the federal income tax depreciation, amortization or other cost recovery deduction for such Allocation Year or other period is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the Board.

“EBITDA” means earnings before interest, taxes, depreciation and amortization, calculated consistently with the methodology set forth in the Seller Model.

“Emergency Expenditure” means amounts required to be incurred in order to respond to an Emergency Situation or to avoid an Emergency Situation in a manner that is consistent with general practices applicable to facilities used in the Company Business or consistent with the past operations of the Company or its Affiliates (including NIPSCO), but only to the extent such expenditures are reasonably designed to ameliorate the consequences, or an immediate threat of any of the consequences, of the issues set forth in the definition of “Emergency Situation”.

“Emergency Situation” means, with respect to the business of the Company and its Subsidiaries, any abnormal system condition or abnormal situation requiring immediate action to maintain the system, frequency, loading within acceptable limits or voltage or to prevent loss of firm load; material equipment damage or tripping of system elements that would reasonably be expected to materially and adversely affect reliability of an electric system or any other occurrence or condition that requires immediate action to prevent or mitigate an immediate and material threat to the safety of Persons or the operational integrity of the assets and business of the Company or its Subsidiaries; or any other condition or occurrence requiring prompt implementation of emergency procedures as defined by the applicable transmission grid operator, distribution or transmitting utility.

“Encumber” means to place a Lien against.

“Equity Commitment Letter” means the Equity Commitment Letter dated as of the Effective Date by Blackstone Infrastructure Partners L.P. for the benefit of the Company in the amount equal to \$1,325,000,000.00 (the “Maximum Investor Commitment”).

“Equity Interests” means, with respect to any Person that is not a natural person, (i) capital stock, ordinary shares, partnership, limited liability company or membership interests or units (whether general or limited) or any other equity interests of such Person; (ii) subscriptions, calls, warrants, Contracts, options, commitments or rights entitling any Person to acquire, any interests referred to in clause (i); (iii) securities or instruments convertible into or exercisable or exchangeable for any interests referred to in clause (i) and (iv) stock or unit appreciation rights, liquidation rights, contingent value rights, restricted stock units, or phantom equity or that confers on a Person the right to receive any type of interest referred to in clauses (i) through (iii).

“Exchange Act” has the meaning set forth in the definition of “Excluded Membership Interests”.

“Excluded Membership Interests” means any Membership Interests or other Equity Interests in the Company issued in connection with:

- (a) any issuance to a Third Party pursuant to and in accordance with Section 7.1;
- (b) any arrangement approved unanimously by the Board for the return of income or capital to the Members;
- (c) any equity split, equity dividend or any similar recapitalization; or
- (d) the commencement of any offering or registration of Membership Interests or other Equity Interests of the Company or any of its Subsidiaries, pursuant to a registration statement filed in

accordance with the United States Securities Act of 1933 (the “Securities Act”) or under the Securities and Exchange Act of 1934 (the “Exchange Act”).

“Excluded Transactions” means Transactions in the ordinary course of the Company Business, and, in each case, on an arms-length basis with respect to (i) the sale and transfer of Zonal Resource Credits or other similar capacity credits to or from NIPSCO or its Subsidiaries to or from the Company or its Subsidiaries, (ii) pilot programs, and (iii) similar undertakings by the Company or its Subsidiaries in connection with the Company Business, provided, however, the Members shall discuss in good faith any necessary adjustments to this definition on or after the date that is ten (10) years from the Effective Date, provided, further that any adjustments to this definition shall be mutually agreed by the Members.

“Fair Market Value” means, with respect to any asset (including Equity Interest), the price at which the asset would change hands between a willing buyer and a willing seller that are not affiliated parties, neither being under any compulsion to buy or to sell, and both having knowledge of the relevant facts and taking into account the full useful life of the asset. In valuing Membership Interests, no consideration of any control, liquidity or minority discount or premium shall be taken into account. Fair Market Value shall be determined by the Board in accordance with the foregoing, subject to Section 13.15.

“FERC” means the U.S. Federal Energy Regulatory Commission or any successor agency thereto.

“GAAP” means United States generally accepted accounting principles applied on a consistent basis during the periods involved.

“GenCo Assets” means any and all current or future assets, rights, and properties (including any Subsidiaries) of the Company and Subsidiaries.

“GenCo Declination” means that certain order of the IURC approved on September 24, 2025, of the verified petition of GenCo for certain determinations by the IURC with respect to its jurisdiction over petitioner’s activities as a non-retail generator of electric power.

“GenCo Offtake Agreement” means any offtake agreements (including capacity supply agreements) pursuant to which the Company or its Subsidiaries will sell power, storage, capacity or ancillary products to NIPSCO to allow NIPSCO to fulfill its obligations to certain large load or hyperscale customers for each pursuant to a “special contract” or similar arrangement (including any tariff) as submitted to the IURC and/or otherwise consistent with applicable Law at such time, including any applicable IURC rules and regulations.

“Governmental Body” means any national, foreign, federal, regional, state, local, municipal or other governmental authority of any nature (including any division, department, agency, commission or other regulatory body thereof) and any court or arbitral tribunal, including any governmental, quasi-governmental or non-governmental body administering, regulating or having general oversight over electricity, power or the transmission or transportation thereof, including any regional transmission operator, independent system operator and any market monitor thereof.

“Gross Asset Value” means, with respect to any asset, the asset’s adjusted basis for federal income tax purposes, except as follows:

(a) The initial Gross Asset Value of any asset contributed by a Member to the Company shall be the gross fair market value of such asset on the date of the contribution, as determined by the Board, provided that the initial Gross Asset Values of the assets contributed to the Company pursuant to Section 5.1 shall be as set forth on Schedule 1.

(b) The Gross Asset Values of all Company assets immediately prior to the occurrence of any event described in subparagraphs (i) through (v) below shall be adjusted to equal their respective gross fair market values, as determined by the Board, as of the following times: The Gross Asset Values of all Company assets shall be adjusted to equal their respective gross fair market values, as determined by the Board, as of the following times: (i) the acquisition of an additional interest in the Company by any new or existing Member in exchange for more than a de minimis Capital Contribution; (ii) the distribution by the Company to a Member of more than a de minimis amount of property as consideration for an interest in the Company; (iii) the liquidation of the Company within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(g); (iv) in connection with the grant of an interest in the Company (other than a de minimis interest) as consideration for the provision of services to or for the benefit of the Company by an existing Member acting in a partner capacity, or by a new Member acting in a partner capacity in anticipation of being a Member; and (v) the acquisition of an interest in the Company upon the exercise of a non-compensatory option in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv)(s); provided, however, adjustments pursuant to clause (i), clause (ii), and clause (iv) above shall be made only if the Board reasonably determines that such adjustments are necessary or appropriate to reflect the relative economic interests of the Members in the Company; and provided further, if any non-compensatory option is outstanding, Gross Asset Values shall be adjusted in accordance with Treasury Regulation Sections 1.704-1(b)(2)(iv)(f)(1) and 1.704-1(b)(2)(iv)(h)(2);

(c) The Gross Asset Value of any Company asset distributed to a Member shall be the gross fair market value of such asset on the date of distribution as determined by the Board;

(d) The Gross Asset Values of Company assets shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Regulations Section 1.704-1(b)(2)(iv)(m); provided, however, that Gross Asset Values shall not be adjusted pursuant to this subparagraph (d) to the extent that an adjustment pursuant to subparagraph (b) above is made in connection with a transaction that would otherwise result in an adjustment pursuant to this subparagraph (d).

(e) If the Gross Asset Value of a Company asset has been determined or adjusted pursuant to subparagraph (a), subparagraph (b) or subparagraph (d) above, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such Company asset for purposes of computing net Profits and net Losses.

“Indebtedness” means indebtedness or debt as those terms are calculated in accordance with GAAP.

“Investor Call Trigger” means (i) either Investor Member fails to fund all or any portion of its share of a Mandatory Capital Contribution or any Additional Funding Requirement (other than a Mandatory Capital Contribution) in respect of two (2) events if either Investor Member indicated it would do so in its Response to Capital Call but failed to do so within the time period specified in Section 5.1; provided, that the NiSource Member shall be required to provide notice to the BIP Investor Member immediately upon any Investor Member’s first event of failure to fund that would trigger this right, (ii)

the Investor Members' aggregate Percentage Interest is equal to or less than five percent (5%), or (iii) the NiSource Member elects to pursue a spin off, split off or similar transaction of the Company, GenCo or an Affiliate; provided, in the case of this clause (iii), the NiSource Member may not exercise its Call Right unless the Spin Return Threshold would be satisfied in the event such contemplated transaction is consummated.

"Investor Consent Threshold" means a Percentage Interest equal to or greater than 19.9%; provided, that, solely in the event the Investor Members' aggregate Percentage Interest is reduced in connection with issuances of Membership Interests in compliance with Sections 5.1 or 7.1, such reference to "19.9%" shall be replaced by "17.5%".

"IRR" means, at any time of determination, the actual annual rate of return of the Investor Members (specified as a percentage) taking into account only the following, on a cash-in, cash-out basis: (a) all capital contributions actually made to the Company by or on behalf of the Investor Members or any of its Permitted Transferees with respect to their Membership Interests on or before such date, and (b) all cash distributions made to the Investor Members or any of their respective Permitted Transferees on or before such date. For the avoidance of doubt, the IRR calculation would not include any tax payments at the Investor Members level. The IRR will be calculated using the XIRR function in the most recent version of Microsoft Excel (or if such program is no longer available, such other software program for calculating the IRR as is reasonably determined by the Board), and will be based on the actual dates of funding of such capital contributions and the actual dates of receipt of such cash distributions and proceeds.

"IURC" means the Indiana Utility Regulatory Commission.

"Law" means any law (statutory, common or otherwise), rule, regulation, code or ordinance enacted, adopted, promulgated or applied by any Governmental Body, including all regulatory requirements emanating from state and federal regulators of the Company Group's businesses and operations.

"Liens" means all liens, encumbrances, mortgages, deeds of trust, pledges, security interests, charges, claims, proxy, voting trust or transfer restrictions, under any stockholder or similar agreement or Organizational Document.

"Maximum Investor Commitment" has the meaning set forth in the definition of "Equity Commitment Letter".

"Member" means each of the NiSource Member and the Investor Members, and any Person admitted as an additional member of the Company or a substitute member of the Company pursuant to the provisions of this Agreement, each in its capacity as a member of the Company.

"Member Nonrecourse Debt" has the meaning of "partner nonrecourse debt" as set forth in Treasury Regulations Section 1.704-2(b)(4).

"Member Nonrecourse Debt Minimum Gain" means an amount, with respect to each Member Nonrecourse Debt, equal to the Company Minimum Gain that would result if such Member Nonrecourse Debt were treated as a Nonrecourse Liability, determined in accordance with Treasury Regulation Section 1.704-2(i)(3).

“Member Nonrecourse Deductions” has the meaning of “partner nonrecourse deductions” set forth in Treasury Regulations Section 1.704-2(i)(1) and 1.704-2(i)(2).

“Membership Interests” means membership interests of the Company.

“MOIC” means, as of any measurement time, with respect to any holder of Membership Interests, the number resulting from the quotient of (i) the cumulative amount of distributions received by such holder (or its predecessors in interest) in respect of such Membership Interests divided by (ii) the cumulative amount of all capital contributions made to the Company by such holder (or its predecessors in interest) in respect of such Membership Interests prior to such time; provided, that, for the purpose of foregoing calculation, the Investor Members shall be aggregated and treated as a single holder.

“New Securities” means any Membership Interests or other Equity Interests in the Company, other than any Excluded Membership Interests.

“NHII Member” means each Member as defined in the NHII Operating Agreement.

“NHII Operating Agreement” means that certain Third Amended and Restated Limited Liability Company Agreement dated as of the date hereof by and among NHII, NIPSCO Holdings I LLC, an Indiana limited liability company, BIP Blue Buyer L.L.C., a Delaware limited liability company, BIP Blue Buyer VCOC L.L.C., a Delaware limited liability company, and solely for the purposes of Article VI thereto, the Parent.

“NIPSCO” means Northern Indiana Public Service Company LLC, an Indiana limited liability company.

“NiSource Leadership Team” means any individual serving as an officer at any Company Group.

“Nonrecourse Deductions” has the meaning set forth in Treasury Regulations Sections 1.704-2(b)(1) and 1.704-2(c).

“Nonrecourse Liability” has the meaning set forth in Treasury Regulations Sections 1.704-2(b)(3) and 1.752-1(a)(2).

“OFAC” means the U.S. Office of Foreign Assets Control.

“Order” means any order, ruling, decision, verdict, decree, writ, award, judgment, injunction, or other similar determination or finding of any Governmental Body.

“Organizational Documents” means, with respect to any corporation, its articles or certificate of incorporation, memorandum or articles of association and by-laws or documents of similar substance; with respect to any limited liability company, its articles of association, articles of organization or certificate of organization, formation or association and its operating agreement or limited liability company agreement or documents of similar substance; with respect to any limited partnership, its certificate of limited partnership and partnership agreement or documents of similar substance; and with respect to any other entity, documents of similar substance to any of the foregoing.

“Outside Group” means the Parent and its Subsidiaries, other than the Company and its Subsidiaries.

“Partnership Audit Rules” means Sections 6221 through 6241 of the Code, as enacted in Public Law 114-74, as may be amended, including any final or temporary Regulations, other administrative guidance or case law interpreting Sections 6221 through 6241 of the Code (and any analogous provision of state or local tax law).

“Partnership Representative” means, with respect to any Allocation Year, the Person designated for such year as the partnership representative for the Company pursuant to section 6223(a) of the Code or with respect to the tax law of any state or foreign jurisdiction, as a representative pursuant to a provision of law of such state or foreign jurisdiction corresponding to Section 6223(a) of the Code and shall also include the Person through whom a Partnership Representative acts.

“Percentage Interest” means, in respect of any Member, their relative ownership in the Membership Interests, expressed as a percentage, which shall be deemed to be equal to the number of Membership Interests that such Member owns divided by the total number of Membership Interests then outstanding.

“Permitted Transferee” means, with respect to the NiSource Member or either Investor Member, (a) a directly or indirectly wholly owned Subsidiary of such Member, (b) an Affiliate of such Member of which such Member is, directly or indirectly, a wholly owned Subsidiary (an “Affiliate Parent”), or (c) an Affiliate of such Member that is a wholly owned Subsidiary of an Affiliate Parent.

“Person(s)” means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or a Governmental Body.

“Preemptive Right Share” means a ratio of (a) the number of Membership Interests held by such Member with Preemptive Rights, to (b) the total number of Membership Interests then outstanding immediately prior to the issuance of New Securities giving rise to the Preemptive Rights.

“President” means the President of GenCo.

“Profits” and “Losses” mean, for each Allocation Year, an amount equal to the Company’s taxable income or loss for such Allocation Year, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments (without duplication):

(a) Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Profits or Losses pursuant to this definition of “Profits” and “Losses” shall be added to such taxable income or loss;

(b) Any expenditures of the Company described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Profits or Losses pursuant to this definition of “Profits” and “Losses,” shall be subtracted from such taxable income or loss;

(c) In the event the Gross Asset Value of any Company asset is adjusted pursuant to clause (b) or clause (c) of the definition of “Gross Asset Value,” the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the Gross Asset Value of the asset) or an item of

loss (if the adjustment decreases the Gross Asset Value of the asset) from the disposition of such asset and shall be taken into account for purposes of computing Profits or Losses;

(d) In lieu of the depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such Allocation Year, computed in accordance with the definition of Depreciation;

(e) Gain or loss resulting from any disposition of property with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Gross Asset Value of the property disposed of, notwithstanding that the adjusted tax basis of such property differs from its Gross Asset Value;

(f) To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Code Section 734(b) or Section 743(b) is required, pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m)(4), to be taken into account in determining Capital Accounts as a result of a distribution other than in liquidation of a Member's interest in the Company, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) from the disposition of such asset and shall be taken into account for purposes of computing Profits or Losses; and

(g) Notwithstanding any other provision of this definition, any items that are specially allocated pursuant to Section 5.7 or Section 5.8 shall not be taken into account in computing Profits or Losses.

The amounts of the items of Company income, gain, loss, or deduction available to be specially allocated pursuant to Section 5.7 and Section 5.8 shall be determined by applying rules analogous to those set forth in clause (a) through clause (f) of this definition.

“Prohibited Competitor” means (i) any Competitor listed on Appendix (A) hereto, as may be updated from time to time in accordance with Section 6.3(b) and (ii) any person owned or controlled by an entity existing under the laws of a country or territory that is subject to, or a target of, any Sanctions.

“Qualified Designee” means (i) with respect to NiSource Member, an employee of Parent or its Affiliates that is an officer of any such entity and (ii) with respect to BIP Investor Member, an employee of the BIP Investor Member or its parent company that is an officer or comparable position of such entity or is otherwise affiliated with such entity; provided, that a “Qualified Designee” shall not include any Person so long as such Person is (a) a director, officer, employee, or other Person affiliated with a Prohibited Competitor or (b) any Person convicted by a court or equivalent tribunal of any felony (or equivalent crime in the applicable jurisdiction) or of any misdemeanor (or equivalent crime in the applicable jurisdiction) that involves financial dishonesty or moral turpitude, or (c) any Person that would create a material reputational risk to the Company based on a good faith determination by the Board.

“Qualified Transferee” means any Person so long as such Person is (i) an asset manager with “assets under management” (as such term is commonly defined in the private equity industry) of at least \$5,000,000,000, (ii) a Person with its Equity Interests listed on a nationally recognized stock exchange which has a market capitalization of at least \$5,000,000,000 or (iii) a Person that based on its most recent audited balance sheet has at least \$5,000,000,000 of assets, and/or in all cases, is in the good faith determination of the Board of being financially capable of carrying out the obligations and promptly paying all liabilities as they become due and payable under and in accordance with this Agreement and

such Person is not a Prohibited Competitor; provided, that a Person that consummated a foreclosure pursuant to Section 6.2(b) shall be deemed a Qualified Transferee.

“Qualifying Core Asset Base” means an amount equal to the net property, plant and equipment of the Qualifying Core Assets, taken as a whole, including any joint ventures consolidated on the Company’s financial statements, as determined based on the annual financial statements prepared according to GAAP.

“Qualifying Core Assets” means assets (including the GenCo Assets) utilized in connection with the conduct of the Company’s and its Subsidiaries’ business (a) on which the Company reasonably expects that it or its Subsidiaries will be eligible to include in the applicable rate base and to earn a return on through rates approved by the IURC, FERC or such other applicable Governmental Body that are commercially reasonable (to be determined by the Board in good faith) and are not otherwise inconsistent with such applicable Governmental Body (as the case may be) rate precedent or (b) which are reasonably necessary, including any generating facilities and related infrastructure, (as determined by the Board in good faith) for the Company’s and its Subsidiaries’ performance under the GenCo Offtake Agreements in accordance with the terms thereof or to serve certain large load or hyperscale customers pursuant to a “special contract” or similar arrangement (including any tariff), as submitted to the IURC and/or otherwise consistent with applicable Law at such time, including any applicable IURC rules and regulations. For the avoidance of doubt, “Qualifying Core Assets” shall also include necessary or ancillary expenses to support such assets (including working capital). Further, for the avoidance of doubt, the sale of any excess electricity, storage, capacity or ancillary products generated or produced by any such generating facilities or related infrastructure within the applicable wholesale market shall not affect whether such assets, generating facilities or related infrastructure are Qualifying Core Assets.

“Representatives” means the directors, officers, employees, agents and Advisors of a Party.

“Sanctioned Country” means a country or territory that is the target of comprehensive Sanctions (currently, Cuba, Iran, North Korea, Syria, the Crimea region of Ukraine, and the so-called Donetsk and Luhansk People’s Republics in eastern Ukraine).

“Sanctioned Person” means, (a) any Person listed in any Sanctions-related list of designated Persons maintained by a Governmental Body described in the definition of “Sanctions,” (b) any Person operating, organized, domiciled or resident in a Sanctioned Country, (c) the government of, or a Governmental Body or government official of, any Sanctioned Country or of Venezuela, or (d) any Person directly or indirectly owned or otherwise controlled by, acting for or on behalf of, or acting at the direction of, any such Person described in clauses (a), (b), or (c).

“Sanctions” means any trade or economic sanctions imposed, administered or enforced from time to time by OFAC, the U.S. Department of State, His Majesty’s Treasury, the United Nations, the European Union or any agency or subdivision of any of the foregoing, including any regulations, rules and executive orders issued in connection therewith.

“Securities Act” has the meaning set forth in the definition of “Excluded Membership Interests”.

“Senior Officers” means with respect to the NiSource Member, the Chief Executive Officer of the Parent, and with respect to the Investor Members, the Global Head of Infrastructure of Blackstone Inc.

“Spin Return Threshold” means the Investor Return Threshold and the MOIC Return Threshold.

“Subsidiary” means, with respect to any Person, any entity of which a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of such Person or a combination thereof or any partnership, association or other entity of which a majority of the partnership or other similar ownership interest is at the time owned or controlled, directly or indirectly, by such Person or one or more Subsidiaries of such Person or a combination thereof. For purposes of this definition, a Person is deemed to have a majority ownership interest in a partnership, limited liability company, association or other business entity if such Person is allocated a majority of the gains or losses of such partnership, limited liability company, association or other entity or is or controls the managing director or general partner of such partnership, limited liability company, association or other business entity.

“Tag Portion” means an amount of Membership Interests equal to the specified quantity of Tag-Along Offered Membership Interests multiplied by the applicable Investor Member’s Percentage Interest.

“Tax” or “Taxes” means any federal, state, local or foreign taxes, including income, gross receipts, capital stock, capital gains, franchise, profits, license, withholding, payroll, social security, unemployment, disability, real property, ad valorem/personal property, stamp, excise, occupation, sales, use, excise, transfer, value added, import, export, alternative minimum, estimated or other tax, duty, assessment or governmental charge in the nature of a tax, including any interest, penalty or addition thereto.

“Tax Return” means any return, claim for refund, report, election, form, statement or information return relating to Taxes, including any schedule or attachment thereto, and including any amendments thereof.

“Third Party” means, with respect to a Member, another Person that is not another Member or an Affiliate of a Member.

“Transfer” shall mean, with respect to the legal or beneficial ownership of any of a Member’s Membership Interests, any sale, assignment, transfer, pledge, encumbrance, hypothecation or other similar arrangement or disposal, directly or indirectly, whether voluntarily, involuntarily or by operation of applicable Law (through a Change in Control or otherwise) including by the entry into any contract, option or other arrangement, or the granting or imposition of any Lien, that gives any Person other than the Member, whether or not upon the occurrence or nonoccurrence of an event, the right to acquire any Membership Interests or any interest therein, to vote any Membership Interest, or to require that any Membership Interests be transferred, directly or indirectly, whether voluntarily, involuntarily or by operation of applicable Law. For the avoidance of doubt and notwithstanding the foregoing, none of the following shall constitute a Transfer: (i) a sale, assignment, transfer, or other disposition of Equity Interests in any Member or any direct or indirect parent of such Member in which such Member represents less than fifty percent (50%) of the Fair Market Value of all of the assets directly or indirectly held by such Member or direct or indirect parent the Equity Interests of which are being disposed, except in any such case as expressly set forth in Section 6.2(b), (ii) a Change in Control of the NiSource Member, (iii) indirect transfers of Membership Interests resulting solely from acquisitions and dispositions of Equity Interests of Blackstone Inc., Parent or their respective Affiliates on the New York Stock Exchange, (iv) Change in Control of or any other sale, assignment, transfer, or other disposition of Equity Interests in the Parent, (v) any direct or indirect transfer to a Permitted Transferee of Equity Interests in either Investor Member that does not result in a Change in Control of such Investor Member,

(vi) any direct or indirect transfer of Equity Interests in the NiSource Member that does not result in a Change in Control of the NiSource Member and (vii) as permitted under Section 6.2(b).

“Zonal Resource Credits” shall have the meaning defined in Module E of the Midcontinent Independent System Operator (MISO) Tariff.

Section 8.17 Terms Defined Elsewhere in this Agreement. As used in this Agreement, the following terms shall have the meanings ascribed to them in the sections indicated:

<u>Term</u>	<u>Section</u>
AAA	Section 13.13(a)
Affiliate Agreement Default	Section 2.14(c)
Affiliate Agreement Default Notice	Section 2.14(c)
Affiliate Agreements	Section 2.14(a)
Agreement	Preamble
BIP Investor Member	Preamble
BIP Investor Initial Contribution	Recitals
Blocker Seller	Section 6.7
Board	Section 2.1
Board Observer	Section 2.13
Call Consummation Period	Section 5.1(e)
Call Exercise Price	Section 5.1(e)
Call Notice	Section 5.1(e)
Call Right	Section 5.1(e)
Capital Request Funding Date	Section 5.1(a)
Capital Request Notice	Section 5.1(a)
Company	Preamble
Company Business	Section 1.3(a)
Confidential Information	Section 9.6(a)
Contributing Member	Section 5.1(b)(ii)
Contribution Unfunded Amount Notice	Section 5.1(b)
Corporate Opportunity	Section 9.3(b)
Cure Period	Section 5.1(e)
Defaulting Member	Section 4.2
Designated Alternate	Section 2.2(e)
Directors	Section 2.1
Drag-Along Buyer	Section 6.5(a)
Drag-Along Notice	Section 6.5(b)
Drag-Along Right	Section 6.5(a)
Drag-Along Sale	Section 6.5(a)
Event of Default	Section 4.1
Event of Dissolution	Section 4.3(a)
Excess Contribution	Section 5.1(b)(i)
Fund Indemnities	Section 11.7
Fund Indemnitors	Section 11.7
GenCo	Recitals
GenCo Offtake Agreement	Section 1.3(iv)

Independent Evaluator	Section 13.15
Investor Directors	Section 2.2(b)
Investor Initial Contribution	Recitals
Investor Members	Preamble
Investor Offer	Section 6.3(a)(i)(B)
Investor Sale Notice	Section 6.3(a)(i)(A)
Lock-Up Period	Section 6.1(b)
Mandatory Capital Contribution	Section 5.1(a)
Management Update Meeting	Section 2.7(b)
NHII	Recitals
NiSource Directors	Section 2.2(d)
NiSource Member	Preamble
NiSource Sale Notice	Section 6.3(a)(i)(B)
Non-Transferring Member	Section 6.3(a)
Over-Contributing Member	Section 5.1(b)(i)
Parent	Preamble
Partnership Representative	Section 10.2
Party	Preamble
Preemptive Right	Section 7.1
Preemptive Right Notice Period	Section 7.1
Preemptive Right Participation Notice	Section 7.1
Pro Rata Request Amount	Section 5.1(a)
Regulatory Allocations	Section 5.7(h)
Response To Capital Call	Section 5.1(a)
Sale Period	Section 6.3(a)(ii)
Senior Management Termination Event	Schedule 2
Senior Management Member	Schedule 2
Subject Membership Interests	Section 6.3(a)
Tag-Along Buyer	Section 6.4(a)
Tag-Along Notice	Section 6.4(a)
Tag-Along Offered Membership Interests	Section 6.4(a)
Tag-Along Sale	Section 6.4(a)
Threshold Price	Section 6.3(a)(ii)
Total Number of Directors	Section 2.2(a)
Transferring Member	Section 6.3(a)
Unfunded Amount	Section 5.1(b)
Unfunded Amount Loan	Section 5.1(b)(ii)(A)
VCOC Investor Member	Preamble
VCOC Investor Initial Contribution	Recitals

Section 8.18 Other Definitional Provisions. The following shall apply to this Agreement:

(a) Accounting terms which are not otherwise defined in this Agreement have the meanings given to them under GAAP. To the extent that the definition of an accounting term defined in this Agreement is inconsistent with the meaning of such term under GAAP, the definition set forth in this Agreement shall control.

(b) The terms “hereof,” “herein” and “hereunder” and terms of similar import are references to this Agreement as a whole and not to any particular provision of this Agreement. Section, clause, schedule and exhibit references contained in this Agreement are references to sections, clauses, schedules and exhibits in or to this Agreement, unless otherwise specified.

(c) Whenever the words “include,” “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation.” Where the context permits, the use of the term “or” shall be equivalent to the use of the term “and/or.”

(d) When calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period shall be excluded. If the last day of such period is a day other than a Business Day, the period in question shall end on the next succeeding Business Day. In addition, notwithstanding any deadline for payment, performance, notice or election under this Agreement, if such deadline falls on a date that is not a Business Day, then the deadline for such payment, performance, notice or election will be extended to the next succeeding Business Day.

(e) Words denoting any gender shall include all genders, including the neutral gender. Where a word is defined herein, references to the singular shall include references to the plural and vice versa.

(f) The word “will” will be construed to have the same meaning and effect as the word “shall”. The words “shall,” “will,” or “agree(s)” are mandatory, and “may” is permissive.

(g) All references to “\$” and dollars shall be deemed to refer to United States currency unless otherwise specifically provided.

(h) All references to a day or days shall be deemed to refer to a calendar day or calendar days, as applicable, unless otherwise specifically provided.

(i) Any reference to any Contract shall be a reference to such agreement or Contract, as amended, amended and restated, modified, supplemented or waived.

(j) Any reference to any particular Code section or any Law shall be interpreted to include any amendment to, revision of or successor to that section or Law regardless of how it is numbered or classified; provided, that, for the purposes of the representations and warranties contained herein, with respect to any violation of or non-compliance with, or alleged violation of or non-compliance, with any Code section or Law, the reference to such Code section or Law means such Code section or Law as in effect at the time of such violation or non-compliance or alleged violation or non-compliance.

(k) For all purposes of this Agreement (including the determination of a Member’s Percentage Interest and its entitlement, if applicable, to designate one or more Directors), such Member and its Permitted Transferees shall be deemed to be, and shall be treated as, one and the same Member.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the undersigned has duly executed this Agreement as of the date first written above.

The Company:

Generation Holdings II LLC

By: /s/ Shawn Anderson

Name: Shawn Anderson

Title: Executive Vice President and Chief Financial Officer

IN WITNESS WHEREOF, the undersigned has duly executed this Agreement as of the date first written above.

NiSource Member:

Generation Holdings I LLC

By: /s/ Shawn Anderson

Name: Shawn Anderson

Title: Executive Vice President and Chief Financial Officer

Solely with respect to Article VI:

Parent:

NiSource Inc.

By: /s/ Shawn Anderson

Name: Shawn Anderson

Title: Executive Vice President and Chief Financial Officer

IN WITNESS WHEREOF, the undersigned has duly executed this Agreement as of the date first written above.

BIP Investor Member:

BIP Orion Holdco II L.P.

By: BIP Holdings Manager L.L.C., its managing member

By: /s/ Sebastien Sherman

Name: Sebastien Sherman

Title: Senior Managing Director

VCOC Investor Member:

BIP Orion Holdco II L.P.

By: BIP Holdings Manager L.L.C., its managing member

By: /s/ Sebastien Sherman

Name: Sebastien Sherman

Title: Senior Managing Director

Schedule 1
Schedule of Members

Schedule 1
Senior Management Termination Event

Appendix A
PROHIBITED COMPETITORS

THIRD AMENDED AND RESTATED
LIMITED LIABILITY COMPANY AGREEMENT
OF
NIPSCO HOLDINGS II LLC

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Appendix A – Prohibited Competitors

**THIRD AMENDED & RESTATED
LIMITED LIABILITY COMPANY AGREEMENT**

This THIRD AMENDED & RESTATED LIMITED LIABILITY COMPANY AGREEMENT (this “Agreement”) of NIPSCO Holdings II LLC (the “Company”) is made and entered into as of October 28, 2025 (the “Effective Date”), by and among the Company, NIPSCO Holdings I LLC, an Indiana limited liability company (the “NiSource Member”), BIP Blue Buyer L.L.C., a Delaware limited liability company (the “BIP Investor Member”), BIP Blue Buyer VCOC L.L.C., a Delaware limited liability company (the “VCOC Investor Member” and together with the BIP Investor Member, the “Investor Members”), and solely for the purposes of Article VI, NiSource Inc., a Delaware corporation (the “Parent”). The Company, the NiSource Member, the BIP Investor Member, and the VCOC Investor Member are each sometimes referred to herein as a “Party” and, together, as the “Parties”.

RECITALS

1. On June 17, 2023, the Company, the NiSource Member, the Parent and the BIP Investor Member entered into the PSA, pursuant to which the Company, upon the closing of the transactions contemplated thereby, sold and issued to the BIP Investor Member Membership Interests constituting a 19.9% Percentage Interest.
2. On December 31, 2023 (the “Investment Closing Date”), the Company, the NiSource Member, and the BIP Investor Member entered into that certain Amended and Restated Limited Liability Company Agreement of the Company.
3. On January 31, 2024 (the “VCOC Investment Date”), Parent, the NiSource Member, the Company, the BIP Investor Member, and the VCOC Investor Member entered into that certain Membership Interest Assignment Agreement pursuant to which the BIP Investor Member assigned to the VCOC Investor Member 4.5159% of the Membership Interests of the Company, effective as of the VCOC Investment Date.
4. On September 3, 2025, the Investor Members consummated those certain actions set forth in that certain purchase and sale agreement by and between the Investor Members to transfer 0.0104% of the Membership Interests held by the VCOC Investor Member to the BIP Investor Member.

5. As of the Effective Date, the NiSource Member owns Membership Interests constituting an 80.1% Percentage Interest, the BIP Investor Member owns Membership Interests constituting a 15.3945% Percentage Interest, and the VCOC Investor Member owns Membership Interests constituting a 4.5055% Percentage Interest.

6. On the Effective Date, (i) the NiSource Member shall make an additional cash contribution to the Company in an amount equal to \$166,893,643.42 and the Company shall distribute to the NiSource Member certain assets with Gross Asset Value equal to \$166,893,643.42.

7. On the Effective Date (i) the BIP Investor Member shall be deemed to have made an additional cash contribution to the Company equal to \$32,075,458.10 and Company shall have been deemed to have distributed BIP Investor Member an amount in cash equal to \$32,075,458.10 and (ii) the VCOC Investor Member shall be deemed to have made an additional cash contribution to the Company equal to \$9,387,507.00 and Company shall have been deemed to have distributed to the VCOC Investor Member an amount in cash equal to \$9,387,507.00.

8. The Parties desire to, and by the execution and delivery of this Agreement hereby do, amend and restate in its entirety the Second Amended and Restated Limited Liability Company Agreement of the Company, dated as of the VCOC Investment Closing Date, in order to provide for, among other things, the rights and responsibilities of the Parties with respect to the governance, financing and operation of the Company, and certain other matters relating to the business arrangements between the Parties with respect to the Company.

Therefore, in consideration of the mutual covenants and agreements contained in this Agreement and other good and valid consideration the receipt of which is hereby acknowledged by each Party, and intending to be legally bound hereby, the Parties hereby agree as follows:

Article I GENERAL MATTERS

Section 1.1 Formation. The Parent formed the Company as a limited liability company pursuant to the Act. The Members ratify the organization and formation of the Company and continue the Company, pursuant to the terms and conditions of this Agreement.

Section 1.2 Name. The name of the Company is "NIPSCO Holdings II LLC".

Section 1.3 Purpose.

(a) The purpose of the Company is to, either on its own behalf or through its Subsidiaries, engage in all lawful business for which limited liability companies may be formed under the Act in furtherance of the following activities (the "Company Business"):

(i) owning and operating a public utility engaged in the (A) generation, transmission, distribution, marketing and sale of electricity and/or (B) transmission and distribution of natural gas, within the State of Indiana;

(ii) making direct or indirect investments in, or purchasing, developing, financing constructing, commercializing, owning, operating or maintaining assets and facilities relating to the electric or gas business, including renewable energy projects and with respect to large load or hyperscale customers, including pursuant to "special contracts" or similar arrangement (including any tariff) submitted to the IURC and/or otherwise consistent with applicable Law at such time, including any applicable IURC rules and regulations, with such large load or hyperscale customers;

(iii) undertaking any business activities conducted as of the Effective Date by the Company or its Subsidiaries;

(iv) engaging in such other activities that are (A) eligible to include in rate base, (B) expected to be eligible to earn a return through rates approved by IURC or FERC, or (C) supportive of (i.e., being an ancillary agreement or otherwise an implementing agreement of) any GenCo Offtake Agreement permitted by or in support of the GenCo Declination; or

(v) engaging in such other activities that the Board deems necessary, convenient or incidental to the conduct, promotion or attainment of the activities described in the foregoing subclauses (i), (ii), (iii) and (iv).

(b) The Company shall not engage in any activity or conduct inconsistent with the Company Business or any reasonable extensions thereof.

Section 1.4 Registered Office. The address of the registered office of the Company in the State of Delaware is 251 Little Falls Drive, Wilmington Delaware, 19808.

Section 1.5 Registered Agent. The name of the registered agent of the Company for service of process on the Company in the State of Delaware is Corporation Service Company.

Section 1.6 Members.

(a) The NiSource Member and each of the Investor Members is hereby or was heretofore admitted to the Company as a Member, and hereby continues as such. Unless admitted to the Company as a Member as provided in this Agreement, no Person shall be, in fact or for any other purpose, a Member.

(b) No Member shall have any right to withdraw from the Company except as expressly set forth herein. No Membership Interest is redeemable or repurchasable by the Company at the option of a Member. Except as expressly set forth in this Agreement, no event affecting a Member (including dissolution, bankruptcy or insolvency) shall affect its obligations under this Agreement or affect the Company.

(c) The Members' names, addresses and Percentage Interests are set forth on the Schedule of Members attached to this Agreement as Schedule 1.

(d) No Member, acting in its capacity as a Member, shall be entitled to vote on any matter relating to the Company other than as specifically required by the Act or as expressly set forth in this Agreement.

(e) Except as otherwise expressly set forth in this Agreement, any matter requiring the action, consent, vote or other approval of the Members hereunder shall require action, consent, vote or approval of the Members owning at least a majority of the Membership Interests. Except as otherwise expressly set forth in this Agreement, the VCOC Investor Member hereby irrevocably makes, constitutes and appoints the BIP Investor Member as the VCOC Investor Member's true and lawful attorney-in-fact, with full power of substitution, to act, consent or otherwise approve any matter requiring action, consent or other approval by the VCOC Investor Member in such forms and on such terms and conditions as the BIP Investor Member may deem necessary or desirable. In addition, except as otherwise expressly set forth in this Agreement, the BIP Investor Member shall have the right and power to vote, and VCOC Investor Member grants to the BIP Investor Member its irrevocable proxy to vote, Membership Interests owned by the VCOC Investor Member, together with the Membership Interests owned by BIP Investor Member, with respect to, any matter requiring the consent, vote or other approval of the 19.9% Membership Interest held by the Investor Members, collectively. The execution of any documents by the BIP Investor Member on behalf of the VCOC Investor Member shall be conclusive evidence of its authority as attorney-in-fact or as the holder of the irrevocable proxy for the VCOC Investor Member and generally to act, consent, vote or otherwise approve any matter requiring the action, consent, vote or other approval of the Members under this Agreement. The VCOC Investor Member acknowledges the appointment of the BIP Investor Member as its attorney-in-fact and agrees that the appointment of the BIP Investor Member as its attorney-in-fact and the grant of the irrevocable proxy to the BIP Investor Member under this Section 1.6(e) is coupled with an interest and may not be revoked and will survive insolvency or bankruptcy of the VCOC Investor Member. The BIP Investor Member accepts its appointment and authorization to act as attorney-in-fact and as proxy holder for the VCOC Investor Member. Except as otherwise expressly set forth in this Agreement, the power and authority granted under this Section 1.6(e) will be exclusive.

(f) A Member shall automatically cease to be a Member upon Transfer of all of such Member's Membership Interests made pursuant to and in accordance with the terms of this Agreement. Immediately upon any such permissible Transfer, the Company shall cause such Member to be removed

from Schedule 1 to this Agreement and to be substituted by the transferee or transferees in such Transfer, and, except as otherwise expressly provided for herein, such transferee or transferees shall be deemed to be a “Party” for all purposes hereunder and all references to the NiSource Member, the BIP Investor Member, or the VCOC Investor Member, as the case may be, shall be deemed to be references to such transferee or transferees (notwithstanding, in the case that more than one Person is a transferee of such Membership Interests, that such defined terms as used herein are singular in number).

Section 1.7 Powers. The Company shall have the power and authority to do any and all acts necessary or convenient to or in furtherance of the purposes described in Section 1.3, including all power and authority, statutory or otherwise, possessed by, or which may be conferred upon, limited liability companies under the Laws of the State of Delaware.

Section 1.8 Limited Liability Company Agreement. This Agreement shall constitute the “limited liability company agreement” of the Company for the purposes of the Act. The rights, powers, duties, obligations and liabilities of the Members shall be determined pursuant to the Act and this Agreement. To the extent that the rights, powers, duties, obligations and liabilities of any Member are different by reason of any provision of this Agreement than they would be under the Act in the absence of such provision, this Agreement shall control to the fullest extent permitted by the Act and other applicable Law.

Section 1.9 Issuance of Additional Membership Interests. Except for (a) the issuance of any Excluded Membership Interests or (b) the issuance of Membership Interests made pursuant to and in accordance with Section 5.1(c), Article VII, or as otherwise permitted herein, the Company shall not issue any new Membership Interests, or any securities convertible into Membership Interests or other equity interests of the Company, to any Third Party or to the Members other than in accordance with their respective Percentage Interests.

Section 1.10 No State Law Partnership. The Members intend that the Company not be a partnership (including a limited partnership) or joint venture, and that no Member be a partner or joint venturer of any other Member by virtue of this Agreement, for any purposes, and neither this Agreement nor any other document entered into by the Company or any Member relating to the subject matter hereof shall be construed to suggest otherwise. Nothing in this Section 1.10 shall control with respect to income tax treatment of the Company.

Article II MANAGEMENT

Section 2.1 Directors. Subject to the provisions of the Act and any limitations in this Agreement as to action required to be authorized or approved by the Members, the business and affairs of the Company shall be managed and all its powers shall be exercised by or under the direction of a board of directors (the “Board” and each duly appointed and continuing member thereof from time to time, a “Director”), and no Member, by virtue of having the status of a Member, shall have any management power over the business and affairs of the Company or any actual or apparent authority to enter into Contracts on behalf of, or to otherwise bind, the Company. Without prejudice to such general powers, but subject to the same limitations, the Board shall be empowered to conduct, manage and control the business and affairs of the Company and to make such rules and regulations therefor not inconsistent with applicable Law or this Agreement, as the Board shall deem to be in the best interest of the Company. Each Director is hereby designated as a “manager” of the Company within the meaning of Section 18-101 of the Act.

Section 2.2 Number of Directors; Proportional Appointment Rights.

(a) The authorized number of Directors constituting the Board shall be seven (7) Directors (the “Total Number of Directors”).

(b) The BIP Investor Member shall, as of the Effective Date, be entitled to appoint two (2) Directors, and the BIP Investor Member shall retain the right to appoint at least two (2) Directors for so long as the Investor Members collectively hold at least a 17.5% Percentage Interest in the aggregate. In the event that the Investor Members’ aggregate Percentage Interest is reduced below 17.5% but remains at or above a 9.9% Percentage Interest, the BIP Investor Member shall retain the right to appoint one (1) Director. In the event that the Investor Members’ aggregate Percentage Interest is reduced below 9.9%, the BIP Investor Member shall cease to be entitled to appoint a Director. Any Directors appointed by the BIP Investor Member are referred to herein as “Investor Directors”. The appointment of any particular proposed Investor Director shall be subject to the NiSource Member’s prior written consent of the identity

of such individual prior to his or her appointment to the Board; provided however, that the NiSource Member shall not have any consent right over the appointment of a proposed Investor Director that is a Qualified Designee.

(c) In the event that the Investor Members' aggregate Percentage Interest decreases below 17.5% or 9.9%, as applicable, if the BIP Investor Member fails to remove an Investor Director concurrently with such decrease in the Investor Members' aggregate Percentage Interest to be in compliance with the BIP Investor Member's Director appointment rights set forth in Section 2.2(b), then the NiSource Member may remove such appropriate number of Investor Directors from the Board such that the BIP Investor Member is in compliance with its Director appointment rights set forth in Section 2.2(b), such removal being effective immediately.

(d) The NiSource Member shall be entitled to appoint all of the remaining Total Number of Directors that the Investor Member is not entitled to appoint pursuant to Section 2.2(b). Directors appointed by the NiSource Member are referred to herein as "NiSource Directors"; provided, that any NiSource Director must be a Qualified Designee. The NiSource Member shall further be entitled to designate a NiSource Director to serve as the chairperson of the Board.

(e) For so long as the BIP Investor Member is entitled to appoint an Investor Director, the BIP Investor Member shall be further entitled to designate the Board Observer or any other individual (provided, that such designee is a Qualified Designee) (the "Designated Alternate") in its place and stead in the event that the Investor Director is unable to attend such meeting (or meetings of Board committees, if any pursuant to Section 2.12). The Designated Alternate will be entitled to exercise the powers of the Investor Director at such meetings, and will be subject to all of the responsibilities of an Investor Director hereunder at such meeting as if they were an Investor Director. The appointment of such Designated Alternate shall be subject to the same approval right of the NiSource Member applicable to the Investor Director under Section 2.2(b). If the Designated Alternate is serving in lieu of the Investor Director at any Board or committee meeting, the BIP Investor Member shall provide written notice to the NiSource Member of this fact prior to the commencement of such meeting (which notice may be by way of an email to the NiSource Directors), and such notice shall be recorded in the minutes of such meeting. For the avoidance of doubt, any references to approval or notice by the Investor Director in this Agreement will be deemed to refer to the Investor Director, and not the Designated Alternate, except in respect of the voting on matters presented at the meeting at which the Designated Alternate is attending. In the event that the Designated Alternate is also a Board Observer, at any Board or committee meeting in which he or she is serving as the Investor Director pursuant to this Section 2.2(c), he or she shall be deemed to be serving only as an Investor Director and not as a Board Observer at such meeting.

Section 2.3 Removal of Directors. Any one or more Directors may be removed at any time, with or without cause, by the Member that appointed such Director, and except as provided in Section 2.2(c), may not be removed by any other means. If a Director is convicted by a court or equivalent tribunal of any felony (or equivalent crime in the applicable jurisdiction), or of any misdemeanor (or equivalent crime in the applicable jurisdiction) that involves financial dishonesty or moral turpitude, then the Member that appointed such Director shall, unless consented to by the NiSource Member in the case of an Investor Director and by the BIP Investor Member in the case of a NiSource Director, promptly remove such Director. Delivery of a written notice to the Company by a Member designating for removal of a Director appointed by such Member shall conclusively and with immediate effect constitute the removal of such Director, without the necessity of further action by the Company, the Board, or by the applicable removed Director. Each Director duly appointed by a Member pursuant to and in accordance with the provisions of Section 2.2 shall hold office until his or her resignation, death, permanent disability, removal pursuant to and in accordance with Section 2.2 or with this Section 2.3, or until a successor Director is duly appointed by the Member that appointed (and continues to be entitled to appoint) such Director.

Section 2.4 Vacancies. A vacancy shall be deemed to exist in case of the resignation, death, permanent disability or removal of any Director. The Member entitled to appoint a Director to the vacant directorship may appoint or elect a Director thereto to take office (a) immediately, (b) effective upon the departure of the vacating Director, in the case of a resignation, or (c) at such other later time as may be determined by such Member.

Section 2.5 Acts of the Board; Voting. Except as otherwise expressly set forth in this Agreement (including Section 8.1), a vote of a majority of the Directors present at a duly called and noticed meeting of the Board at which a quorum is present shall be required to authorize or approve any action of the Board. Every act of or decision taken or made by the Directors pursuant to the vote required by this Section 2.5 shall be conclusively regarded as an act of the Board.

Section 2.6 Compensation of Directors. The Board shall have the authority to fix the compensation of Directors for their service to the Company, if any. The Board shall reimburse the Directors for their respective reasonable, documented out-of-pocket expenses incurred for attendance at meetings of the Board consistent with the Company's then-applicable policies related to travel and expenses for directors or executive officers (or, if none exists, such travel and expense policies of Parent). Nothing herein shall be construed to preclude any Director from serving the Company or any of its Affiliates in any other capacity and receiving compensation therefor.

Section 2.7 Meetings of Directors; Notice. Except as provided pursuant to Section 2.10, meetings of the Board, both regular and special, for any purpose or purposes may be called at any time by the Board or by the Company at the request of any Director, by providing at least seven calendar days' written notice to each Director unless the chairperson of the Board determines, acting reasonably, that there is a significant and time sensitive matter that requires shorter notice to be given, in which case a meeting of the Board may be called by giving at least forty-eight (48) hours' written notice to each Director. Regular Board meetings will be held quarterly. Each notice shall state the purpose(s) of and agenda for the meeting and include all required information, including dial-in numbers or other applicable access information, in order to participate in the meeting by telephonic means, over the internet or by means of any other customary electronic communications equipment. Unless otherwise agreed by unanimous consent of the Board, no proposal shall be put to a vote of the Board unless it has been listed on the agenda for such meeting. Notice of the time and place of meetings shall be delivered personally or by telephone to each Director, or sent by e-mail or other electronic communication to any Director. Any notice given personally or by telephone shall be communicated to the applicable Director. A Director may waive the notice requirement set forth in this Section 2.7 by any means reasonable in the circumstances, including by communication to one or more other Directors, and the presence of a Director at a meeting or the approval by a Director of the minutes thereof shall conclusively constitute a waiver by such Director of such notice requirement.

Section 2.8 Quorum.

(a) Except as otherwise expressly set forth herein, the presence (whether physical, telephonic, over the internet or by means of other customary electronic communications equipment) of a majority of the number of Directors then serving on the Board (without regard to the Total Number of Directors), including at least one Investor Director, at a meeting of the Board shall constitute a quorum of the Board for the transaction of all business thereat; provided, that if quorum fails at two (2) consecutive attempted meetings that are called pertaining to the same subject matter with proper notice due to the failure of the Investor Director(s) to attend, then at the third attempted meeting only a majority of the number of Directors then serving on the Board (without regard to the Total Number of Directors or the attendance of the Investor Director(s)) must be present in person, by telephone or other electronic means or by proxy in order to constitute a quorum for the transaction of business for purposes of conducting only those matters that were included on the agenda for the attempted meetings immediately preceding such third attempted meeting; provided, that, at least twenty-four (24) hours prior written notice of any rescheduled meeting is required to be provided to the other Directors.

(b) If a quorum is not present at any meeting of the Board, the Directors present at such meeting may adjourn the meeting, without notice other than announcement at the meeting.

Section 2.9 Place and Method of Meetings.

(a) Meetings of the Board may be held at any place, whether within or outside the State of Delaware or the State of Indiana, and meetings may be held, in whole or in part, by telephonic means, over the internet or by means of any other customary electronic communications equipment. The place at which (or, if applicable, the electronic communication methods by which) a meeting will be held may be specified in the applicable notice of the meeting.

(b) The Directors may participate in meetings of the Board by telephonic means, over the internet or by means of any other customary electronic communications equipment, and, to the fullest

extent permitted by applicable Law, shall be deemed to be present at such meeting for all purposes, including for purposes of determining quorum and of voting.

Section 2.10 Action by the Board Without a Meeting. Any action required or permitted to be taken by the Board may be taken without a meeting if a number of Directors the vote of whom would be minimally necessary to approve such action at a meeting of the Board shall individually or collectively consent in writing to such action; provided, that in order for such consent to be effective it shall have been provided to all Directors at least forty-eight (48) hours prior to its stated effectiveness, unless such prior notice is waived in writing by the Directors taking any such written action which includes at least one (1) Investor Director. Notwithstanding the foregoing, no action set forth in Section 8.1 that requires the consent of the BIP Investor Member shall be effected by written action entered into pursuant to this Section 2.10 without the BIP Investor Member's written consent. Any written actions of the Board may be in counterparts and transmitted by e-mail and shall be filed with the minutes of the proceedings of the Board. Such written actions shall have the same force and effect as a vote of the Board.

Section 2.11 Duties of Directors. Other than as set forth in Section 9.3, each member of the Board shall have fiduciary duties identical to those of directors of a business corporation organized under the General Corporation Law of the State of Delaware and except to the extent not permitted by applicable Law, no member of the Board shall be personally liable to the Company or its Members for monetary damages for breach of its fiduciary duties in such capacity. The provisions of this Agreement, to the extent that they expand or restrict the duties and liabilities of the Board, otherwise existing at law or in equity, are agreed by the Members to replace such other duties and liabilities of the Board.

Section 2.12 Committees. The Board may create one or more committees of the Board, delegate responsibilities, duties and powers to such one or more committees, and appoint Directors to serve thereon. Each Director appointed to serve on any such committee shall serve at the pleasure of the Board, or otherwise in accordance with the terms of the resolution designating the applicable committee. Section 2.4, Section 2.7, Section 2.8, Section 2.9 and Section 2.10 shall each apply to any committee of the Board with the same terms applicable to the Board, *mutatis mutandis*. For each committee of the Board, the Board shall designate one Investor Director to serve on each such committee so long as the BIP Investor Member is entitled to appoint a Director pursuant to Section 2.2.

Section 2.13 Investor Member Board Observer. The BIP Investor Member shall be entitled to appoint one (1) Person (which shall be an individual) to serve as an observer of the Board (the "Board Observer") for so long as (i) the BIP Investor Member is entitled to appoint only one (1) Investor Director, but in no event when the BIP Investor Member is entitled to appoint two (2) Investor Directors or (ii) the Investor Members' aggregate Percentage Interest is greater than or equal to 4.9% but in no event if the BIP Investor Member is entitled to appoint two (2) Directors, the identity of whom shall be subject to the prior written consent of the NiSource Member. The Board Observer shall have the right to receive notice of, attend and participate in all meetings of the Board (and any committee thereof) and to receive all information provided to Directors at the same time and in the same manner as provided to such Directors; provided, however, that the Company and the Board will be entitled to withhold access to any portion of the information and to exclude the Board Observer from any portion of any meeting of the Board (or any committee thereof) if the Company or the Board determines in good faith in reliance upon the advice of counsel that access to such information or attendance at such meeting (i) is reasonably necessary to preserve an attorney-client privilege of the Company or the Board or (ii) otherwise implicates any conflict of interest between any Investor Member, on the one hand, and a particular matter or transaction under consideration by the Board, on the other hand; provided, however, that the BIP Investor Member shall be notified of any intent to exclude the Board Observer in reliance on clause (ii) above in advance of any meeting from which the Board Observer is to be excluded to the extent reasonably practicable; provided, further, that, any Board Observer that is excluded shall only be excluded for such portion of the meeting during which such conflicted matter or transaction is being discussed. For the avoidance of doubt, the Board Observer shall not have any voting rights with respect to any matter brought before the Board and shall not be counted in any manner with respect to whether a quorum is present at a meeting of the Board, and (without limiting the Company's obligations to provide the Board Observer with notice of meetings of the Board and any committee thereof as set forth in this Section 2.13) no defect in the provision of notice to the Board Observer of any meeting of the Board shall be construed to constitute a defect in the provision of notice to Directors. The Board Observer shall be bound by the same confidentiality obligations as the Directors as set forth in Section 9.6. The BIP Investor Member may cause the Board Observer to resign or appoint a replacement Board Observer from time to time by giving written notice to the Company. In the event that the Investor Members' aggregate

Percentage Interest becomes less than 4.9%, the BIP Investor Member's rights under this Section 2.13 shall immediately cease. For the avoidance of doubt, the sole purpose of this Section 2.13 is to provide observation rights (subject to the limitations and conditions set forth in this Section 2.13) to an individual Representative of the BIP Investor Member, and in no event will any Board Observer be construed to be a third-party beneficiary of this Agreement, an agent of the Company of any kind or for any purpose, or have any other claim against the Company or the Members in relation to any matter whatsoever.

Section 2.14 Related Party Matters.

(a) The Parties acknowledge that certain Affiliates of the Company provide various services to the Company and its Subsidiaries and that all of such services shall continue in the ordinary course of business. All agreements between any member of the Outside Group, on the one hand, and the Company Group, on the other hand, (such transactions, "Affiliate Agreements"), shall be (i) entered into and carried out in a manner that, except as may be required by any applicable Law or Order, is (A) consistent with past practices and the corporate allocation and affiliate transaction policies of the Outside Group in effect at such time and (B) on terms and conditions that are pursuant to the corporate allocation policies and affiliate transaction policies of the Outside Group as of such time to the extent that they are non-discriminatory against the Company and its Subsidiaries and are generally consistent with the corporate allocation policies and affiliate transaction policies of the Outside Group, (ii) entered into and carried out in accordance with the requirements of any applicable Law or Order (including, for the avoidance of doubt, on such terms and conditions as may be required to obtain the approval of the applicable Governmental Body in respect of such transaction) and (iii) if applicable pursuant to Section 8.1, approved by the Board. Notwithstanding anything to the contrary in this Agreement, except as required by applicable Law, the NiSource Member shall ensure during the term of this Agreement that any methodologies used to allocate costs to the Company Group (i) are and will be consistently applied to other members of the Outside Group in a manner that does not have a disproportionate adverse impact on the Company or any of its Subsidiaries as compared to any member of the Outside Group and (ii) would not result in any fines or penalties that are imposed on any member of the Outside Group being allocated to the Company or any of its Subsidiaries. The NiSource Member shall also use commercially reasonable efforts to ensure corporate separateness from the NiSource Member and the other members of the Outside Group in a manner and consistent with the Company Group's and the Outside Group's respective past practices and applicable Law and Orders. The NiSource Member shall continue to audit its corporate services annually by its then current auditor in the ordinary course and shall share such audit with the BIP Investor Member (including any work papers and other supporting documentation reasonably requested by the BIP Investor Member (subject to its prior execution of a customary non-reliance letter agreement to the extent requested by such auditor)). Notwithstanding the foregoing, the Company will provide a copy of any Affiliate Agreement that is required to be filed with the IURC, to be entered into by the Company Group prior to such filing and will use commercially reasonable efforts to provide the BIP Investor with any material Affiliate Agreements to be entered into prior to such entry.

(b) Each Investor Member acknowledges and agrees that (i) the Company Group and the Outside Group prior to the Investment Effective Date engaged in Affiliate Agreements, and continues to and will, pursuant to and in accordance with the provisions of Section 2.14(a), from and after the Investment Effective Date engage in new Affiliate Agreements (including Genco Offtake Agreements), subject to the BIP Investor Member's approval rights under Section 8.1 (if applicable), (ii) all services provided by any member of the Outside Group to any member of the Company Group as of the Investment Effective Date and (iii) the promissory notes held or payable by the Company's Subsidiary, Northern Indiana Public Service Company LLC ("NIPSCO"), payable to NiSource Development Company, Inc. (the "NiSource Notes") shall or will remain outstanding and be payable in accordance with their terms or sooner as the Board determines in good faith is appropriate.

(c) In the event the Company and/or the NiSource Member becomes aware of any material breach or material default (it being understood that, for purposes of this clause (c), a breach or default will be deemed to be "material" if the reasonably expected amount of damages that would be sustained by the Company and its Affiliates as a result of such breach or default, or series of related breaches or defaults, would exceed \$100,000,000.00 in the aggregate, subject to an annual increase by the CPI Escalator) by any member of the Company Group or Outside Group under any Affiliate Agreement (an "Affiliate Agreement Default"), the Company and/or the NiSource Member, as applicable, shall promptly, but in any event within ten (10) Business Days after becoming aware of such Affiliate Agreement Default, send a written notice (an "Affiliate Agreement Default Notice") to the Company and the BIP Investor Member

setting forth in reasonable detail the nature of such Affiliate Agreement Default and the reasonable estimate of the current and future anticipated losses associated with such Affiliate Agreement Default (to the extent feasible to make a reasonable estimate at such time). After delivery of such Affiliate Agreement Default Notice to the BIP Investor Member, the Company (and, if the Company did not provide the Affiliate Agreement Default Notice, the NiSource Member) shall promptly provide the BIP Investor Member with any additional information reasonably requested by the BIP Investor Member and available to the NiSource Member relating to such Affiliate Agreement Default. The defaulting party under such Affiliate Agreement shall have (i) twenty (20) Business Days following the expiration of the applicable cure period in respect of such Affiliate Agreement, to fully cure any monetary Affiliate Agreement Default, and (ii) sixty (60) days following the expiration of the applicable cure period in respect of such Affiliate Agreement, to fully cure any non-monetary Affiliate Agreement Default, subject to and consistent with applicable Law and Orders, if capable of being cured. In the event that any material alleged Affiliate Agreement Default is not timely cured in accordance with the preceding sentence, the BIP Investor Member shall have the sole right to cause the Company and its Subsidiaries to take, or refrain from taking, any actions in connection with the enforcement of or compliance with the rights or obligations of the Company or any of its Subsidiaries under the terms of the applicable Affiliate Agreement. In addition to, and not in limitation of, the foregoing provisions of this Section 2.14(c), the Company shall notify the BIP Investor Member prior to, or within ten (10) days following, its execution of any new Affiliate Agreement or any material amendment to any Affiliate Agreement setting forth in reasonable detail the nature of such new Affiliate Agreement or such amendment and, upon request from the BIP Investor Member, shall provide copies of all Contracts relating to such new Affiliate Agreement or such amendment within five (5) Business Days of such request.

Article III OFFICERS

Section 3.1 Appointment and Tenure.

- (a) The Board may, from time to time, designate officers of the Company to carry out the day-to-day business of the Company.
- (b) The officers of the Company shall be comprised of one or more individuals designated from time to time by the Board. Each officer shall hold his or her office for such term and shall have such authority and exercise such powers and perform such duties as shall be determined from time to time by the Board. Any number of offices may be held by the same individual. The salaries or other compensation, if any, of the officers shall be fixed from time to time by the Directors.
- (c) The officers of the Company may consist of a president, a secretary and a treasurer. The Board may also designate one or more vice presidents, assistant secretaries and assistant treasurers. The Board may designate such other officers and assistant officers and agents as the Board may deem necessary or appropriate.

Section 3.2 Removal. Any officer may be removed as such at any time by the Board, either with or without cause, in its discretion, subject to the consultation right of the BIP Investor Member set forth in Section 8.2.

Section 3.3 President. The president, if one is designated, shall be the chief executive officer of the Company, shall have general and active management of the day-to-day business and affairs of the Company as authorized from time to time by the Board, and shall be authorized and directed to implement all actions, resolutions, initiatives and business plans adopted by the Board.

Section 3.4 Vice Presidents. The vice presidents, if any are designated, in the order of their election, unless otherwise determined by the Board, shall, in the absence or disability of the president, perform the duties and have the authority and exercise the powers of the president. They shall perform such other duties and have such other authority and powers as the Board may from time to time prescribe.

Section 3.5 Secretary; Assistant Secretaries. The secretary, if one is designated, shall perform such duties and have such powers as the Board may from time to time prescribe. The assistant secretaries, if any are designated, and unless otherwise determined by the Board, shall, in the absence or disability of the secretary, perform the duties and exercise the powers of the Secretary. They shall perform such other duties and have such other powers as the Board may from time to time prescribe.

Section 3.6 Treasurer; Assistant Treasurers. The treasurer, if one is designated, shall have custody of the Company's funds and securities and shall keep full and accurate accounts and records of receipts, disbursements and other transactions in books belonging to the Company, and shall deposit all moneys and other valuable effects in the name and to the credit of the Company in such depositories as may be designated from time to time by the Board. The treasurer shall disburse the funds of the Company as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render the president and the Board, when so directed, an account of all of his or her transactions as treasurer and of the financial condition of the Company. The treasurer shall perform such other duties and have such other powers as the Board may from time to time prescribe. If required by the Board, the treasurer shall give the Company a bond of such type, character and amount as the Board may require. The assistant treasurers, if any are designated, unless otherwise determined by the Board, shall, in the absence or disability of the treasurer, perform the duties and exercise the powers of the treasurer. They shall perform such other duties and have such other powers as the Board may from time to time prescribe.

Section 3.7 Duties of Officers. Other than as set forth in Section 9.3 with respect to any Representative of Parent or its Affiliates who is also an officer of the Company, each officer of the Company (in such individual's capacity as an officer) will owe the Company, its Subsidiaries and the Members such fiduciary duties that apply to officers of a Delaware corporation. No provision of this Agreement will be deemed to limit or eliminate such fiduciary duties.

Article IV DEFAULT; DISSOLUTION

Section 4.1 Events of Default. The following shall constitute events of default (each, an "Event of Default") by the applicable Member under this Agreement:

- (a) any material breach of this Agreement by such Member;
- (b) any failure by such Member to make any Mandatory Capital Contribution pursuant to and in accordance with a Capital Request Notice issued pursuant to Section 5.1 or, with respect to an Additional Funding Requirement (as defined in Section 5.1) (other than a Mandatory Capital Contribution), a duly authorized officer of each of the Investor Members has affirmed in writing that such Investor Member would make such Additional Funding Requirement in its Response to Capital Call but failed to do so within the time period set forth in Section 5.1, in any case any such failure to fund by any Investor Member shall be deemed to be a failure to fund by all of the Investor Members;
- (c) any purported Transfer by such Member made other than pursuant to and in accordance with the terms and conditions of this Agreement;
- (d) any Event of Default (as defined in the GHII Operating Agreement) under the GHII Operating Agreement by any GHII Member which is an Affiliated GHII Member (which remains uncured after any applicable notice or cure period as provided therein including, for the avoidance of doubt, pursuant to Section 4.2 thereof); and
- (e) the filing of a petition seeking relief, or the consent to the entry of a decree or Order for relief in an involuntary case, under the bankruptcy, rearrangement, reorganization or other debtor relief Laws of the United States or any state or any other competent jurisdiction or a general assignment for the benefit of its creditors by such Member or by any of its controlling Affiliates.

Section 4.2 Default Notice. If an Event of Default occurs, then any Member (other than the Defaulting Member) may deliver to the Company and to the Member subject to the Event of Default including for the avoidance of doubt, any Event of Default (as defined in the GHII Operating Agreement) under the GHII Operating Agreement (the "Defaulting Member"; provided, that at any time the Defaulting Member is an Investor Member, then both Investor Members shall be deemed Defaulting Members until such Investor Member ceases to be a Defaulting Member according to the terms of this Agreement) a notice of the occurrence of such Event of Default, setting forth the circumstances of such Event of Default. If, within thirty (30) days following the delivery of such notice (or, with respect to an Event of Default set forth in Section 4.1(b), ten (10) days), the Defaulting Member has not cured the event giving rise to the Event of Default (if capable of being so cured), the provisions of this Agreement applicable to a "Defaulting Member" shall apply to such Defaulting Member and, in addition to any other rights and remedies provided under this Agreement, (i) if the Defaulting Member is an Investor Member,

the Defaulting Member's voting rights, including its approval rights in Section 8.1, shall be suspended and (ii) any net Available Cash required to be distributed to the Defaulting Member shall instead be distributed to the non-Defaulting Members, or the Company, as applicable, if such breach is capable of being cured by the payment of such amounts which such clauses (i) and (ii) shall apply as applicable (and such Member shall be considered a "Defaulting Member") until the applicable Event of Default and the material effects thereof have been cured (if capable of being so cured).

Section 4.3 Dissolution.

(a) Subject to obtaining the requisite authorization, approval or consent of any Governmental Body, the Company shall dissolve, and its affairs shall be wound up, upon either (i) the approval by the Board and the written consent of all of the Members or (ii) the entry of a decree of judicial dissolution under Section 18-802 of the Act (each, an "Event of Dissolution").

(b) Upon the occurrence of an Event of Dissolution, the Company will continue solely for the purposes of winding up its affairs in an orderly manner, liquidating its assets and satisfying the claims of its creditors and the Members. No Member, acting in its capacity as such, will take any action that is inconsistent with, or not necessary to or appropriate for, the winding up of the Company's business and affairs. All covenants contained and obligations provided for in this Agreement will continue to be fully binding upon the Members until such time as the property of the Company has been distributed pursuant to Section 5.3 and the certificate of formation of the Company has been canceled pursuant to the Act.

(c) After the occurrence of an Event of Dissolution, and after all of the Company's debts, liabilities and obligations have been paid and discharged or adequate reserves have been made therefor and all of the remaining assets of the Company have been distributed to the Members, the Company shall make necessary resolutions and filings to dissolve the Company under the Act.

Article V
CAPITAL CONTRIBUTIONS; DISTRIBUTIONS; ALLOCATIONS

Section 5.1 Capital Contributions.

(a) If the Board determines that it is in the best interests of the Company to obtain additional equity capital for purposes of (i) developing, acquiring or maintaining Qualifying Core Assets or funding ordinary course operations of the Company Business (including with respect to any GenCo Offtake Agreement), (ii) satisfying the Company's or any of its Subsidiary's obligations to Third Parties (including in respect of the Indebtedness of the Company Group or under any Contract), (iii) complying with applicable Law or Order, or (iv) funding any Emergency Expenditures (any such determination by the Board an "Additional Funding Requirement"), then the Board may direct the Company to submit to the Members a written capital funding request notice (a "Capital Request Notice"), which Capital Request Notice shall set forth (A) the anticipated amount of, and the reason for, such Additional Funding Requirement, (B) each Member's requested share of such Additional Funding Requirement, which with respect to each Member shall equal such Member's Percentage Interest multiplied by the aggregate amount of the Additional Funding Requirement (such share, the "Pro Rata Request Amount") and (C) the funding date for such Additional Funding Requirement (the "Capital Request Funding Date"), which Capital Request Funding Date shall not be earlier than forty-five (45) days following the date on which such Capital Request Notice is delivered to the Members except for any Capital Request Notices pertaining to Emergency Expenditures in which case the Capital Request Funding Date shall not be earlier than ten (10) Business Days; provided, further, that, any Capital Request Notice shall only be made to the extent the Board reasonably determines that the additional equity capital requested will be timely spent following its contribution by the Members. Any Additional Funding Requirements for the period from the Investment Closing Date and including the date that is seven years from the Effective Date and which do not exceed the Maximum Investor Commitment shall be a "Mandatory Capital Contribution", provided, that for the avoidance of doubt the deemed contributions contemplated by the seventh Recital of this Agreement shall be disregarded in determining the outstanding amount of the Maximum Investor Commitment. Any Additional Funding Requirement shall require each Member to contribute its Pro Rata Request Amount; provided, that any obligations of the Investor Members under this Section 5.1(a) to contribute their respective Pro Rata Request Amounts shall be joint and several. Requests for additional equity capital other than pursuant to a Mandatory Capital Contribution shall be determined by the Board and each Member may, but shall not be obligated to, contribute its Pro Rata Request Amount as called for in the applicable Capital Request Notices; provided, that in the event the

BIP Investor Member elects to contribute its Pro Rata Request Amount as called for in the applicable Capital Request Notice and the VCOC Investor Member elects not to contribute its Pro Rata Request Amount, then the BIP Investor Member shall be required to fund the total Pro Rata Request Amount for the Investor Members, including such Pro Rata Request Amount allocated to the VCOC Investor Member. For the avoidance of doubt, other than (i) a Mandatory Capital Contribution pursuant to this Section 5.1, (ii) the joint and several obligations of the Investor Members to contribute their respective Pro Rata Request Amounts as set forth in this Section 5.1 and (iii) any obligation of the BIP Investor Member to fund on any Pro Rata Request Amount allocated to the VCOC Investor Member pursuant to the immediately preceding sentence, no Member shall have any obligation to fund any such requests for additional equity capital unless such Member indicates it will do so in accordance with this Section 5.1. Upon the receipt of a Capital Request Notice, each Member shall, within twenty (20) days of such receipt, provide written notice to the Company and the other Members as to the extent to which such Member intends to fund its Pro Rata Request Amount, whether in whole, in part or not at all (a “Response To Capital Call”). If one Member indicates in its Response To Capital Call that it does not intend to fund its Pro Rata Request Amount in full, and any other Member had, prior thereto, submitted a Response To Capital Call indicating that it intends to fund a greater percentage than any such other Member of its Pro Rata Request Amount, then any such other Member will be entitled to amend its Response To Capital Call to reduce its percentage funding to an amount representing a percentage of its Pro Rata Request Amount not less than the lower percentage indicated in the other Member’s Response to Capital Call; provided, that no Investor Member shall be entitled to reduce its percentage funding pursuant to this sentence if the Member that indicated its intent not to fund its Pro Rata Request Amount in full is an Investor Member. If no Response to Capital Call is received within such twenty (20) days, the Member shall be deemed to have elected to not fund.

(b) If any Member refuses or fails to make all or any portion of its Pro Rata Request Amount pursuant to this Section 5.1 on or prior to the applicable Capital Request Funding Date (such Member, the “Non-Contributing Member”, and the unfunded amount, the “Unfunded Amount”), then the Company shall provide written notice thereof to the other Member(s) (the “Contribution Unfunded Amount Notice”); provided, that if the Non-Contributing Member is an Investor Member, the Investor Members jointly shall be deemed the Non-Contributing Member and all references in this Section 5.1(b) to the Pro Rata Request Amount of the Non-Contributing Member shall refer to the aggregate Pro Rata Request Amount of both Investor Members combined, and

(i) Excess Contribution. To the extent that the Non-Contributing Member contributes less than all of its Pro Rata Request Amount, and any other Member who is not a Non-Contributing Member (an “Over-Contributing Member”) has contributed a greater percentage of its Pro Rata Request Amount than the Non-Contributing Member, such Over-Contributing Member shall have the right to elect to (A) receive a special distribution of the amount of such excess (the “Excess Contribution”), such that the Excess Contribution is returned to such Over-Contributing Member (and the Company shall cause such special distribution to be made as promptly as practicable), (B) have such Excess Contribution be treated as a loan to the Company (consistent with the methodology in clause (ii)(A), below), or (C) except in the event that the Non-Contributing Member is the NiSource Member, (1) have such Excess Contribution be treated as a contribution to capital of the Company (consistent with the methodology in clause (ii)(B) below) or (2) or so long as the Non-Contributing Member is an Affiliated Member and solely if the Non-Contributing Member has an amount still outstanding under either Equity Commitment Letter under this Agreement, and only up to such amount, have such Excess Contribution be treated as a contribution to capital of GHII on behalf of a GHII Member designated by such Over-Contributing Member (consistent with the methodology in Section 5.1(b)(ii)(B) of the GHII Operating Agreement), (which election shall be made by written notice to the Company and the other Members no later than ten (10) Business Days following the date of the Contribution Unfunded Amount Notice and any may consist of any combination thereof). Further the Members hereby agree and acknowledge that any Excess Contribution (as defined in the GHII Operating Agreement) under the GHII Operating Agreement, which an Over-Contributing Member (as defined in the GHII Operating Agreement) under the GHII Operating Agreement has elected to be treated as a contribution to capital of the Company (i.e., NIPSCO Holdings II LLC) pursuant to clause (C)(2) of Section 5.1(b)(i) of the GHII Operating Agreement, shall be deemed to be a capital contribution under this Agreement in respect of an Excess Contribution, in accordance with Section 5.1(b)(ii)(B), on behalf of the Member designated by such GHII Member.

(ii) Top-Up Right. A Member that has paid its full Pro Rata Request Amount (the “Contributing Member”); provided, that no Investor Member may be a Contributing Member if the other Investor Member has not paid its full Pro Rata Request Amount unless an Investor Member has funded the full Pro Rata Request Amount of any other Investor Member on behalf of such Investor Member) shall have the right (but not the obligation) to elect to contribute any portion of the Unfunded Amount in accordance with this Section 5.1(b) (X) as a loan to the Company or (Y) except in the event that the Non-Contributing Member is the NiSource Member, (1) as a capital contribution to the Company in accordance with the following procedures or (2) so long the Non-Contributing Member is an Affiliated Member and solely if the Non-Contributing Member has an amount still outstanding under either Equity Commitment Letter under this Agreement, and only up to such amount, as a capital contribution to GHII in accordance with the procedures set forth below or in Section 5.1(b)(ii)(B) of the GHII Operating Agreement, as applicable, which election shall be made by written notice to the Company and the other Members no later than ten (10) Business Days following the date of the Contribution Unfunded Amount Notice and may consist of any combination thereof. Further the Members hereby agree and acknowledge that any Unfunded Amount (as defined in the GHII Operating Agreement) under the GHII Operating Agreement, which a Contributing Member (as defined in the GHII Operating Agreement) under the GHII Operating Agreement has contributed and elected to be treated as a contribution to capital to the Company (i.e., NIPSCO Holdings II LLC) pursuant to clause (Y)(2) of Section 5.1(b)(ii) of the GHII Operating Agreement, shall be deemed to be a capital contribution in respect of an Unfunded Amount, in accordance with Section 5.1(b)(ii)(B), on behalf of the Member designated by such GHII Member.

(A) Loan. The Contributing Member may elect to advance all or a portion of the Unfunded Amount to the Company on behalf of the Non-Contributing Member, which advance shall be treated as a loan by the Contributing Member to the Company (an “Unfunded Amount Loan”) at an interest rate equal to a floating rate equal to the Wall Street Journal Prime Rate plus 0.75% per annum. Subject to the terms of this Agreement, each Unfunded Amount Loan shall be repaid out of any subsequent distributions made pursuant to Section 5.2 to which the Non-Contributing Member would otherwise be entitled under this Agreement, and such payments shall be applied first to the payment of accrued but unpaid interest on each such Unfunded Amount Loan and then to the payment of the outstanding principal, until such Unfunded Amount Loan is paid in full.

(B) Capital Contribution. Except in the event that the Non-Contributing Member is the NiSource Member, the Contributing Member may elect to contribute an amount equal to all or a portion of the Unfunded Amount to the Company. If the Contributing Member elects to contribute to the Company all or a portion of the Unfunded Amount, then, on or after the earlier of the date that the Non-Contributing Member indicates it will not cure the failure to fund its full Pro Rata Request Amount and the thirtieth (30th) day following the date of the Contribution Unfunded Amount Notice, the Company shall issue to the Contributing Member the amount of additional Membership Interests that can be purchased for such funded amount at a price per Membership Interest equal to ninety percent (90%) of the Fair Market Value of the Company (measured as of the date that such contribution is to be made) per Membership Interest until the NiSource Member has purchased up to \$425,000,000 of additional Membership Interests pursuant hereto in respect of any Unfunded Amount, and thereafter at Fair Market Value of the Company, and the Contributing Member’s and the Non-Contributing Member’s respective Percentage Interests will be adjusted accordingly. For the avoidance of doubt, this subsection shall in all respects not be subject to the rights and procedures set forth in Section 7.1.

(C) Cure Right. Notwithstanding anything to the contrary in this Section 5.1, on or before the thirtieth (30th) day following the date of the Contribution Unfunded Amount Notice, a Non-Contributing Member may make a contribution to the Company equal to the sum of the Unfunded Amount plus, if the Contributing Member already made an Unfunded Amount Loan in respect of such Unfunded Amount, any interest accrued on the Unfunded Amount Loan, following which (1) the Unfunded Amount advanced by the Contributing Member to the Company together with any such interest shall be paid to the Contributing Member, and (2) the former Non-Contributing Member shall be deemed to have cured its failure to pay the Pro Rata Request Amount prior to the Capital Request Funding Date with respect to the applicable Capital Request Notice.

For the avoidance of doubt, the remedies set forth in Section 5.1(b)(i)(B) shall not apply to an Event of Default by the NiSource Member.

(c) If the Non-Contributing Member is an Investor Member and it refuses or fails to make its full Pro Rata Request Amount pursuant to this Section 5.1 on or prior to the applicable Capital Request Funding Date and the Contributing Member has not fully funded the Unfunded Amount in accordance with Section 5.1(b), then on or after the thirtieth (30th) day following the date of the applicable Contribution Unfunded Amount Notice, the Board may authorize the Company to seek additional equity funds on commercially reasonable terms from a Third Party in an amount up to the difference between the total Additional Funding Requirement requested and the total funds received by the Company from the Non-Contributing Member and the Contributing Member (including any additional funds that the Contributing Member may have contributed pursuant to Section 5.1(b)), and to issue Membership Interests to Third Parties in connection therewith pursuant to this Section 5.1(c). The terms and rights of the Membership Interests issued pursuant to this Section 5.1 must be on terms no better than the Membership Interests that would have been issued to the applicable Member had they been a Contributing Member. If the Board determines to seek additional equity funds from and issue Membership Interests to a Third Party pursuant to this Section 5.1(c), then the Company must consummate such issuance within 180 days following the Capital Request Funding Date. If such issuance is not consummated within such 180-day period, then the Company's right to so issue Membership Interests to a Third Party in connection with the applicable Additional Funding Requirement shall be lapsed, and the Company shall not thereafter issue any Membership Interests to a Third Party in connection with such Additional Funding Requirement; provided, that, if a definitive agreement providing for such issuance is executed prior to the expiration of such 180-day period but the issuance has not been consummated at the expiration of such period solely as a result of a failure to receive the requisite authorization, approval or consent of any Governmental Body in respect of such issuance, then such period shall be extended solely to the extent necessary to permit the receipt of all such authorizations, approvals or consents which are in process but have not been received from the relevant Governmental Body as of such original expiration date and the consummation of the issuance provided for in such definitive agreement; provided, further, that the Company shall have used its reasonable best efforts in seeking such authorizations, approvals and consents. Upon the completion of such issuance of Membership Interests pursuant to this Section 5.1(c), the Company shall give written notice to the Members of such issuance, which notice shall specify (i) the total number of new Membership Interests issued, (ii) the price per Membership Interest at which the Company issued the Membership Interests, and (iii) any other material terms of the issuance. Upon the issuance of new Membership Interests pursuant to this Section 5.1(c), the Contributing Member's and Non-Contributing Member's respective Percentage Interests will be adjusted accordingly. In no event shall any such issuance be subject to Section 7.1 or 8.1.

(d) If a Member does not make a Mandatory Capital Contribution or indicates in its Response to Capital Call that it shall make its Pro Rata Request Amount but then does not fund such amounts, such Member shall be a Defaulting Member, provided, that at any time the Defaulting Member is an Investor Member, then both Investor Members shall be deemed Defaulting Members until such Investor Member ceases to be a Defaulting Member according to the terms of this Agreement.

(e) In the event that there is an Investor Call Trigger, the NiSource Member (or its Affiliate) may (but is not required to), at its option at any time, acquire all (but not less than all) of the Membership Interests held by the Investor Members (the "Call Right") by giving written notice (the "Call Notice") to the BIP Investor Member of its election to exercise the Call Right; provided, that, other than with respect to clause (ii) or (iii) of the definition of Investor Call Trigger, the applicable Investor Member shall have sixty (60) days following the Call Notice to cure the event giving rise to the Call Notice, if capable of being so cured (the "Cure Period"). The purchase price payable by the NiSource Member in connection with the exercise of the Call Right shall be equal to the product of (i) with respect to an Investor Call Trigger pursuant to clause (i) of the definition thereof, ninety percent (90%) of the Fair Market Value of the Company, (ii) with respect to an Investor Call Trigger pursuant to clause (ii) of the definition thereof, one hundred percent (100%) of the Fair Market Value of the Company and (iii) with respect to an Investor Call Trigger pursuant to clause (iii) of the definition thereof, the greater of one hundred percent (100%) of the Fair Market Value of the Company or such amount which would satisfy the Spin Return Threshold (in each case, measured as of the date of the delivery of the Call Notice to the BIP Investor

Member), multiplied (ii) by a fraction, (A) the numerator of which is the number of Membership Interests that the Investor Members own in the aggregate at such time and (B) the denominator of which is the total number of Membership Interests then outstanding (the amount equal to such product, the “Call Exercise Price”). If the Call Right is exercised by the NiSource Member, each of the Parties shall take all actions as may be reasonably necessary to consummate the transactions contemplated by this Section 5.1(e) as promptly as practicable, but in any event not later than thirty (30) days after the end of the Cure Period, or so long as necessary to obtain all required authorizations, approvals, or consents (such period, the “Call Consummation Period”), including entering into agreements and delivering certificates and instruments and consents as may be deemed necessary; provided, that, with respect to an Investor Call Trigger pursuant to clause (iii) of the definition thereof, the closing of the Call Right shall occur concurrently with or immediately prior to the underlying spin-off, split-off or similar transaction giving rise to the Call Right. If either Investor Member fails to take all actions necessary to consummate the Transfer of the Membership Interests held by it in accordance with this Section 5.1(e) prior to the expiration of the Call Consummation Period, then the Investor Members jointly shall be deemed to be in material breach of this Agreement for purposes of Article IV and for all other purposes hereunder, shall be deemed a Defaulting Member, and shall be deemed to have granted (and hereby grants, contingent only on the occurrence of such failure) an irrevocable appointment of any Person nominated for the purpose by the NiSource Member to be the Investor Members’ agent and attorney to execute all necessary documentation and instruments on its behalf to Transfer the Investor Member’s Membership Interests to the Company as the holder thereof, in each case consistent with the provisions of this Section 5.1(e). At the consummation of any purchase and sale pursuant to this Section 5.1(e), the Investor Members shall sell to the NiSource Member all of the Membership Interests owned by the Investor Members in exchange for the Call Exercise Price. Contemporaneously with its receipt from the NiSource Member of the Call Exercise Price, the Investor Members shall Transfer to the NiSource Member all of the Membership Interests owned by the Investor Members, free and clear of all Liens. The Members and the Company acknowledge and agree that they shall cooperate reasonably to obtain any necessary authorization, approval or consent of any Governmental Body to consummate the transactions contemplated by this Section 5.1(e). For the avoidance of doubt, in the event the Call Right is exercised, the BIP Investor Member may request the Fair Market Value be determined in accordance with Section 13.15, regardless of the Investor Members’ aggregate Percentage Interest at such time.

(f) The BIP Investor Member has delivered to the Company on or prior to the Effective Date the Equity Commitment Letters. In the event that either Investor Member fails to make any Mandatory Capital Contribution from the Investment Closing Date to and including the seventh (7th) anniversary of the Effective Date, and so long as the Maximum Investor Commitment has not been fully paid provided, that for the avoidance of doubt the deemed contributions contemplated by the seventh Recital of this Agreement shall be disregarded in determining the outstanding amount of the Maximum Investor Commitment, the Company shall be entitled to enforce the Equity Commitment Letters for any portion of the Investor Members’ aggregate Pro Rata Request Amount, in addition to the other remedies provided herein (with the Directors appointed by the BIP Investor Member abstaining from determining any such enforcement).

(g) Notwithstanding anything contained herein to the contrary, to the extent the Company has not distributed one hundred percent (100%) of the Purchase Price (as defined in the PSA) to the NiSource Member prior to the Effective Date (any such shortfall, the “NiSource Shortfall Amount”), the NiSource Member shall have no obligation with respect to any Additional Funding Requirement pursuant to Section 5.1(a) unless or until the cumulative amount of any Additional Funding Requirement otherwise imposed upon the NiSource Member exceeds the NiSource Shortfall Amount, if any. For the avoidance of doubt, the NiSource Shortfall Amount, if any, shall in no way affect the Members’ Percentage Interests herein, and the NiSource Shortfall Amount, if any, shall not be Available Cash subject to distribution to the Members pursuant to Section 5.2.

Section 5.2 Distributions Generally.

(a) Except as otherwise provided herein and subject to Section 5.2(b), Section 5.2(c), and the Act, no later than seventy-five (75) days after the end of each fiscal quarter, the Company shall make distributions in cash of all its Available Cash in respect of such fiscal quarter. The Company may make such other more frequent distributions (including interim distributions) at such times and in such amounts as the Board may determine.

(b) Except as otherwise provided herein, all distributions shall be paid to the Members only in cash and in the same proportion as their respective Percentage Interest; provided, that, in the case of distributions to be paid in respect of any period during which the Percentage Interest of the Members changed, such distributions shall be prorated to reflect the Percentage Interest of the Members on each day of such measurement period, and the Company and the Members shall take such action as necessary to effectuate such proration.

(c) With respect to each taxable year, at such times necessary to allow the Members to timely satisfy all of their U.S. federal, state and local and non-U.S. tax liabilities, prior to any distributions pursuant to Section 5.2(a) and subject to Available Cash and any restrictions contained in any loan agreement or other contract to which the Company is a party or by which it is bound, the Company shall make cash distributions ("Tax Distributions") to each Member equal to such Member's quarterly Assumed Tax Liability determined based on the Board's good faith estimate of the projected Profits for such taxable year; provided, however, that to the extent a Member would otherwise be entitled to receive less than its Percentage Interest of the aggregate Tax Distributions to be paid pursuant to this Section 5.2(c) on any given date, then the Tax Distributions to such Member shall be increased, as necessary, to ensure that all such Tax Distributions made pursuant to this Section 5.2(c) are made pro rata in accordance with the Members' respective Percentage Interests. The Company and the Board shall not have any liability to any Member for penalties arising from non-payment or incorrect estimates of such Member's estimated tax payments. Any distributions made pursuant to this Section 5.2(c) shall be treated for purposes of this Agreement as having been distributed pursuant to Section 5.2(a) and shall reduce, dollar-for-dollar, the amount otherwise distributable to such Member pursuant to Section 5.2(a). To the extent the Company does not have sufficient funds and thereby is unable to pay to the Members the full amount of any Tax Distribution otherwise payable pursuant to this Section 5.2(c), the Company shall pay the amount of such shortfall to the Members (pro rata, in accordance with the amount of any such shortfall then owing to such Members) as promptly thereafter as such funds become available. If with respect to any taxable year, the aggregate amount of distributions made to a Member under this Section 5.2(c) is in excess of the amount that would result from the application of this Section 5.2(c) to the entire taxable year, then the amount of such excess shall be treated as an advance against, and shall reduce the amount of, any future distributions made with respect to such Member pursuant to this Section 5.2(c), but shall not reduce Tax Distributions made to a Member to provide such Member with its pro rata Percentage Interest of Tax Distributions.

(d) Notwithstanding the terms of this Section 5.2 and any other provision of this Agreement, (i) the Company shall not make any distribution to any Member on account of its Membership Interests to the extent such distribution would violate the Act, other applicable Law or an Order, and (ii) a Member may direct the payment of part or all of any distribution to another Person by providing written notice of such direction to the Company.

Section 5.3 Distributions upon the Occurrence of an Event of Dissolution. Upon the occurrence of an Event of Dissolution, the Board will proceed, subject to the provisions herein, to wind up the affairs of the Company, liquidate and distribute the remaining assets of the Company (provided, however, that all distributions shall be paid to the Members only in cash and in accordance with the following order of priority: (i) first, to the NiSource Member to the extent the NiSource Shortfall Amount, if any, exceeds the cumulative amount of any Additional Funding Requirement otherwise imposed upon the NiSource Member pursuant to Section 5.1(a), and (ii) second, to the Members in accordance with their Percentage Interests) and apply the proceeds of such liquidation in the order of priority in accordance with Section 18-804 of the Act or as may otherwise be agreed to by the Members; provided, however, that notwithstanding anything contained herein to the contrary, the NiSource Notes shall be paid first. If the assets of the Company remaining after the payment or discharge of all debts and liabilities of the Company are insufficient to return capital contributions of each Member, such Member shall have no recourse against the Company or any other Member.

Section 5.4 Capital Accounts.

(a) A separate Capital Account for each Member shall be established on the books and records of the Company in compliance with Section 704(b) of the Code and the Treasury Regulations. The initial Capital Accounts of each Member are set forth on Schedule 1. This Section 5.4(a) and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Treasury Regulation Sections 1.704-1(b) and 1.704-2, and shall be interpreted and applied in

a manner consistent with such Treasury Regulation, as determined by the Board in its reasonable discretion.

(b) No Member shall be required to pay to any other Member or the Company any deficit or negative balance which may exist from time to time in such Member's Capital Account (including upon and after dissolution of the Company).

Section 5.5 Withdrawal of Capital; Interest. Except as expressly provided in this Agreement, (a) no Member may withdraw capital or receive any distributions from the Company and (b) no interest shall be paid by the Company on any capital contribution or distribution.

Section 5.6 Allocation of Profits and Losses.

(a) Subject to Section 5.6(b), and after the application of the allocation rules in Section 5.7, Profits and Losses and, if the Board in its discretion determines it to be necessary, individual items thereof, for an Allocation Year (or other relevant period) shall be allocated among the Members for such Allocation Year (or other relevant period) in a manner determined by the Board so as to produce, as nearly as possible, the sum of (a) the Capital Account balance for each Member at the end of such Allocation Year (or other relevant period) and (b) such Member's share of Company Minimum Gain and Member Nonrecourse Debt Minimum Gain, if any, equal to the hypothetical cash that would be distributed to such Member if (x) the Company were dissolved, its affairs wound up and its assets sold for an amount of hypothetical cash equal to the sum of the Gross Asset Values of the assets at the end of such Allocation Year (or other relevant period), (y) the Company paid all of its liabilities in accordance with their terms up to the amount of the hypothetical cash (limited with respect to each Nonrecourse Liability to the Gross Asset Value of the asset securing such liability), and (z) the remaining hypothetical cash from the deemed sale were immediately distributed to the Members in accordance with Section 5.3.

(b) Notwithstanding the foregoing provisions of Section 5.6(a), the Losses (or items of expense or deduction or loss) allocated pursuant to Section 5.6(a) shall not exceed the maximum amount that can be so allocated without causing any Member to have an Adjusted Capital Account Deficit at the end of any Allocation Year (or other relevant period). In the event some, but not all, of the Members would have an Adjusted Capital Account Deficit as a consequence of an allocation of Losses pursuant to Section 5.6(a), the limitation set forth in this Section 5.6(b) shall be applied on a Member-by-Member basis so as to allocate the maximum permissible Losses to each Member under Treasury Regulations Section 1.704-1(b)(2)(ii)(d). All Losses (or items of expense or deduction or loss) in excess of the limitation set forth in this Section 5.6(b) shall be allocated to other Members in accordance with the positive balances in such Members' Adjusted Capital Accounts so as to allocate the maximum permissible Losses to each Member under Treasury Regulations Section 1.704-1(b)(2)(ii)(d).

Section 5.7 Special Allocations. Any allocation of Profits and Losses (or items thereof) for purposes of maintaining Capital Accounts will, however, be subject to any adjustment required to comply with Treasury Regulations Sections 1.704-1 and 1.704-2, including the following adjustments and special allocations which shall be made in the following order of priority and prior to any allocation under Section 5.6(a):

(a) Except as otherwise provided in Treasury Regulations Section 1.704-2(f), notwithstanding any other provision of this Article V, if there is a net decrease in Company Minimum Gain during an Allocation Year (or other relevant period), then each Member shall be specially allocated items of Company income and gain for such Allocation Year (or other relevant period) (and, if necessary, for subsequent Allocation Years (or other relevant periods)) in an amount equal to such Member's share of the net decrease in Company Minimum Gain, determined in accordance with Treasury Regulations Section 1.704-2(g)(2). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member in accordance with Treasury Regulations Sections 1.704-2(f)(6) and 1.704-2(j)(2). This Section 5.7(a) is intended to comply with the minimum gain chargeback requirement of Treasury Regulations Section 1.704-2(f) and shall be interpreted consistently therewith.

(b) Except as otherwise provided in Treasury Regulations Section 1.704-2(i)(4), notwithstanding any other provision of this Article V, if there is a net decrease in Member Nonrecourse Debt Minimum Gain attributable to a Member Nonrecourse Debt during any Allocation Year (or other relevant period), then each Member who has a share of the Member Nonrecourse Debt Minimum Gain

attributable to such Member Nonrecourse Debt, determined in accordance with Treasury Regulations Section 1.704-2(i)(5), shall be specially allocated items of Company income and gain for such Allocation Year (or other relevant period) (and, if necessary, for subsequent Allocation Years (or other relevant periods)) in an amount equal to such Member's share of the net decrease in Member Nonrecourse Debt Minimum Gain attributable to such Member Nonrecourse Debt, determined in a manner consistent with the provisions of Treasury Regulations Section 1.704-2(i)(4). The items to be allocated shall be determined in accordance with Treasury Regulations Sections 1.704-2(i)(4) and 1.704-2(j)(2). This Section 5.7(b) is intended to comply with the Member nonrecourse debt minimum gain chargeback requirement of Regulations Section 1.704-2(i)(4) and shall be interpreted consistently therewith.

(c) If any Member unexpectedly receives an adjustment, allocation, or distribution of the type contemplated by Treasury Regulations Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5) or 1.704-1(b)(2)(ii)(d)(6) resulting in, or increasing, an Adjusted Capital Account Deficit for such Member, then items of Company income and gain shall be specially allocated to all such Members in an amount and manner sufficient to eliminate, to the extent required by the Treasury Regulations, the Adjusted Capital Account Deficit of such Member as quickly as possible, provided that an allocation pursuant to this Section 5.7(c) shall be made only if and to the extent that such Member would have an Adjusted Capital Account Deficit after all other allocations provided for in this Article V have been tentatively made as if this Section 5.7(c) were not in this Agreement. It is intended that this Section 5.7(c) qualify and be construed as a "qualified income offset" within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

(d) If any Member has an Adjusted Capital Account Deficit at the end of any Allocation Year (or other relevant period) in excess of the sum of (A) the amount such Member is required to restore pursuant to the provisions of this Agreement and (B) the amount such Member is deemed obligated to restore pursuant to Treasury Regulations Sections 1.704-2(g) and 1.704-2(i)(5), such Member shall be specially allocated items of Company income and gain in the amount of such deficit as quickly as possible; provided, however, that an allocation pursuant to this Section 5.7(d) shall be made only if and to the extent that such Member would have an Adjusted Capital Account Deficit after all other allocations provided for in this Section 5.7 have been tentatively made as if Section 5.7(c) and this Section 5.7(d) were not in this Agreement.

(e) To the extent that an adjustment to the adjusted tax basis of any Company asset pursuant to Code Section 734(b) is required, pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts as the result of a distribution to a Member in complete liquidation of its Membership Interest, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis), and such gain or loss shall be specially allocated to the Members in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m).

(f) The Nonrecourse Deductions for each Allocation Year (or other relevant period) shall be allocated to the Members in proportion to their relative Percentage Interests.

(g) The Member Nonrecourse Deductions shall be allocated each Allocation Year (or other relevant period) to the Member that bears the economic risk of loss (within the meaning of Treasury Regulations Section 1.752-2) for the Member Nonrecourse Debt to which such Member Nonrecourse Deductions are attributable.

(h) The allocations set forth in Section 5.7(a) through Section 5.7(g) (collectively, the "Regulatory Allocations") are intended to comply with certain requirements of the Treasury Regulations. It is the intent of the parties to this Agreement that, to the extent possible, all Regulatory Allocations will be offset in the current Allocation Year or future Allocation Years either with other Regulatory Allocations or with special allocations of other items of Company income, gain, loss or deduction pursuant to this Article V. Therefore, notwithstanding any other provision of this Section 5.7(h) (other than the Regulatory Allocations), the Board shall make such offsetting special allocations of Company income, gain, loss, or deduction (to the extent permissible) among the Members so that, after such offsetting allocations are made, each Member's Capital Account balance is, to the extent possible, equal

to the Capital Account balance such Member would have had if the Regulatory Allocations were not part of the Agreement and all Company items were allocated pursuant to Section 5.6(a).

Section 5.8 Other Allocation Rules for Profits and Losses for Capital Accounts.

(a) In the event Members are admitted to the Company pursuant to this Agreement on different dates, the Company items of income, gain, loss, deduction, and credit allocated to the Members for each Allocation Year during which Members are so admitted shall be allocated among the Members in proportion to their respective interests during such Allocation Year using any reasonable convention permitted by Section 706 of the Code and selected by the Board (or its designee).

(b) In the event a Member transfers its Membership Interests during an Allocation Year, the allocation of Company items of income, gain, loss, deduction, and credit allocated to such Member and its transferee for such Allocation Year shall be made between such Member and its transferee in accordance with Section 706 of the Code using any reasonable convention permitted by Section 706 of the Code and selected by the Board (or its designee).

Section 5.9 Tax Allocations; Code Section 704(c) Allocations.

(a) Except as provided in this Section 5.9, for income tax purposes under the Code and the Treasury Regulations each Company item of income, gain, loss, deduction and credit shall be allocated among the Members in the same manner as its correlative item of Profit and Loss for the Allocation Year (or other relevant period).

(b) In accordance with Code Section 704(c) and the Treasury Regulations, items of income, gain, loss, and deduction with respect to any property of the Company shall, solely for income tax purposes, be allocated among the Members so as to take account of any variation between the adjusted tax basis of such property and its initial Gross Asset Value pursuant to any permissible method under the Treasury Regulations as may be determined by the Partnership Representative in its discretion; provided, however, with respect to any Company asset that is contributed to the Company with a Gross Asset Value that varies from its basis in the hands of the contributing Member immediately preceding the date of contribution shall be allocated among the Members for income tax purposes using the “traditional method,” with no “curative allocation” of income or gain to offset any “shortfall” in depreciation that results by reason of the use of the “traditional method,” as defined in Treasury Regulations Section 1.704-3(b), including upon sale of any property or upon the a subsequent issuance of additional membership interests, an in-kind contribution of property to the Company in exchange for membership interest, or a redemption of membership interests.

(c) If any portion of gain recognized from the disposition of assets by the Company represents the “recapture” of previously allocated deductions by virtue of the application of Code Section 1245 or 1250 (the “Recapture Gain”), such Recapture Gain shall be allocated, solely for income tax purposes, in accordance with Treasury Regulations Sections 1.1245-1(e)(2) and (3) and 1.1250-1(f).

(d) Tax credits and tax credit recapture shall be allocated among the Members in accordance with any reasonable method selected by the Board (or its designee) that is permitted by applicable tax laws.

(e) Unless otherwise provided in this Section 5.9, any material elections or other decisions relating to allocations for income tax purposes, including selecting any allocation method under Treasury Regulation Section 1.704-3, shall be made by the Board and shall reflect the economic intent of parties.

(f) Allocations pursuant to this Section 5.9 are solely for income tax purposes and shall not affect, or in any way be taken into account in computing, any Member’s Capital Account.

Section 5.10 Allocation of Liabilities. The liabilities of the Company shall be allocated to the Members in any manner permitted under Code Section 752 and Treasury Regulations promulgated thereunder and as selected by the Board (or its designee); provided, however, for the avoidance of doubt, NIPSCO’s intercompany debt payable to Parent as of the Investment Closing Date is recourse debt and shall be allocated one hundred percent (100%) to NIPSCO Holdings I under Treasury Regulations Section 1.752-2(c) for disguised sale and basis purposes.

Section 5.11 Compliance with Tax Laws. The allocation rules set forth in Section 5.6 through Section 5.10 are intended to comply with the Code and Treasury Regulations and to ensure that all allocations under this Article V are respected for United States federal income tax purposes and shall be interpreted consistently with such intent. If, for any reason, the Board determines that any provision of Section 5.6 through Section 5.10 does not comply with the Code or Treasury Regulations or that the allocations under this Article V may not be respected for United States federal income tax purposes, the Board may, subject to the next sentence, take all reasonable actions, including amending this Article V or adjusting a Member's Capital Account or how Capital Accounts are maintained, to ensure compliance with the Code and Treasury Regulations and that the allocations provided for in this Article V shall be respected for United States federal income tax purposes. Nothing in this Section 5.11 shall permit any changes to the provisions of Section 5.2 or Section 5.3.

Article VI

TRANSFERS OF MEMBERSHIP INTERESTS

Section 6.1 General Restriction.

(a) No Member shall Transfer any of its Membership Interests except pursuant to and in accordance with this Article VI. Any purported Transfer by any Member of its Membership Interests in violation of this Section 6.1(a), or without compliance in all respects with the provisions of this Article VI pertaining to such purported Transfer, shall be invalid and void ab initio, and such purported Transfer by such Member shall constitute a material breach of this Agreement for purposes of Article VI.

(b) Subject to Section 6.2, neither the Investor Members nor the NiSource Member may Transfer any of its or their Membership Interests to any Person prior to the date that is the third (3rd) anniversary of the Investment Closing Date (the "Lock-Up Period"), other than (i) in connection with any spin off, split off or similar transaction of the Company, the NiSource Member or NIPSCO, or any of their Affiliates, in each case, subject to the NiSource Member's compliance with Section 5.1(e) or Section 6.5 and the satisfaction of the Spin Return Threshold, or (ii) with the prior written consent of the NiSource Member, on the one hand, or the BIP Investor Member, on the other hand, as applicable. After the expiration of the Lock-Up Period, each of the Investor Members and the NiSource Member, as applicable, may Transfer its Membership Interests in accordance with this Article VI. Notwithstanding the forgoing, each of the Members may at any time Transfer Membership Interests in compliance with Section 6.2.

(c) Transfers by Members in accordance with and pursuant to this Article VI shall entitle each applicable transferee to the rights and obligations of the transferor under this Agreement.

(d) The Investor Members and the NiSource Member acknowledge any indirect Transfers of any Member's Membership Interest shall be deemed a Transfer by such Member hereunder. The Parent has joined this Agreement solely for the purpose of acknowledging the obligations of the NiSource Member under this Article VI.

Section 6.2 Transfers to Permitted Transferees; Liens by Members.

(a) Notwithstanding Section 6.1, each of the Members may Transfer at any time all or any portion of the Membership Interests held by it to any one of its Permitted Transferees; provided, that, in connection with any such Transfer, (a) such Permitted Transferee shall, in writing, assume all of the rights and obligations of the transferring Member as a Member under this Agreement and as a Party hereto with respect to the transferred Membership Interests, (b) such Permitted Transferee is as creditworthy as the transferring Member and provides evidence thereof to the non-transferring Members, (c) the transferring Member remains liable for all liabilities and obligations of the Permitted Transferee, and (d) effective provision shall be made whereby such Permitted Transferee shall be required, prior to the time when it shall cease to be a Permitted Transferee of the transferring Member, to Transfer such Membership Interests to the transferring Member or to another Person that would be a Permitted Transferee of the transferring Member as of such applicable time. In the event that a Member (including, as the case may be, a Permitted Transferee) intends to Transfer its Membership Interests to a Permitted Transferee, such transferring Member or the Permitted Transferee, as applicable, shall notify the other Members and the Company of the intended Transfer at least twenty (20) Business Days prior to the intended Transfer.

(b) Each Member shall be permitted to directly or indirectly Encumber its Membership Interests or any equity interests in such Member in connection with any debt financing, the proceeds of which have been or will be used by such Member to finance its purchase of such Membership Interests (whether in respect of an issuance of new Membership Interests by the Company or the purchase of existing Membership Interests from a Member or the refinancing of any such debt financing in the future), to fund the capital expenditure needs of the Company and its Subsidiaries or to fund its capital needs for any Mandatory Capital Contribution and neither such Lien nor any commencement or consummation of foreclosure proceedings or exercise of foreclosure remedies by a secured party on a Member's Membership Interests Encumbered in connection with any such debt financing shall, in either case, be considered a "Transfer" for any purpose under this Agreement; provided, that (i) such Member shall be obligated to promptly notify the other Members and the Company in writing following the commencement of any such foreclosure remedies or proceedings, (ii) in the event of the consummation of such a foreclosure, such Member will automatically cease to be deemed the owner of the Membership Interests so foreclosed and will cease to have any rights in respect thereof (with the financing source foreclosing on such Membership Interests succeeding to the rights and responsibilities of the Member hereunder), and (iii) the consummation of any such foreclosure will be subject to the receipt of any required authorization, approval or consent of all applicable Governmental Bodies; provided, further, following exercise of any foreclosure or similar rights, such lender or similar Person may not further Transfer such Membership Interests without complying with this Article VI, including, Section 6.3.

Section 6.3 Right of First Offer.

(a) Prior to any Transfer by a Member (each, a "Transferring Member") of all or any portion of its Membership Interests other than to a Permitted Transferee of such Transferring Member, the Transferring Member must first offer to sell to the other Members (the "Non-Transferring Member"; provided, that (x) if the Transferring Member is an Investor Member, the other Investor Member shall not be deemed a Non-Transferring Member for any purpose under this Section 6.3 and (y) if the Transferring Member is the NiSource Member, the Investor Members jointly shall be deemed the Non-Transferring Member for all purposes under this Section 6.3) all of its Membership Interests that it desires to sell (such Membership Interests to be offered for sale to the Non-Transferring Member pursuant to this Section 6.3, the "Subject Membership Interests"), in each case, in accordance with the procedures set forth in the provisions of this Section 6.3.

(i) The Transferring Member shall first deliver to the Non-Transferring Member a written notice which shall be a binding offer (a "Sale Notice") setting forth the cash price and all of the other material terms and conditions at which the Transferring Member is willing to sell the Subject Membership Interests to the Non-Transferring Member, which notice shall constitute an offer to the Non-Transferring Member to effect such purchase and sale on the terms set forth therein. Any such Sale Notice shall be firm, not subject to withdrawal and prepared and delivered in good faith. Within ninety (90) days following its receipt of a Sale Notice, the Non-Transferring Member may accept the Transferring Member's offer and purchase the Subject Membership Interests at the cash price and upon the other material terms and conditions set forth in the Sale Notice, in which event the closing of the purchase and sale of the Subject Membership Interests will take place as promptly as practicable, subject to customary closing conditions, including the receipt of required regulatory approvals. The Sale Notice shall contain representations and warranties by the Transferring Member to the Non-Transferring Member that (A) the Transferring Member has full right, title and interest in and to the Subject Membership Interests, (B) the Transferring Member has all the necessary power and authority and has taken all necessary action to Transfer the Subject Membership Interests to the Non-Transferring Member as contemplated by this Section 6.3, and (C) the Subject Membership Interests are free and clear of any and all Liens other than those arising as a result of or under the terms of this Agreement and those arising under securities Laws of general applicability pertaining to limitations on the transfer of unregistered securities or (D) such other customary representations and warranties.

(ii) If the Non-Transferring Member does not accept the Transferring Member's offer within such ninety (90)-day period, then the Transferring Member will, for a period of 180 days commencing on the earlier of (A) the expiration of such ninety (90)-day period and (B) the delivery of a written notice by the Non-Transferring Member to the Transferring Member rejecting the offer set forth in the Sale Notice (if any) (such 180-day period, the "Sale Period"), be entitled to sell the Subject Membership Interests to any one Third Party at the same or higher price and upon other terms and

conditions (excluding price) that are not more favorable to the acquiror than those specified in the Sale Notice, subject to the other terms of this Section 6.3. If such sale to any Third Party is not completed prior to the expiration of the Sale Period, then the process initiated by the delivery of the Sale Notice shall be lapsed, and the Transferring Member will be required to repeat the process set forth in this Section 6.3 before entering into any agreement with respect to, or consummating, any sale of Membership Interests to any Third Party; provided, that if a definitive agreement providing for the consummation of such sale is executed within the Sale Period but such sale has not been consummated at the expiration of the Sale Period solely as a result of a failure to receive the requisite authorization, approval or consent of any Governmental Body in respect of such sale, then the Sale Period shall be extended solely to the extent necessary to permit the receipt of all such authorizations, approvals or consents which are in process but have not been received from the relevant Governmental Body as of the original expiration date of the Sale Period and the consummation of the sale provided for in such definitive agreement; provided, that the Transferring Member shall have used efforts in seeking such authorizations, approvals and consents, consistent with its obligations under such definitive agreements in respect thereof.

(b) The Investor Members and their respective Permitted Transferees (if any) shall not be permitted to Transfer any of their Membership Interests to a Prohibited Competitor without the prior written consent of the NiSource Member. Within ten (10) Business Days after January 1, 2024 (and each year thereafter during the ten (10) Business Day period beginning on January 1 of the applicable year), the NiSource Member shall have the right (i) to update the list of Prohibited Competitors set forth on Appendix (A) to replace no more than three (3) of the Prohibited Competitors with other Competitors designated by the NiSource Member, and (ii) in addition to any replacements pursuant to clause (i), to add up to two (2) additional Competitors designated by the NiSource Member to such list.

(c) No Transfer of Membership Interests by an Investor Member to any Third Party pursuant to Section 6.3(a)(ii) may be effected if it would, or would reasonably be expected to in the reasonable and good faith determination of the NiSource Member in consultation with the Board, (i) have a material and adverse effect on the Company Group or (ii) create a material risk of a material adverse regulatory consequence on any member of the Company Group or the Outside Group as a result of the identity of the Third Party transferee, any action taken or reasonably expected to be taken by any Governmental Body with respect to such Transfer or change in Tax status of any Person caused or reasonably expected to be caused by such Transfer, any terms or conditions of such Transfer, any requirement that the Membership Interests be registered under any applicable securities Laws in connection with or as a result of such Transfer, or any other similar matter. For purposes of this Section 6.3 and Section 6.4, “control” means (x) the ownership of at least a majority of the issued and outstanding Membership Interests of the Company, or (y) the ability to elect, directly or indirectly, a majority of the Directors of the Company in accordance with this Agreement.

(d) Prior to the consummation of any Transfer pursuant to Section 6.3(a)(ii), the Transferring Member shall have delivered to the Board and the Non-Transferring Member evidence reasonably satisfactory to the Board (with the Directors appointed by the Transferring Member abstaining from any such determination) and to the Non-Transferring Member that (i) the transferee is a Qualified Transferee and (ii) the Transfer complies with the provisions of Section 6.3(b) (if applicable) and Section 6.3(c).

Section 6.4 Tag-Along Rights.

(a) Other than with respect to a Transfer proposed and made in accordance with Section 6.5, in the event that the NiSource Member proposes to effect a Transfer to a Third Party transferee (the “Tag-Along Buyer”) of a number of its Membership Interests constituting more than 25% of the total Membership Interests then outstanding (a “Tag-Along Sale”), then the NiSource Member shall give the Investor Members written notice (a “Tag-Along Notice”) of such proposed Transfer at least thirty (30) days prior to the consummation of such Tag-Along Sale, setting forth (w) the number of Membership Interests (“Tag-Along Offered Membership Interests”) proposed to be Transferred to the Tag-Along Buyer and the purchase price, (x) the identity of the Tag-Along Buyer, (y) any other material terms and conditions of the proposed Transfer and (z) the intended dates on which the NiSource Member will enter into a definitive agreement in respect of such proposed Transfer and consummate such proposed Transfer.

(b) Upon delivery of a Tag-Along Notice, the Investor Members shall have the right to sell up to their respective Tag Portions, at the same price per Membership Interest, for the same form of

consideration and pursuant to the same terms and conditions (including time of payment) as set forth in the Tag-Along Notice (or, if different, as such are applicable at the time of the entry into a definitive agreement in respect of, or at the time of the consummation of, the Tag-Along Sale). If an Investor Member wishes to participate in the Tag-Along Sale, then such Investor Member shall provide written notice to the NiSource Member no less than forty-five (45) days after the date of the Tag-Along Notice, indicating such election, provided however if the BIP Investor Member elects to sell its respective Tag Portion the VCOC Investor Member shall be required to sell its respective Tag Portion on the same terms set forth in the election notice by the BIP Investor Member. Such notice shall set forth the number of its Membership Interests that such Investor Member elects to include in the Tag-Along Sale (which number shall not exceed its Tag Portion), and such notice shall constitute such Investor Member's binding agreement to sell such Membership Interests on the terms and subject to the conditions applicable to the Tag-Along Sale.

(c) Any Transfer of an Investor Member's Membership Interests in a Tag-Along Sale shall be on the same terms and conditions as the Transfer of the NiSource Member's Membership Interests in such Tag-Along Sale, except as otherwise provided in this Section 6.4(c). Any participating Investor Member shall be required to make customary representations and warranties in connection with the Transfer of its Membership Interests, including as to its ownership and authority to Transfer, free and clear of all Liens, such Membership Interests and shall indemnify and hold harmless, to the fullest extent permitted by applicable Law, the Tag-Along Buyer against all losses of whatever nature arising out of, in connection with or related to any breach of any representation or warranty made by, or agreements, understandings or covenants of such Investor Member, as the case may be, under the terms of the agreements relating to such Transfer of such Investor Member's Membership Interests, in each case not to exceed the equivalent obligations to indemnify and hold harmless the Tag-Along Buyer provided by the NiSource Member; provided, that (i) liability for misrepresentation or indemnity shall (as between the NiSource Member and any such Investor Member) be expressly stated to be several but not joint and the NiSource Member and any such Investor Member shall not be liable for any breach of covenants or representations or warranties as to the Membership Interests of any other Member and shall not, in any event, be liable for more than its pro rata share (based on the proceeds to be received) of any liability for misrepresentation or indemnity, (ii) any participating Investor Member shall benefit from any releases of sellers or other provisions in the transaction documentation of general applicability to sellers to the same extent as the NiSource Member, (iii) any participating Investor Member shall not be obligated to agree to any non-customary administrative covenants (such as any non-compete covenants that would restrict its or its Affiliates' business activities), and (iv) any participating Investor Member shall not be obligated to provide indemnification obligations that exceed its proceeds from the Tag-Along Sale.

(d) Notwithstanding the foregoing, and for the avoidance of doubt, no Investor Member shall be entitled to Transfer its Membership Interests pursuant to this Section 6.4 in the event that, notwithstanding delivery of a written notice of election to participate in such Tag-Along Sale pursuant to this Section 6.4, such Investor Member fails to consummate the Transfer of its Membership Interests (on the terms and conditions required by this Section 6.4) in the applicable Tag-Along Sale.

(e) For the avoidance of doubt, the rights conferred to each Investor Member under this Section 6.4 do not apply in the event of a Change in Control of the NiSource Member.

Section 6.5 Drag-Along Rights.

(a) Following the end of the Lock-Up Period, except for the exclusions set forth in Section 6.1(b) thereto, in the event that the NiSource Member intends to effect a sale of all or any portion of the Membership Interests owned by the NiSource Member and such Membership Interests constitute at least a majority of the issued and outstanding Membership Interests of the Company (a "Drag-Along Sale"), then the NiSource Member shall have the option (but not the obligation) to require each Investor Member to Transfer all of its Membership Interests to the Third Party buyer (the "Drag-Along Buyer") (or to such other Party as the Drag-Along Buyer directs) in accordance with the provisions of this Section 6.5 (such right of the NiSource Member, the "Drag-Along Right").

(b) If the NiSource Member elects to exercise the Drag-Along Right pursuant to Section 6.5(a), then the NiSource Member shall send a written notice to each applicable Investor Member (a "Drag-Along Notice") specifying (i) that such Investor Member is required to Transfer all of its

Membership Interests pursuant to this Section 6.5, (ii) the amount and form of consideration payable for such Investor Member's Membership Interests, (iii) the name of the Third Party to which such Investor Member's Membership Interests are to be Transferred (or which is otherwise entitled to direct the disposition thereof at the consummation of the Drag-Along Sale), (iv) any other material terms and conditions of the proposed Transfer and (v) the intended dates on which the NiSource Member will enter into a definitive agreement in respect of such proposed Transfer and consummate such proposed Transfer.

(c) In the event that the NiSource Member elects to exercise the Drag-Along Right, then each Investor Member hereby agrees with respect to all Membership Interests it holds:

(i) in the event such transaction requires the approval of Members, to vote (in person, by proxy or by action by written consent, as applicable) all of its Membership Interests in favor of such Drag-Along Sale;

(ii) to execute and deliver all related documentation and take such other action reasonably necessary to enter into definitive agreements in respect of and to consummate the proposed Drag-Along Sale in accordance with, and subject to the terms of, this Section 6.5; and

(iii) not to deposit its Membership Interests in a voting trust or subject any Membership Interests to any arrangement or agreement with respect to the voting of such Membership Interests, unless specifically requested to do so by the Drag-Along Buyer in connection with a Drag-Along Sale.

(d) Subject to Section 6.5(e), any Transfer of an Investor Member's Membership Interests in a Drag-Along Sale shall be on the same terms and conditions as the proposed Transfer of the NiSource Member's Membership Interests in the Drag-Along Sale. Upon the request of the NiSource Member, each Investor Member shall be required to make customary representations and warranties in connection with the Transfer of such Investor Member's Membership Interests, including as to its ownership and authority to Transfer, free and clear of all Liens, its Membership Interests, and shall indemnify and hold harmless, to the fullest extent permitted by applicable Law, the Drag-Along Buyer against all losses of whatever nature arising out of, in connection with or related to any breach of any representation or warranty made by, or agreements, understandings or covenants of such Investor Member as the case may be, under the terms of the agreements relating to such Transfer of such Investor Member's Membership Interests, in each case not to exceed the equivalent obligations to indemnify and hold harmless the Drag-Along Buyer provided by the NiSource Member; provided, that (i) liability for misrepresentation or indemnity shall (as between the NiSource Member and such Investor Member) be expressly stated to be several but not joint and the NiSource Member and such Investor Member shall not be liable for any breach of covenants or representations or warranties as to the Membership Interests of any other Member and shall not, in any event, be liable for more than its pro rata share (based on the proceeds to be received) of any liability for misrepresentation or indemnity, (ii) such Investor Member shall benefit from any releases of sellers or other provisions in the transaction documentation of general applicability to sellers to the same extent as the NiSource Member and (iii) such Investor Member shall not be obligated to provide indemnification obligations that exceed its proceeds from the Drag-Along Sale.

(e) Any Transfer required to be made by an Investor Member pursuant to this Section 6.5 shall be for consideration consisting of cash or cash equivalents (or a combination thereof). Without the consent of the applicable Investor Member, an Investor Member shall not be required in connection with such Drag-Along Sale to agree to any material indemnification obligations, material, non-customary administrative covenants (including, but not limited to, restrictive covenants (such as non-solicit and non-compete covenants) that would restrict its or its Affiliates' business activities).

(f) At the consummation of the Drag-Along Sale, each Investor Member shall Transfer all of its Membership Interests to the Drag-Along Buyer (or its designee), and the Drag-Along Buyer shall pay the consideration due for such Investor Member's Membership Interest. If either Investor Member has failed, as of immediately prior to the time that the consummation of the Drag-Along Sale would otherwise have occurred, to have taken all actions necessary in accordance with this Agreement to consummate the Transfer of the Membership Interests held by it, then such Investor Member shall be deemed to be in material breach of this Agreement for purposes of Article IV and for all other purposes hereunder, shall

be a Defaulting Member, and shall be deemed to have granted (and hereby grants, contingent only on the occurrence of such failure) an irrevocable appointment of any Person nominated for the purpose by the NiSource Member to be such Investor Member's agent and attorney to execute all necessary documentation and instruments on its behalf to Transfer such Investor Member's Membership Interest to the Drag-Along Buyer (or as it may direct) as the holder thereof, in each case consistent with the terms set forth in this Section 6.5.

(g) The NiSource Member shall have a period of 180 days commencing on the delivery of the Drag-Along Notice (such 180-day period, the "Drag Sale Period") to consummate the Drag-Along Sale. If the Drag-Along Sale is not completed prior to the expiration of the Drag Sale Period, then the process initiated by the delivery of the Drag-Along Notice shall be lapsed, and the NiSource Member will be required to repeat the process set forth in this Section 6.5 to pursue any Drag-Along Sale; provided that if a definitive agreement providing for the consummation of such Drag-Along Sale is executed within the Drag Sale Period but such Drag-Along Sale has not been consummated at the expiration of the Drag Sale Period solely as a result of a failure to receive the requisite authorization, approval or consent of any Governmental Body in respect of such Drag-Along Sale, then the Drag Sale Period shall be extended solely to the extent necessary to permit the receipt of all such authorizations, approvals or consents which are in process but have not been received from the relevant Governmental Body as of the original expiration date of the Drag Sale Period and the consummation of the Drag-Along Sale provided for in such definitive agreement; provided, that the NiSource Member shall have used efforts in seeking such authorizations, approvals and consents consistent with its obligations under such definitive agreement(s) in respect thereof.

(h) Notwithstanding the foregoing, the NiSource Member may not exercise the Drag-Along Right or consummate any Drag-Along Sale, without the prior written consent of the BIP Investor Member unless the applicable Drag-Along Sale would result in the Investor Members receiving proceeds resulting in the Investor Members collectively achieving at least a IRR of 10% (the "Investor Return Threshold") and a MOIC of 2.15x (the "MOIC Return Threshold"); provided, that any shortfall in the Investor Members collectively achieving the Investor Return Threshold or the MOIC Return Threshold may be paid by the NiSource Member to the Investor Members in immediately available funds at the closing of the Drag-Along Sale, in which case the prior written consent of the BIP Investor Member shall not be required to exercise the Drag-Along Right or consummate such Drag-Along Sale.

(i) For the avoidance of doubt, the rights conferred to the NiSource Member under this Section 6.5 do not apply in the event of a Change in Control of the NiSource Member.

Section 6.6 Cooperation. The transferring Member acknowledges and agrees that it shall cooperate reasonably to obtain the requisite authorization, approval or consent of any Governmental Body necessary to consummate any Transfers contemplated or permitted by this Article VI. The Members shall have the right in connection with any Transfer of Membership Interests permitted by this Agreement (or in connection with the investigation or consideration of any such potential Transfer) to require the Company to reasonably cooperate with potential purchasers in such prospective Transfer (at the sole cost and expense of the applicable Member or such potential purchasers) by taking such actions reasonably requested by the applicable Member or such potential purchasers to cooperate in such Transfer, including (a) preparing or assisting in the preparation of due diligence materials and (b) providing such reasonable access to the Company's and each of its Subsidiaries' books, records, properties and other materials (subject, in each case, to the execution of customary confidentiality and non-disclosure agreements and subject to attorney-client privilege) to potential purchasers; provided that no such cooperation by the Company shall be required (i) until the relevant potential purchaser executes and delivers to the Company a customary confidentiality agreement, (ii) to the extent such cooperation would unreasonably interfere with the normal business operations of the Company or any of its Subsidiaries, and (iii) to the extent the provision of any information would (A) conflict with, or constitute a violation of, any applicable Law or Order or cause a loss of attorney-client privilege of the Company or any of its Subsidiaries, (B) in the NiSource Member's reasonable determination, require the disclosure of any information that is proprietary, confidential or sensitive to the NiSource Member or to any member of the Outside Group, or (C) require the disclosure of any information relating to any joint, combined, consolidated or unitary Tax Return that includes the NiSource Member or any other member of the Outside Group or any supporting work papers or other documentation related thereto.

Section 6.7 **Sale of Investor Member.** Notwithstanding anything to the contrary in this Agreement, if an Investor Member is participating in any sale of Membership Interests pursuant to Section 6.3, Tag-Along Sale or Drag-Along Sale or any other Transfer of its Membership Interests, the owners of such Investor Member (or, as applicable, the regarded owner of such Investor Member for U.S. federal income tax purposes) (each, a “Blocker Seller”) shall, use commercially reasonable efforts to sell, and the NiSource Member and the Company will use commercially reasonable efforts to structure such sale or transfer such that the Blocker Seller is able to sell, equity interests in such Investor Member (or, as applicable, the regarded owner of such Investor Member for U.S. federal income tax purposes), in lieu of selling the Membership Interests held (directly or indirectly) by such Investor Member in exchange for consideration equal to the value of the Membership Interests as determined in such sale pursuant to Section 6.3, Tag-Along Sale or Drag-Along Sale or other Transfer, held (directly or indirectly) by such Investor Member without discount (as appropriately adjusted for any partial sale).

Article VII PREEMPTIVE RIGHTS

Section 7.1 **Preemptive Rights.** The Company hereby grants to each Member the right to purchase such Member’s Preemptive Right Share of all (or any part) of any New Securities that the Company may from time to time issue after the Effective Date (the “Preemptive Right”); provided, however, that the Preemptive Right shall not apply with respect to New Securities issues or to be issued in any public offering or pursuant to failures to fund Additional Funding Requirements or as otherwise specifically provided herein. In the event the Company proposes to undertake an issuance of New Securities (in a single transaction or a series of related transactions), the Company shall give to each Member written notice of its intention to issue New Securities (the “Preemptive Right Participation Notice”), describing the amount and type of New Securities, the cash purchase price and the general terms upon which it proposes to issue such New Securities. Each Member shall have twenty (20) days from the date of receipt of any such Preemptive Right Participation Notice (the “Preemptive Right Notice Period”) to agree in writing to purchase for cash up to such Member’s Preemptive Right Share of such New Securities for the price and upon the terms and conditions specified in the Preemptive Right Participation Notice by giving written notice to the Company and stating therein the quantity of New Securities to be purchased (not to exceed such Members’ Preemptive Right Share) as well as the maximum amount of New Securities it would purchase. If any Member fails to so respond in writing within the Preemptive Right Notice Period, then such Member shall forfeit the right hereunder to purchase its Preemptive Right Share of such New Securities and the Company will allocate the rights to purchase such New Securities to any other Member that indicated it would purchase New Securities in excess of its Preemptive Right Share based on their relative Preemptive Right Shares. Subject to obtaining the requisite authorization, approval or consent of any Governmental Body, the closing of any purchase by any Member pursuant to this Section 7.1 shall be consummated concurrently with the consummation of the issuance or sale described in the Preemptive Right Participation Notice. The Company shall be free to complete the proposed issuance or sale of New Securities described in the Preemptive Right Participation Notice with respect to any New Securities not elected to be purchased pursuant to this Section 7.1 in accordance with the terms and conditions set forth in the Preemptive Right Participation Notice (except that the amount of New Securities to be issued or sold by the Company may be reduced). If a Member indicates in its response to a Preemptive Right Participation Notice that it shall purchase New Securities but then does not fund such amounts, such Member shall be a Defaulting Member.

Article VIII PROTECTIVE PROVISIONS

Section 8.1 **Investor Member Threshold Matters.** Notwithstanding anything to the contrary in this Agreement, the Company shall not cause or permit, in each case, so long as the Investor Members’ aggregate Percentage Interest is equal to or greater than the Investor Consent Threshold (except with respect to subclauses (a) – (g) and (i), in which case so long as the Investor Members’ aggregate Percentage Interest is at least 4.9%), and no Investor Member is a Defaulting Member, without the prior written consent of the BIP Investor Member (except that no such written consent shall be required to the extent that such matter is necessary to comply with applicable Law or Order or is in response to an Emergency Situation):

(a) make an election or take any other action that results in a change in the tax classification of the Company or any of its Subsidiaries, with respect to its Subsidiaries only if such change adversely affects the BIP Investor Member;

- (b) any non-*pro rata* repurchase or redemption of any equity interests issued by the Company;
- (c) any (i) issuance of any class of equity interest in the Company, other than pursuant to Sections 1.9, 5.1, Section 7.1 or as otherwise specifically contemplated herein or (ii) change to the existing rights or obligations of any class of equity interest of the Company if such change would have a disproportionate material adverse impact on any Member in a manner different from the NiSource Member;
- (d) the filing of a petition seeking relief, or the consent to the entry of a decree or order for relief in an involuntary case, under the bankruptcy, rearrangement, reorganization or other debtor relief Laws of the United States or any state or any other competent jurisdiction or a general assignment for the benefit of its creditors by the Company or any of its Subsidiaries of all or substantially all of the assets of the Company and its Subsidiaries;
- (e) the conversion of the Company or NIPSCO from its current legal business entity form to any other business entity form (e.g., the conversion of the Company from a Delaware limited liability company to a Delaware corporation);
- (f) the listing of any equity interests of the Company or its Subsidiaries on any stock exchange (other than any spin off, split off or similar transaction of the Company, the NiSource Member or NIPSCO, or any of their Affiliates, which, for the avoidance of doubt, shall be subject to Sections 5.1(e) or 6.5 and the Spin Return Threshold);
- (g) any amendment or modification to any Organizational Document of the Company or any Subsidiary of the Company, other than (i) ministerial amendments thereto or (ii) amendments thereto that are not disproportionately adverse to the BIP Investor Member as compared to any other holder of equity interests of the Company;
- (h) the transfer, sale or other disposition, whether by the way of asset sale, stock sale, merger, or otherwise, of (i) all or substantially all of the assets of the Company Group, taken as a whole on a consolidated basis, or (ii) assets of the Company's Subsidiaries having a Fair Market Value in excess of 2.5% of the Rate Base Amount in the aggregate in any transaction or series of related transactions, other than Qualifying Core Assets and Excluded Transactions (it being understood, for the avoidance of doubt, that this Section 8.1(h) shall not be deemed to restrict a transfer, sale or other disposition of the equity of the Company) and other than pursuant to Article VI or a Change in Control of the Company, or the NiSource Member or as set forth below;
- (i) the transfer, sale, issuance, or other disposition of any equity interests in NIPSCO or in any Subsidiary of the Company that directly or indirectly holds any equity interests in NIPSCO to any Person that is not the Company or one of its wholly-owned Subsidiaries;
- (j) any new agreements or amendments to existing agreements, among the Company or any of its Subsidiaries, on the one hand, and any Member or any of their respective Affiliates (other than the Company or any of its Subsidiaries), on the other hand, which such agreement (or series of related transactions) are entered into after the Effective Date, other than (x) those that (i) are on an arm's-length basis and (ii) involve revenues or expenditures of less than \$55,000,000.00 per Contract or series of related transactions individually or less than \$112,500,000.00 in the aggregate, subject to an annual increase by the CPI Escalator, for any fiscal year for all such affiliate transactions (it being acknowledged and agreed that no prior written consent of the BIP Investor Member will be required with respect to any amendments to any affiliate transaction made in the ordinary course of business unless to the extent such amendment would have a disproportionately adverse effect on the Company Group (relative to other regulated utilities then owned by Parent or its Affiliates (other than the Company and its Subsidiaries))) in any material respect, or (y) the GenCo Offtake Agreements or such other agreements by and among the Company or any of its Subsidiaries, on the one hand, and GHII or any of its Subsidiaries, on the other hand, which are reasonably necessary (as determined by the Board in good faith) for the Company's and its Subsidiaries' performance of any obligations under any GenCo Offtake Agreements (including with respect to the transfer or sale of Zonal Resource Credits or other similar capacity credits to or from

NIPSCO or its Subsidiaries to or from GHII or its Subsidiaries) or otherwise support NIPSCO's performance of, or compliance with, any obligations arising under any "special contract" entered into by NIPSCO and a large load or hyperscale customer or similar arrangement (including any tariff), which in each case are consistent with applicable Law, including any applicable IURC rules and regulations and, in each case, which are on an arm's-length basis .

(k) the acquisition by the Company or any of the Company's Subsidiaries of any equity interests or assets of any Person or the entry into joint ventures, in each case, having a Fair Market Value in excess of 2.5% of the Rate Base Amount in the aggregate in any calendar year, other than in connection with Qualifying Core Assets or Excluded Transactions;

(l) any capital expenditure by the Company or its Subsidiaries, that is in excess of 1.0% of the Rate Base Amount in any calendar year and is not made (i) in connection with a Qualifying Core Asset, (ii) reasonably necessary to fund an Emergency Expenditures, or (iii) an Excluded Transaction;

(m) incurring long-term Indebtedness (other than the refinancing of existing Indebtedness on commercially reasonable terms consistent with current market conditions as determined by the Board in good faith) by the Company or its Subsidiaries, if, after giving pro forma effect to such incurrence and the application of the proceeds therefrom, the Company's and its Subsidiaries' Debt-to-Capital Ratio would exceed the then-current target Debt-to-Capital Ratio approved by the IURC by more than 200 basis points for two consecutive (2) quarters; provided, that the Company shall notify the BIP Investor Member at least ten (10) Business Days prior to the Company or any of its Subsidiaries incurring any Indebtedness in excess of the annual budget;

(n) making any political or charitable contribution made by or on behalf of the Company or any of its Subsidiaries to any Governmental Body or any official, representative or staff thereof, including any community leaders or elected officials, in excess of \$250,000 individually or \$1,000,000 in the aggregate in a fiscal year; and

(o) entering into any binding agreement or arrangement by the Company or any of its Subsidiaries to effect any of the foregoing actions.

Notwithstanding the foregoing, no BIP Investor Member approval shall be required with respect to any spin off, split off or similar transaction of the Company, the NiSource Member or NIPSCO, or any of their Affiliates; provided, that any such transaction must satisfy the requirements of Section 5.1(e) or Section 6.5 and the Spin Return Threshold.

Section 8.2 Consultation Matters. For so long as (x) the Investor Members' aggregate Percentage Interest is at least 9.9% and (y) no Investor Member is a Defaulting Member, the Company (and, as applicable, the Board) shall use reasonable efforts to consult in good faith with the BIP Investor Member prior to the Company undertaking, or causing or permitting any of its Subsidiaries to undertake, the following matters (except as would be impracticable in respect of a particular action that the Board reasonably believes to be necessary or appropriate to comply with applicable Law, Order or in response to an Emergency Situation):

(a) appointing or replacing the President, and the head of electric and the head of gas of NIPSCO;

(b) establishing or materially amending, or material deviating from the then-current plan or budget of the Company and its Subsidiaries; provided, that the Company (and, as applicable, the Board) the NiSource Member and the Parent shall (i) provide to the BIP Investor Member a draft of the business plan and budget of the Company and its Subsidiaries for a given fiscal year no later than November 10 of the prior fiscal year, which budget shall include quarterly fiscal projections, (ii) schedule and attend a meeting among representatives of the Company, the NiSource Member, the Parent and the BIP Investor Member, including the Chief Financial Officer and Head of Regulatory Affairs of the Parent, no later than November 24 of the prior fiscal year, to discuss the draft business plan and budget, (iii) schedule and attend a meeting between the Chief Executive Officer of the Parent and the Global Head of Infrastructure of Blackstone Inc., within 5 Business Days of a written request by the BIP Investor Member, to discuss

the draft business plan and budget as well as any changes proposed by BIP Investor Member and (iv) consider the BIP Investor Member's comments to the business plan and budget in good faith;

(c) material decisions relating to the conduct (including the settlement) of any litigation, administrative, or criminal proceeding to which the Company or any of its Subsidiaries is a party where (i) it is reasonably expected that the liability of the Company and its Subsidiaries would exceed \$75,000,000 (as adjusted by the CPI Escalator) (solely with respect to litigation proceedings), (ii) such proceeding would have material reputational damage on the Company or its Subsidiaries, or (iii) such proceeding would reasonably be expected to have a material and adverse effect on the BIP Investor Member or any of its Affiliates (other than in its or (if applicable, their) capacity as an investor in the Company); provided, that, for the avoidance of doubt, the foregoing shall not be applicable to any ordinary course regulatory proceedings (including rate cases) that do not involve claims of criminal conduct or intentional violations of applicable Law; and

(d) entering into or materially amending any Genco Offtake Agreement or related support agreements, in which case such consultation shall include the Company (and, as applicable, the Board) using reasonable efforts to keep the BIP Investor Member reasonably informed regarding the negotiation of any GenCo Offtake Agreements or related support agreements and to consult in good faith with the BIP Investor Member regarding the form, material terms, structuring and implementation of any such GenCo Offtake Agreements or related support agreements, including any material changes to such GenCo Offtake Agreement or related support agreement.

Section 8.3 Indebtedness. The Company and its Subsidiaries shall use reasonable best efforts to incur Indebtedness, both intercompany and with respect to any Third Party, such that the regulated capital structure of NIPSCO remains consistent with authorized levels.

Section 8.4 Additional Actions. The NiSource Member and Investor Members further agree to the additional actions set forth on Schedule 2.

Section 8.5 Actions by the Investor Directors on behalf of the BIP Investor Member. Where any action requires the consent of the BIP Investor Member pursuant to Section 8.1, the Investor Directors shall, unless the BIP Investor Member indicates in writing to the NiSource Member otherwise, have the authority to provide such consent on behalf of the BIP Investor Member at any meeting of the Board called to discuss such matters, and the Company, the other Members and the other Directors shall be entitled to rely on such action of the Investor Directors as an action of the BIP Investor Member with such action being binding upon the BIP Investor Member.

Section 8.6 Acknowledgement of Purpose of Provisions. It is hereby acknowledged and agreed by the Parties that the rights of the Investor Members set forth in this Article VIII are protection mechanisms for each Investor Member acting in its capacity as an investor in the Company and are not for purposes of, and should not be construed or otherwise interpreted as, providing either Investor Member or any of its Representatives or Affiliates with the ability to take any action that would constitute exercising substantial influence or control over the Company or any of its Subsidiaries or would otherwise provide either Investor Member or any of their respective Representatives or Affiliates with any right to direct the operation of the business of the Company or any of its Subsidiaries.

Article IX

OTHER COVENANTS AND AGREEMENTS

Section 9.1 Books and Records.

(a) The Company shall keep and maintain, or cause to be kept and maintained, books and records of accounts, taxes, financial information and all matters pertaining to the Company and its Subsidiaries at the offices and place of business of the Company in a commercially reasonable manner consistent with the manner in which similar books and records are kept and maintained by other members of the Outside Group. Each Member (other than any Defaulting Member) and its duly authorized Representatives shall have the right to, at reasonable times during normal business hours, upon reasonable notice, under supervision of the Company's personnel and in such a manner as to not unreasonably interfere with the normal operations of any member of the Company Group, visit and inspect the books and records of the Company Group, and, at its expense, make copies of and take extracts from any books and records of the Company Group; provided, that, in the case of an Investor Member, any Person gaining access to such information regarding the Company Group pursuant to this Section 9.1 shall agree to hold in strict confidence, not make any disclosure of, and not use for purposes other than good faith

administration of such Investor Member's continuing investment, all information regarding any member of the Company Group that is not otherwise publicly available.

(b) Notwithstanding the foregoing, the Company shall not be obligated to provide to either Investor Member any record or information (i) relating to the negotiation and consummation of the transactions contemplated by this Agreement and the PSA, including confidential communications with Representatives or Advisors, including legal counsel, representing the Company or any of its Affiliates, (ii) that is subject to an attorney-client or other legal privilege, (iii) that, in the NiSource Member's reasonable determination, are proprietary, confidential or sensitive to the NiSource Member or to any other member of the Outside Group, (iv) relating to any joint, combined, consolidated or unitary Tax Return that includes the NiSource Member or any other member of the Outside Group or any supporting work papers or other documentation related thereto if such work papers or documentation includes the information of the NiSource Member or Outside Group, or (v) the provision of which would violate any applicable Law or Order; provided, with respect to (ii) and (iv) above that the Company shall use commercially reasonable efforts to develop an alternative to make such information available, including to make redactions to any such material and provide such redacted materials to such Investor Member.

(c) Each Member shall reimburse the Company for all reasonable, documented, out-of-pocket costs and expenses incurred by the Company in connection with such Member's exercise of its inspection and information rights pursuant to this Section 9.1.

Section 9.2 Financial Reports. The Company shall provide, or otherwise make available, to any Member (unless such Member is a Defaulting Member):

(a) on an annual basis, within 120 days after the end of each fiscal year, an audited consolidated balance sheet, statement of operations and statement of cash flow of NIPSCO and its Subsidiaries;

(b) on a quarterly basis, within 60 days after the end of each fiscal quarter, an unaudited consolidated balance sheet and related quarter and year to date statement of operation and related quarter and year to date statement of cash flow of NIPSCO and its Subsidiaries;

(c) on a monthly basis, within 30 days after the end of each month-end, an unaudited income statement as readily available of NIPSCO and its Subsidiaries and related financial information prepared in the ordinary course;

(d) on an annual basis (or more frequently, if applicable), as soon as reasonably practicable after the approval thereof by the Board, the annual budget and business plan for NIPSCO and its Subsidiaries;

(e) on an annual basis, as soon as reasonably practicable after the approval thereof by the Board, financial forecasts for NIPSCO and its Subsidiaries for the fiscal year, which shall be in such manner and form as approved by the Board, and which shall include a projection of income and a projected cash flow statement for each fiscal quarter in such fiscal year and a projected balance sheet as of the end of each fiscal quarter in such fiscal year;

(f) (i) within 45 days after the end of each fiscal year, an estimated Schedule K-1 for the immediately preceding taxable year based on best-available information to date and depreciation will be subject to change based on final year end audit and financial reporting results and (ii) not less than 45 days prior to the due date, including extensions, for the filing of the Company's federal information return for the immediately preceding taxable year, a final Schedule K-1, along with copies of all other federal, state and local income tax returns or reports filed by the Company for the previous year, as may be required as a result of the operations of the Company, and a schedule of Company book tax differences for the immediately preceding year;

(g) each Investor Member shall promptly upon request by the NiSource Member provide the following information: (i) Form SS-4/IRS determination letter and Form 8832 Entity Classification Election and (ii) Form W-9; and

(h) promptly, upon reasonable notice, any information that is reasonably requested by any Member in order to manage its regulatory or tax affairs or make filings with Governmental Bodies, including but not limited to Federal and Indiana corporate tax returns and financial statements (whether or not audited) for either Investor Member (or the regarded owner of either Investor Member if such Investor Member is a disregarded entity for tax purposes).

Section 9.3 Other Business; Corporate Opportunities.

(a) To the extent permitted by applicable Law, any Member and any Affiliate of any Member may engage in, possess an interest in or otherwise be involved in other business ventures of any nature or description, independently or with others, similar or dissimilar to the businesses of the Company Group, and neither the Company nor any other Member shall have any rights by virtue of this Agreement in and to such independent ventures or the income or profits derived therefrom, and the pursuit of any such venture, even if competitive with the businesses of the Company Group, shall be deemed not to be wrongful or improper so long as it is consistent with all Laws and Orders applicable to the Company and its Subsidiaries.

(b) The Company and each Member expressly acknowledge and agree that, (i) neither the Members nor any of their respective Affiliates or Representatives shall have any duty to communicate or present an investment or business opportunity to the Company in which the Company may, but for the provisions of this Section 9.3, have an interest or expectancy (a “Corporate Opportunity”), and (ii) neither the Members nor any of their respective Affiliates or Representatives (even if such Person is also an officer or Director of the Company) shall be deemed to have breached any duty or obligation to the Company by reason of the fact that such Person pursues or acquires a Corporate Opportunity for itself or directs, sells, assigns or transfers such Corporate Opportunity to another Person or does not communicate information regarding such Corporate Opportunity to the Company. The Company and each Member expressly renounce any interest in Corporate Opportunities and any expectancy that a Corporate Opportunity will be offered to the Company.

Section 9.4 Compliance with Laws.

(a) The Company shall and shall cause its Subsidiaries to use their respective commercially reasonable efforts to procure that the Company and its Subsidiaries and Company Group’s respective Representatives shall not in the course of their actions for, or on behalf of, any member of the Company Group:

(i) offer promise, provide or authorize the provision of any money, property, contribution, gift, entertainment or other thing of value, directly or knowingly indirectly, to any government official, to unlawfully influence official action or secure an improper advantage, or to unlawfully encourage the recipient to improperly influence or affect any act or decision of any Governmental Body, in each case, in order to assist any member of the Company Group in obtaining or retaining business, or otherwise act in violation of any applicable Anti-Corruption Laws;

(ii) violate any applicable Anti-Money Laundering Laws; or

(iii) engage in any unlawful dealings or transactions with or for the benefit of any Sanctioned Person or otherwise violate Sanctions.

(b) The Company shall promptly notify the Members of (i) any allegations of material misconduct by any member of the Company Group or any actions, suits or proceedings by or before any Governmental Body to which any member of the Company Group becomes a party, or to which the Company becomes aware that any Representative of the Company Group (in relation to such Representative’s actions for, or on behalf of, any member of the Company Group) is a party, in each case, relating to any material breach or suspected material breach of any applicable Anti-Corruption Laws, Anti-Money Laundering Laws, or Sanctions or (ii) any fact or circumstances of which it becomes aware that would reasonably be expected to result in a breach of this Section 9.4.

Section 9.5 Non-Solicit. Without the prior written consent of the Company, during the term of this Agreement, each Investor Member shall not, shall cause its Affiliates not to, and shall use its reasonable best efforts to procure that other Persons in which it is invested do not, solicit for employment,

hire or engage as a consultant any individual who is serving in any position within the then-current NiSource Leadership Team; provided, that this Section 9.5 shall not prohibit any Person from issuing general public solicitations not specifically targeted at the then-current NiSource Leadership Team or from hiring or engaging any Person responding to such general solicitations.

Section 9.6 Confidentiality.

(a) Each Member shall, and shall cause its Representatives to, keep confidential and not divulge any information (including all budgets, business plans and analyses) concerning the Company and its Subsidiaries, including their respective assets, business, operations, financial condition and prospects, or with respect to another Member of this Agreement (“Confidential Information”), and to use such Confidential Information only in connection with the operation of the Company and its Subsidiaries or such Member’s administration of its investment in the Company; provided that nothing herein shall prevent any Member from disclosing such Confidential Information (i) upon the Order of any court or administrative agency, (ii) upon the request or demand of any Governmental Body having jurisdiction over such party, (iii) to the extent compelled by legal process or required pursuant to binding requirement of any Governmental Body, (iv) to the other Parties, (v) to such party’s Representatives that in the reasonable judgment of such party need to know such Confidential Information, (vi) to any potential Permitted Transferee in connection with a proposed Transfer of Membership Interests from a Member so long as such transferee agrees to be bound by the provisions of this Section 9.6 as if a Member, or (vii) to actual and prospective limited partners of such Member or its Affiliates in connection with reporting requirements or fundraising efforts; provided, further, that in the case of clauses (i), (ii) or (iii), such Member shall prior to making any disclosure seek a protective order or other relief to prevent or reduce the scope of such disclosure, to the extent legally permissible, notify the other Parties of the proposed disclosure as far in advance of such disclosure as practicable and use reasonable efforts to ensure that any Confidential Information so disclosed is accorded confidential treatment, when and if available; provided, further, that in the cases of clauses (v) through (vii), such party receiving any Confidential Information is bound to an obligation of confidentiality no less stringent than that contained in this Agreement including such other protective provisions to protect the misuse of material non-public information.

(b) The restrictions in Section 9.6(a) shall not apply to information that (i) is or becomes generally available to the public other than as a result of a disclosure by a Member or any of its Representatives in violation of this Agreement, (ii) is or has been independently developed or conceived by such Member or its Affiliates without use of the Company’s or any of its Subsidiaries’ Confidential Information or (iii) becomes available to the receiving Member or any of its Representatives on a non-confidential basis from a source other than the Company or any of its Subsidiaries, any other Party or any of their respective Representatives; provided, that such source is not known by the recipient of the information to be bound by a confidentiality agreement with the disclosing party or any of its Representatives.

(c) Each Party shall inform any Representatives to whom it provides Confidential Information that such information is confidential and instruct them (i) to keep such Confidential Information confidential and (ii) not to disclose Confidential Information to any Third Party (other than those Persons to whom such Confidential Information has already been disclosed in accordance with the terms of this Agreement). The disclosing Party shall be responsible for any breach of this Section 9.6 by the Person to whom the Confidential Information is disclosed.

(d) The restrictions in Section 9.6(a) shall not restrict any Member and its Affiliates from disclosing any Confidential Information required to be disclosed under applicable securities Laws or the rules of any stock exchange on which any of their securities are traded.

(e) Notwithstanding anything herein to the contrary, the provisions of this Section 9.6 shall survive the termination of this Agreement for a period of three (3) years and, with respect to each Member, shall survive for a period of three (3) years following the date on which such Member is no longer a Member. The provisions of this Section 9.6 shall supersede the provisions of any non-disclosure agreements entered into by the Company (or its Affiliates, including the NiSource Member) and any of the Members (or their respective Affiliates) with respect to the transactions contemplated hereby or by the PSA prior to the Effective Date.

Section 9.7 **Expenses.** Except as otherwise expressly provided herein, all costs and expenses, including fees and disbursements of Representatives and other Advisors, incurred in connection with this Agreement and the transactions contemplated hereby, shall be paid by the Party incurring such costs and expenses. Notwithstanding the foregoing, should any litigation be commenced between the Parties or their Representatives concerning this Agreement or the rights, duties, or obligations hereunder, the Party or Parties prevailing in such proceeding shall be entitled, in addition to any other relief granted, to the reasonable attorneys' fees and other litigation costs incurred by reason of such litigation.

Section 9.8 **Obligations in Respect of Financings.**

(a) Subject to Section 9.8(b), during the term of this Agreement, the NiSource Member and the Company shall cooperate with each Investor Member as reasonably requested by such Investor Member in connection with any Debt Financing. Such assistance shall include (i) providing to such Investor Member such information as may be reasonably necessary in connection with the Debt Financing, and (ii) taking such other actions as are reasonably requested by such Investor Member to facilitate the consummation of any Debt Financing.

(b) Notwithstanding anything in Section 9.8(a) or this Agreement to the contrary, the cooperation requested by either Investor Member pursuant to Section 9.8(a) shall not (i) unreasonably interfere with the ongoing operations of the NiSource Member or its Subsidiaries, or (ii) require the NiSource Member or any of its Subsidiaries (other than the Company) to (A) pay any commitment or other similar fee, (B) have or incur any liability or obligation in connection with any Debt Financing, including under any agreement or any document related to any Debt Financing, (C) commit to taking any action (including entering into any Contract) or to otherwise execute any document, agreement, certificate or instrument in connection with any Debt Financing or (D) take any action that would conflict with, violate or breach or result in a violation or breach of or default under any Contract, this Agreement or any other document contemplated hereby or any Law or regulatory requirements. In no event shall the Company or NiSource Member be required to provide information relating to the transactions contemplated hereby or with any other Person in connection with any possible sale or transfer of assets or equity of the Company and its Subsidiaries, any information subject to the attorney-client privilege or any confidential or sensitive information, or relating to any Tax Return.

Section 9.9 **Credit Support.** For so long as there are (a) any guarantees, credit support, letters of credit or financial assurances of a member of the Outside Group related to support obligations of the Company Group, each Member shall pay the portion equal to its Percentage Interest of any payment or draw request on such credit support facilities on or before the applicable payment date required or (b) any guarantees, credit support, letters of credit or financial assurances of the Company or any of its Subsidiaries related to support obligations of a member of the Outside Group, the NiSource Member shall pay all such payments on or before the applicable payment date required. If a Member does not make a payment in accordance with the above, the Company may issue a Capital Request Notice in accordance with Section 5.1 for such amount from the applicable Member. For the avoidance of doubt, the failure to make the payment in clauses (a) or (b) prior to a Capital Request Notice shall not be an Event of Default and the failure to fund pursuant to a Capital Request Notice shall be treated in accordance with Section 5.1. Notwithstanding the foregoing, if the VCOC Investor Member fails to make its payment in accordance with this Section 9.9, the BIP Investor Member shall be obligated to make such payment.

Article X TAX MATTERS

Section 10.1 **Tax Classification.** The Parties intend that the Company be classified as a partnership for U.S. federal income (and applicable state and local) Tax purposes. Without limiting Section 8.1(a), neither the Company nor any Member shall make any election to change the tax classification of the Company or otherwise take any action inconsistent with such intended tax classification without the consent of the Board (or its designee).

Section 10.2 **Partnership Representative.**

(a) The NiSource Member is hereby designated the "Partnership Representative" within the meaning of Code Section 6223(a) of the Company. The Partnership Representative shall, if required, designate from time to time a "designated individual" to act on behalf of the Partnership Representative, and such designated individual shall be subject to replacement by the Partnership Representative in

accordance with the Code and Treasury Regulations. If any state or local tax law provides for a tax matters partner, partnership representative, or person having similar rights, powers, authority, or obligations, the Partnership Representative shall also serve in such capacity. The Partnership Representative is authorized to represent the Company before the Internal Revenue Service and any other governmental agency with jurisdiction, make all decisions regarding permitted elections under the Code, Treasury Regulations, and other state and local tax law with respect to tax proceedings; provided, however, the Partnership Representative shall not enter into any settlement or similar agreement without the consent of the Board (such consent not to be unreasonably withheld, conditioned, or delayed). All Members (and former Members) agree to cooperate with, and to do and refrain from doing any or all things reasonably required by the Partnership Representative in connection with the conduct of all such proceedings or to otherwise allow the Company and the Partnership Representative to comply with the partnership audit provisions of the Code, Treasury Regulations, and similar state and local law. All Members shall cooperate in good faith to amend this Section 10.2 or other provisions of this Agreement as necessary to reflect any statutory amendments or the promulgation of Treasury Regulations or other administrative authority promulgated under the Partnership Audit Rules so as to, to the extent possible, preserve the relative rights, duties, and obligations of the Members hereunder. The Company shall, to the fullest extent permitted by law, reimburse and indemnify the Partnership Representative for all third-party expenses (including legal and accounting fees), claims, liabilities, losses, and damages incurred as the Partnership Representative in connection with any examination, administrative, or judicial proceeding, or otherwise acting in its capacity as Partnership Representative.

(b) Notwithstanding anything to the contrary in this Agreement, each Member (including, for purposes of this Section 10.2, any Person who is or becomes a Member but who for any reason ceases to be a Member) (i) hereby covenants to treat each item of income, gain, loss, deduction, or credit attributable to the Company in a manner consistent with the treatment of such income, gain, loss deduction, or credit on the tax return of the Company or as determined in a notice of final partnership adjustment pursuant to Section 6226 of the Code, (ii) hereby agrees to indemnify and hold harmless the Company from such Member's share of any tax and any penalties, interest, and additions to tax attributable to any adjustment to the income, gain, loss, deduction, or credit of the Company pursuant to Section 6226 of the Code, and (iii) hereby agrees to take all other actions as the Partnership Representative may reasonably direct with respect to the Member's (or, in respect of the Member, the Company's) tax liabilities, which shall not include filing an amended return for any "reviewed year" to account for all adjustments under Section 6225(a) of the Code properly allocable to the Member as provided in and otherwise contemplated by Section 6225(c) of the Code and any Treasury Regulations that may be promulgated thereunder. If the Company or any other entity in which the Company holds an interest is obligated to pay any amount to a governmental agency or body or to any other Person (or otherwise makes a payment) of any taxes arising under a federal, state, or local tax audit or other proceeding and the Partnership Representative determines that all or a portion of such payment is specifically attributable to a Member (or former Member), then such Member (or former Member) shall reimburse the Company in full for the entire amount paid (including any interest, penalties, and expenses associated with such payment). The obligations of a Member under this Section 10.2 shall survive such Member's sale or other disposition of its interests in the Company and the termination, dissolution, liquidation, or winding up of the Company.

(c) The Partnership Representative (i) shall keep the Investor Members reasonably informed of any material tax audit, settlement or proceeding and (ii) shall not settle or otherwise compromise a material tax audit, settlement or proceeding that would have a material adverse impact on either Investor Member, without the BIP Investor Member's prior written consent (such consent not to be unreasonably withheld, conditioned, or delayed).

Section 10.3 Tax Elections. Except as otherwise provided by this Agreement, all material elections and decisions required or permitted to be made by the Company under any applicable tax law shall be determined by the NiSource Member; provided however, that any election with respect to taxes that is disproportionately materially adverse to either Investor Member shall require the BIP Investor Member's prior consent (such consent not to be unreasonably withheld, conditioned, or delayed). The elections shall include, but not be limited to, the following:

- (a) Upon the written request of a Member, the Company may make the election under Section 754 of the Code in accordance with applicable regulations thereunder for the Company and each applicable Subsidiary;
- (b) To the extent permitted under Section 706 of the Code, to elect the calendar year as the Company's taxable year and, (i) for clarity, to the extent the Company is permitted to adopt the calendar year, no other year shall be adopted as the taxable year and (ii) to the extent any additional filings or elections are required, to make such required filings or elections;
- (c) To elect the accrual method of accounting;
- (d) To elect to amortize any organizational expenses of the Company ratably over a period of one hundred eighty (180) months as permitted by Section 709(b) of the Code, and to elect to deduct the start-up expenditures of the Company as permitted by Section 195(b) of the Code;
- (e) If "bonus depreciation" is available with respect to qualified property, the NiSource Member shall make the election described in Section 168(k)(7) of the Code to opt out of "bonus depreciation" for the taxable year during which the placed in service date occurs;
- (f) Based upon current knowledge of the facts pertaining to the transactions contemplated by the PSA as of the Investment Closing Date, the Company will not report the transactions contemplated by the PSA to the IRS as a "reportable transaction" pursuant to Section 6011 of the Code, the relevant Treasury Regulations and any other administrative practice or procedure;
- (g) To the extent permitted by law, to elect to apply the de minimis safe harbor under Treasury Regulations Section 1.263(a)-1(f);
- (h) To the extent permitted under Code Section 461(h)(3), to elect the adoption of the exception for certain recurring items;
- (i) To the extent permitted under Code Section 461(c), to elect to ratably accrue real property taxes; and
- (j) To elect under Code Section 163(j) to be treated as an excepted trade or business.

Section 10.4 Cooperation. Each Investor Member shall, and shall cause its Affiliates to, provide to the NiSource Member and its Subsidiaries (including the Company and its Subsidiaries), and the NiSource Member and the Company shall, and shall cause their Affiliates to, provide to each Investor Member, in each case, such cooperation, documentation and information as any of them reasonably may request in connection with (a) filing any Tax Return, amended Tax Return or claim for refund, (b) determining a liability for Taxes or (c) preparing for or conducting any Tax audits, examinations or other proceedings by any taxing authority of any Governmental Body.

Section 10.5 Withholding. The Company may withhold and pay over to the United States Internal Revenue Service (or any other relevant Tax authority) such amounts as it is required to withhold or pay over, pursuant to the Code or any other applicable Tax Law, on account of a Member, including in respect of distributions made pursuant to Section 5.2 or Section 5.3, and, for the avoidance of doubt, the amount of any such distribution or other payment to a Member shall be net of any such withholding. To the extent that any amounts are so withheld and paid over, such amounts shall be treated as paid to the Person(s) in respect of which such withholding was made. For all purposes under this Agreement, any amounts withheld or paid with respect to a Member pursuant to this Section 10.5 shall offset any distributions to which such Member is entitled concurrently with such withholding or payment and shall be treated as having been distributed to such Member pursuant to Section 5.2 or Section 5.3 at the time such offset is made. To the extent that the cumulative amount of such withholding or payment exceeds the distributions to which such Member is entitled concurrently with such withholding or payment, the amount of such excess shall be promptly paid to the Company by the Member on whose behalf such withholding is required to be made; provided, however, that any such payment shall not be treated as a Capital Contribution and shall not reduce the amount that a Member is otherwise obligated to contribute to the Company. To the extent that a Member claims to be entitled to a reduced rate of, or exemption

from, a withholding Tax pursuant to an applicable income Tax treaty, or otherwise, such Member shall furnish the Company with such information and forms as such Member may be required to complete where necessary to comply with any and all Laws and regulations governing the obligations of withholding Tax agents, and the Company shall apply such reduced rate of, or exemption from, withholding Tax as reflected on such information and forms that have been provided by such Member. Each Member agrees that if any information or form provided pursuant to this Section 10.5 expires or becomes obsolete or inaccurate in any respect, such Member shall update such form or information.

Section 10.6 Certain Representations and Warranties. Each Member represents and warrants that any such information and forms furnished by such Member shall be true and accurate and agrees to indemnify the Company from any and all damages, costs and out-of-pocket expenses resulting from the filing of inaccurate or incomplete information or forms relating to such withholding Taxes.

Article XI

LIABILITY; EXCULPATION; INDEMNIFICATION

Section 11.1 Liability; Member Duties. The debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and no Covered Person shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a Covered Person. Each Member acknowledges and agrees that each Member, in its capacity as a Member, may decide or determine any matter subject to the approval of such Member pursuant to any provision of this Agreement in the sole and absolute discretion of such Member, and in making such decision or determination such Member shall have no duty, fiduciary or otherwise, to any other Member or to the Company Group, it being the intent of all Members that such Member, in its capacity as a Member, has the right to make such determination solely on the basis of its own interests.

Section 11.2 Exculpation. To the fullest extent permitted by applicable Law, no Covered Person shall be liable to the Company or any other Covered Person for any loss, damage or claim incurred by reason of any act or omission performed or omitted by such Covered Person in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of the authority conferred on such Covered Person by this Agreement, except that a Covered Person shall be liable for any such loss, damage or claim incurred by reason of such Covered Person's fraud or willful misconduct.

Section 11.3 Indemnification. The Company shall indemnify, defend and hold harmless any Person who was or is a party or is threatened to be made a party to any threatened, pending or completed actions, suits or proceedings by reason of the fact that such Person is or was a Director or officer of the Company, or is or was a Director or officer of the Company serving at the request of the Company as a director, officer or agent of another limited liability company, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, settlements, penalties and fines actually and reasonably incurred by him or her in connection with the defense or settlement of such, action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Company; and, with respect to any criminal action or proceeding, either he or she had reasonable cause to believe such conduct was lawful or no reasonable cause to believe such conduct was unlawful; provided, however, for the avoidance of doubt, this Section 11.3 shall not apply with respect to any such actions between the Company and such Person or pursuant to claims under the PSA.

Section 11.4 Authorization. To the extent that such present or former Director or officer of the Company has been successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to in Section 11.3, or in the defense of any claim, issue or matter therein, the Company shall indemnify him or her against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection therewith. Any other indemnification under Section 11.3 shall be made by the Company only as authorized in the specific case, upon a determination that indemnification of the present or former Director or officer is permissible in the circumstances because such present or former Director or officer has met the applicable standard of conduct. Such determination shall be made, with respect to a Person who is a Director or officer at the time of such determination, (a) by a majority vote of the Directors who are not parties to such action, suit or proceeding, even with less than a quorum, or (b) if there are no such Directors, or if such Directors so direct, by independent legal counsel in a written opinion, or (c) by the NiSource Member and the BIP Investor Member. Such determination shall be made, with respect to former Directors and officers, by any Person or Persons having the authority to act on the matter on behalf of the Company.

Section 11.5 Reliance on Information. For purposes of any determination under Section 11.3, a present or former Director or officer of the Company shall be deemed to have acted in good faith and have otherwise met the applicable standard of conduct set forth in Section 11.3 if his or her action is based on the records or books of account of the Company or on information supplied to him or her by a Director or an officer of the Company in the course of his or her duties, or on the advice of legal counsel for the Company or on information or records given or reports made to the Company by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Company. The provisions of this Section 11.5 shall not be deemed to be exclusive or to limit in any way the circumstances in which a present or former Director or officer of the Company may be deemed to have met the applicable standard of conduct set forth in Section 11.3.

Section 11.6 Advancement of Expenses. Expenses (including reasonable attorneys' fees) incurred by the present or former Director or officer of the Company in defending any civil, criminal, administrative or investigative action, suit or proceeding may be paid by the Company as authorized in the specific case in the same manner described in Section 11.4, upon receipt of a written affirmation of the present or former Director or officer that he or she has met the standard of conduct described in Section 11.3 and upon receipt of a written undertaking by or on behalf of him or her to repay such amount if it shall ultimately be determined that he or she did not meet the standard of conduct, and a determination is made that the facts then known to those making the determination shall not preclude indemnification under this Article XI.

Section 11.7 Non-Exclusive Provisions. The indemnification and advancement of expenses provided by, or granted pursuant to, this Article XI shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled. The Company hereby acknowledges that certain of its Directors and certain of its Members and the direct and indirect partners therein or owners thereof (the "Fund Indemnitees") may have rights to indemnification, advancement of expenses and/or insurance with respect to their service on the Board (collectively, the "Fund Indemnitors"). The Company hereby agrees: (a) that it is the indemnitor of first resort (i.e., its obligations to the Fund Indemnitees are primary and any obligation of the Fund Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by the Fund Indemnitees are secondary) and (b) that it irrevocably waives, relinquishes and releases the Fund Indemnitors from any and all claims against the Fund Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof, except to the extent that a Fund Indemnitee breaches its undertaking to repay advanced expenses as provided in Section 11.6. The Company further agrees that no advancement or payment by the Fund Indemnitors on behalf of the Fund Indemnitees with respect to any claim for which the Fund Indemnitees have sought indemnification from the Company shall affect the foregoing and that the Fund Indemnitors shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of the Fund Indemnitees against the Company.

Section 11.8 Survival of Indemnification and Advancement of Expenses. The indemnification and advancement of expenses provided by, or granted pursuant to, this Article XI shall, unless otherwise provided when authorized or ratified, continue as to a Person who has ceased to be a Director or officer of the Company and shall inure to the benefit of his or her heirs, executors and administrators.

Section 11.9 Limitations. Notwithstanding anything contained in this Article XI to the contrary, the Company shall not be obligated to indemnify any Director or officer (or his or her heirs, executors or personal or legal representatives) or advance expenses in connection with a proceeding (or part thereof) initiated by such Person unless such proceeding (or part thereof) was authorized or consented to by the Board.

Article XII REPRESENTATIONS AND WARRANTIES

Section 12.1 Members Representations and Warranties. Each Member hereby represents and warrants, severally and not jointly, to the Company and to the other Member as follows:

(a) Such Member is a limited liability company duly organized, validly existing and in good standing under the Laws of its jurisdiction of organization or formation, as applicable, with full power and authority to enter into this Agreement and perform all of its obligations hereunder.

(b) The execution and delivery of this Agreement by such Member, and the performance by such Member of its obligations hereunder, have been duly and validly authorized by all requisite action by such Member, and no other proceedings on the part of such Member are necessary to authorize the execution, delivery or performance of this Agreement by such Member.

(c) This Agreement has been duly and validly executed and delivered by such Member, and, assuming that this Agreement is a valid and binding obligation of the other Parties, this Agreement constitutes a valid and binding obligation of such Member, enforceable against such Member in accordance with its terms, except as limited by the application of bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other Laws relating to or affecting creditors' rights or general principles of equity.

(d) The execution and delivery by such Member of this Agreement, and the performance by such Member of its obligations hereunder, does not (i) violate or breach its Organizational Documents, (ii) violate any applicable Law to which such Member is subject or by which any of its assets are bound, or (iii) result in any breach of or constitute a default (or an event that, with notice or lapse of time or both, would become a default) under any Contract to which such Member is a party or by which any of its assets are bound.

(e) Such Member is acquiring its Membership Interests (i) for such Member's own account and not directly or indirectly for the account of any other Person and (ii) for investment and not with a view to their sale or distribution. Such Member understands that the Membership Interests have not been registered under the Securities Act and may be resold only if registered pursuant to the provisions of the Securities Act or if an exemption from registration is available. Such Member understands that no public market now exists for the Membership Interests and that it is unlikely that a public market will ever exist for the Membership Interests. Such Member understands that its investment in the Company is highly speculative in nature and is subject to a high degree of risk of loss, in whole or in part.

Article XIII MISCELLANEOUS

Section 13.1 Notices. Except as otherwise expressly provided herein, all notices, demands and other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given (a) when personally delivered, (b) when transmitted by electronic mail (unless if transmitted after 5:00 p.m. Eastern time or other than on a Business Day, then on the next Business Day) to the address specified below (with confirmation of transmission), (c) when sent by internationally-recognized courier in which case it shall be deemed to have been given at the time of actual recorded delivery, or (d) the third (3rd) Business Day following the day on which the same is sent by certified or registered mail, postage prepaid, in each case, to the respective Party at the number, electronic mail address or street address, as applicable, set forth below, or at such other number, electronic mail address or street address as such Party may specify by written notice to the other Party.

Notices to either Investor Member:

BIP Blue Buyer L.L.C. or BIP Blue Buyer VCOC L.L.C.
345 Park Avenue
New York, NY 10154
Attention: Legal Counsel – Blackstone Infrastructure Partners; Max Wade
Email: BIP-Legal@blackstone.com; max.wade@blackstone.com

with copies to (which shall not constitute notice):

Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas
New York, NY 10019
Attention: Ravi Purohit; Michael Spirtos
Email: rpurohit@paulweiss.com; mspirtos@paulweiss.com

Notices to the NiSource Member:

NIPSCO Holdings I LLC
290 W. Nationwide Boulevard
Columbus, OH 43215

Attention: Shawn Anderson, Executive Vice President and Chief Financial Officer; Kim Cuccia, Senior Vice President, General Counsel and Corporate Secretary
Email: sanderson@nisource.com; kscuccia@nisource.com

with a copy to (which shall not constitute notice):

McGuireWoods LLP
800 East Canal Street
Richmond, Virginia 23219
Attention: Joanne Katsantonis; Emilie McNally
Email: jkatsantonis@mcguirewoods.com; emcnally@mcguirewoods.com

Notices to the Company:

NIPSCO Holdings II LLC
290 W. Nationwide Boulevard
Columbus, OH 43215

Attention: Shawn Anderson, Executive Vice President and Chief Financial Officer; Kim Cuccia, Senior Vice President, General Counsel and Corporate Secretary
Email: sanderson@nisource.com; kscuccia@nisource.com

with a copy to (which shall not constitute notice):

McGuireWoods LLP
800 East Canal Street
Richmond, Virginia 23219
Attention: Joanne Katsantonis; Emilie McNally
Email: jkatsantonis@mcguirewoods.com; emcnally@mcguirewoods.com

Section 13.2 Assignment. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns; provided, that no Member, nor the Company, shall purport to assign or Transfer all or any of its rights or obligations under this Agreement nor grant, declare, create or dispose of any right or interest in this Agreement in whole or in part except with respect to a Transfer in accordance with the terms of this Agreement, and any attempted or purported assignment hereof not in accordance with the terms hereof shall be void ab initio.

Section 13.3 Waiver of Partition. Each Member hereby waives any right to partition of the Company property.

Section 13.4 Further Assurances. From and after the Effective Date, from time to time, as and when requested by any Party and at such Party's expense, any other Party shall execute and deliver, or cause to be executed and delivered, all such documents and instruments and shall take, or cause to be taken, all such further or other actions as such requesting Party may reasonably deem necessary or desirable to carry out the purposes and intent of this Agreement.

Section 13.5 Third Party Beneficiaries. Except as otherwise expressly provided herein, nothing expressed or referred to in this Agreement shall be construed to give any Person other than the Parties any legal or equitable right, remedy or claim under or with respect to this Agreement or any provision of this Agreement; provided, that Covered Persons are express third party beneficiaries of Article XI.

Section 13.6 Parties in Interest; Non-Recourse. This Agreement shall inure to the benefit of, and be binding upon, the Parties and their respective successors, legal representatives and permitted assigns. This Agreement may only be enforced against, and any claim, action, suit, proceeding or investigation based upon, arising out of or related to this Agreement may only be brought against, the Persons that are expressly named as Parties to this Agreement. Except to the extent named as a Party to this Agreement, and then only to the extent of the specific obligations of such Parties set forth in this Agreement, no past, present or future shareholder, member, partner, manager, director, officer, employee, Affiliate (without giving effect to the proviso set forth in the definition thereof), agent or advisor of any Party shall have any liability (whether in contract, tort, equity or otherwise or by or through theories of equity, agency, control, instrumentality, alter ego, domination, sham, single business enterprise, piercing the veil, undercapitalization or any other attempt to avoid or disregard the entity form of any Person not a Party) for any of the representations, warranties, covenants, agreements or other obligations or liabilities of any of the Parties or for any claim, action, suit, proceeding or investigation based upon, arising out of or related to this Agreement. Notwithstanding anything contained herein, in no event shall this Section 13.6 limit in any way or waive any rights the Company or the NiSource Member may have with respect to the Equity Commitment Letters.

Section 13.7 Severability. If any term, provision, covenant or restriction contained in this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void, unenforceable or against its regulatory policy, the remainder of the terms, provisions, covenants and restrictions contained in this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and, to the extent permitted and possible, any invalid, void or unenforceable term shall be deemed replaced by a term that is valid and enforceable and that comes closest to expressing the intention of such invalid, void or unenforceable term.

Section 13.8 Construction. The language used in this Agreement shall be deemed to be the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Person. The headings of the sections and paragraphs of this Agreement have been inserted for convenience of reference only and shall in no way restrict or otherwise modify any of the terms or provisions hereof.

Section 13.9 Complete Agreement. This Agreement (including any schedules thereto), constitutes the entire agreement of the Parties hereto with respect to the subject matter hereof and thereof and supersedes any prior understandings, agreements or representations by or among the Parties hereto or Affiliates thereof, written or oral, to the extent they relate in any way to the subject matter hereof.

Section 13.10 Amendment; Waiver. Subject to Article VIII, neither this Agreement nor any other Organizational Document of the Company may be amended (whether by merger or otherwise) except in a written instrument signed by Members owning at least a majority of the Membership Interests; provided, that (a) the prior written consent of any Member shall be required in respect of any such proposed modification, alteration, supplement or amendment that would have a material disproportionate adverse impact on that Member (in its capacity as a Member) as compared to the other Members (in their capacity as Members) and (b) notwithstanding anything in this Agreement to the contrary, Article V, Article VI, Article VII, Article VIII and this Section 13.10 may not be amended other than by a written instrument signed by the BIP Investor Member. In the event that the Company issues Membership Interests to one (1) or more Third Parties pursuant to Section 5.1(c) or Section 7.1, the Members and the Company shall negotiate in good faith to amend this Agreement to the extent reasonably necessary to reflect such additional Members. Any amendment or revision to Schedule 1 that is made by an officer solely to reflect information regarding Members or the Transfer or issuance of Membership Interests made in accordance with the terms of this Agreement shall not be considered an amendment to this Agreement and shall not require any Board or Member approval. Any failure or delay on the part of any Party in exercising any power or right hereunder shall not operate as a waiver thereof, nor shall any single or partial exercise of any such right or power preclude any other or further exercise thereof or the exercise of any other right or power hereunder or otherwise available at law or in equity.

Section 13.11 Governing Law. This Agreement, and any claim, action, suit, investigation or proceeding of any kind whatsoever, including a counterclaim, cross-claim or defense, regardless of the legal theory under which such liability or obligation may be sought to be imposed, whether sounding in contract or tort, or whether at law or in equity, or otherwise under any legal or equitable theory, that may be based upon, arising out of or related to this Agreement or the negotiation, execution or performance of this Agreement or the transactions contemplated hereby shall be governed by and construed in accordance with the internal Laws of the State of Delaware applicable to agreements executed and performed entirely within such State without regards to conflicts of law principles of the State of Delaware or any other jurisdiction that would cause the Laws of any jurisdiction other than the State of Delaware to apply.

Section 13.12 Specific Performance. The Parties agree that irreparable damage, for which monetary relief, even if available, shall not be an adequate remedy, would occur in the event that any provision of this Agreement is not performed in accordance with its specific terms or is otherwise breached. It is accordingly agreed that (a) the Parties shall be entitled to seek an injunction or injunctions, specific performance or other equitable relief to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof without proof of damages or otherwise, this being in addition to any other remedy to which they are entitled under this Agreement, and (b) the right of specific performance and other equitable relief is an integral part of this Agreement and the business and legal understandings among the Members with respect to the Company, and without that right, none of the Members would have entered into this Agreement. The Parties acknowledge and agree that any Party pursuing an injunction or injunctions or other Order to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement in accordance with this Section 13.12 shall not be required to provide any bond or other security in connection with any such Order. The remedies available to the Parties pursuant to this Section 13.12 shall be in addition to any other remedy to which they may be entitled at law or in equity, and the election to pursue an injunction or specific performance shall not restrict, impair or otherwise limit any Party from seeking to collect or collecting damages. Each of the Parties agrees that it shall not oppose the granting of an injunction, specific performance and other equitable relief on the basis that any other Party has an adequate remedy at law or that any award of specific performance is not an appropriate remedy for any reason at law or in equity.

Section 13.13 Escalation; Arbitration.

(a) In connection with any dispute, controversy or claim among the Members relating to or arising out of this Agreement, the Members will use their reasonable efforts to resolve such dispute within thirty (30) days. If the dispute has not been resolved within such thirty (30) day period, the Members will escalate the dispute to the respective Senior Officers, who will meet to discuss and use their reasonable efforts to resolve the dispute. If the Members remain unable to resolve the dispute within thirty (30) days of the initial meeting of the Senior Officers or such later date as the Members subject to such dispute may agree, such dispute shall be finally settled by binding arbitration administered by the American Arbitration Association ("AAA") utilizing its Commercial Arbitration Rules in effect as of the date the arbitration is commenced. The arbitration shall be conducted before a single arbitrator, if the Parties can agree on the one arbitrator. If the Parties cannot agree on a single arbitrator, there shall be a panel of three arbitrators with one chosen by the BIP Investor Member, one chosen by the NiSource Member, and the third arbitrator selected by the two Members-appointed arbitrators. If a Party fails to appoint an arbitrator within thirty (30) days following a written request by another Party to do so or if the two party-appointed arbitrators fail to agree upon the selection of a third arbitrator, as applicable, within thirty (30) days following their appointment, the additional arbitrator shall be selected by the AAA pursuant to its applicable procedures. Each arbitrator shall be disinterested and have at least 20 years of experience with commercial matters. The arbitrator(s) shall have the power to award any appropriate remedy consistent with the objectives of the arbitration and subject to, and consistent with, all Laws and Orders applicable to the Company and its Subsidiaries (including, for the avoidance of doubt, the necessity of obtaining any requisite authorization, approval or consent of any Governmental Body necessary to implement the appropriate remedy). The decision of the one arbitrator or, if applicable, the majority of the three arbitrators shall be final and binding upon the Parties (subject only to limited review as required by applicable Law). Judgment upon the award of the arbitrator(s) may be entered in any court of competent jurisdiction or otherwise enforced in any jurisdiction in any manner provided by applicable Law. The losing Party shall pay the prevailing Party's attorney's fees and costs and the costs associated with the arbitration, including expert fees and costs and the arbitrators' fees and costs; provided, however, that each Party shall bear its own fees and costs until the arbitrator(s) determine which, if any, Party is the prevailing Party and the amount that is due to such prevailing Party. The arbitration proceedings shall take place in Chicago, Illinois and, for the avoidance of doubt, the arbitration proceedings shall be conducted in the English language.

(b) All discussions, negotiations and proceedings under this Section 13.13, and all evidence given or discovered pursuant hereto, will be maintained in strict confidence by all Parties, except where disclosure is required by applicable Law, necessary to comply with any legal requirements of such Party or necessary or advisable in order for a Party to assert any legal rights or remedies, including the filing of a complaint with a court or, based on the advice of counsel, such disclosure is determined to be necessary or advisable under applicable securities Laws or the rules of any stock exchange on which any of such Party's securities are traded. Disclosure of the existence of any arbitration or of any award rendered

therein may be made as part of any action in court for interim or provisional relief or to confirm or enforce such award.

(c) Any settlement discussions occurring and negotiating positions taken by any Party in connection with the procedures under this Section 13.13 will be subject to Rule 408 of the Federal Rules of Civil Procedure and shall not be admissible as evidence in any proceeding relating to the subject matter of this Agreement.

(d) The fact that the dispute resolution procedure specified in this Section 13.13 has been or may be invoked will not excuse any Party from performing its obligations under this Agreement, and during the pendency of any such procedure, all Parties must continue to perform their respective obligations in good faith. In addition, in no event shall the fact that this provision has been invoked and the pendency of the proceedings limit, suspend, delay or waive any other rights and remedies provided in this Agreement to any Member.

(e) Notwithstanding the agreement to arbitrate contained in this Section 13.13, in the event that either Party wishes to seek a temporary restraining order, a preliminary or temporary injunction, or other injunctive relief in connection with any claim, demand, cause of action, dispute, controversy, or other matter arising out of or relating to this Agreement or the alleged breach thereof, whether such claim sounds in contract, tort, or otherwise, at law or in equity, under state or federal law, whether provided by statute or the common law, each Party shall have the right to pursue such injunctive relief in court, rather than by arbitration. The Parties agree that such action for a temporary restraining order, a preliminary or temporary injunction, or other injunctive relief may be brought in the state or federal courts of Delaware, or in any other forum in which jurisdiction is appropriate.

Section 13.14 Counterparts. This Agreement may be executed in counterparts, and any Party may execute any such counterpart, each of which when executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute one and the same instrument. This Agreement shall become effective when each Party shall have received a counterpart hereof signed by the other Parties. The Parties agree that the delivery of this Agreement may be effected by means of an exchange of facsimile or electronically transmitted signatures.

Section 13.15 Fair Market Value Determination. In the event the Board makes a determination of Fair Market Value under this Agreement, upon request by the NiSource Member or the BIP Investor Member, so long as such Member holds a Percentage Interest (or, with respect to the BIP Investor Member, the Investor Members collectively hold an aggregate Percentage Interest) greater than five percent (5%), within five (5) Business Days after receiving written notice of the Board's determination in connection with any determination of Fair Market Value of Membership Interests or other assets under this Agreement (which determination shall be provided by the Company to each Member promptly following the making thereof), the Company shall select a nationally recognized independent valuation firm with no existing or prior business or personal relationship with any Member or any of its Affiliates in the three year period immediately preceding the date of engagement, pursuant to this Section 13.15 (the "Independent Evaluator") to determine such Fair Market Value. Each of the Company and the requesting Member shall submit their view of the Fair Market Value of the Membership Interests or the relevant asset(s) to the Independent Evaluator, and each party will receive copies of all information provided to the Independent Evaluator by the other party. The final Independent Evaluator's determination of the Fair Market Value of such Membership Interests or asset(s) shall be set forth in a detailed written report addressed to the Company and the Members within thirty (30) days following the Company's selection of such Independent Evaluator and such determination shall be final, conclusive and binding. In rendering its decision, the Independent Evaluator shall determine which of the positions of the Company and the requesting Member submitted to the Independent Evaluator is, in the aggregate, more accurate (which report shall include a worksheet setting forth the material calculations used in arriving at such determination), and, based on such determination, adopt either the Fair Market Value determined by the Company or the requesting Member. Any fees and expenses of the Independent Evaluator incurred in resolving the disputed matter(s) will be borne by the party whose positions were not adopted by the Independent Evaluator. Notwithstanding the foregoing, the Board's determination of Fair Market Value under this Agreement shall be conclusive and relied upon by the Members in carrying out their obligations hereunder, unless and until the Independent Evaluator determines otherwise. The pendency of this process shall not excuse the performance of any obligations of a Member hereunder.

Section 13.16 Certain Definitions. As used in this Agreement, the following terms shall have the meanings ascribed to them below: “Act” means the Delaware Limited Liability Company Act, as amended from time to time.

“Actual Performance Management Net Income” means Net Income of NIPSCO Consolidated adjusted for income taxes computed or imputed on Net Income. For these purposes, “NIPSCO Consolidated” is defined as NIPSCO and its consolidated subsidiaries including NIPSCO Accounts Receivable Corporation and its controlling investments in tax equity financings related to renewable projects. On an annual basis, Parent will provide to the Investor Members a schedule calculating Actual Performance Management Net Income including supporting documentation.

“Adjusted Capital Account” means, with respect to any Member, the balance in such Member’s Capital Account as of the end of the relevant Allocation Year or other period, after giving effect to the following adjustments:

(a) Add to such Capital Account the following items:

(i) The amount, if any, that such Member is obligated to contribute to the Company upon liquidation of such Member’s Percentage Interest; and

(ii) The amount that such Member is obligated to restore or is deemed to be obligated to restore pursuant to Treasury Regulations Section 1.704-1(b)(2)(ii)(c) or the penultimate sentence of each of Treasury Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5).

(b) Subtract from such Capital Account such Member’s share of the items described in Treasury Regulations Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5) and 1.704-1(b)(2)(ii)(d)(6).

The foregoing definition of Adjusted Capital Account is intended to comply with the provisions of Treasury Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

“Adjusted Capital Account Deficit” means, with respect to any Member, the deficit balance, if any, in such Member’s Adjusted Capital Account as of the end of the Allocation Year (or other relevant period).

“Advisors” means, with respect to any Person, the accountants, attorneys, consultants, advisors, investment bankers, or other representatives of such Person.

“Affiliate” of any particular Person means any other Person Controlling, Controlled by or under common Control with such particular Person, provided, however, that, (i) no portfolio company of any investment fund affiliated with or advised by The Blackstone Group Inc. or Blackstone Infrastructure Partners L.P., or Blackstone Infrastructure Advisors, LLC, shall be deemed to be an “Affiliate” of either Investor Member (excluding the Investor Members’ Subsidiaries) and (ii) no investment fund affiliated with or advised by The Blackstone Group Inc. shall be deemed an “Affiliate” of either Investor Member (excluding funds or investment vehicles controlled or advised by Blackstone Infrastructure Advisors, LLC).

“Affiliated GHII Member” means a GHII Member that is Controlled by a Member, a Member, or is under common Control with a GHII Member.

“Affiliated Member” means a Member that is Controlled by a GHII Member, Controls a GHII Member, or is under common Control with a GHII Member.

“Allocation Year” means (a) the period commencing on the Investment Closing Date and ending on the immediately succeeding December 31; (b) any subsequent twelve (12) month period commencing on January 1 and ending on December 31; or (c) any portion of the period described in preceding clause (a) or (b) for which the Company is required to allocate items of the Company income, gain, loss, deduction or credit.

“Anti-Corruption Laws” means any Law concerning or relating to bribery or corruption imposed, administered or enforced by any Governmental Body.

“Anti-Money Laundering Laws” means any Law concerning or relating to money laundering, any predicate crime to money laundering or any record keeping, disclosure or reporting requirements related to money laundering imposed, administered or enforced by any Governmental Body.

“Assumed Tax Liability” means, for any Member, the product of (a) such Member’s allocable share of net taxable income of the Company for such Fiscal Year (or applicable portion thereof), reduced by such Member’s allocable share of cumulative net taxable loss of the Company not previously been taken into account (calculated taking into account the effect of any basis adjustment under Code Section 734, 743 or 754 and allocations pursuant to Code Section 704(c)), determined as if such Member has no items of income, gain, loss, deduction or credit other than through the Company, multiplied by (b) the Assumed Tax Rate.

“Assumed Tax Rate” means the highest effective combined marginal U.S. federal, state and local income tax rate applicable to a corporation for such Fiscal Year (taking into account the character of the underlying taxable income) and the deductibility of state and local income taxes for U.S. federal income tax purposes (and any applicable limitations thereon). The Assumed Tax Rate shall be the same for each Member.

“Available Cash” means, for any fiscal quarter, the cash flow generated from the normal business operations of the Company and its Subsidiaries in such fiscal quarter, less any amounts that the Board reasonably determines are necessary and appropriate to be retained in order to (a) permit the Company and its Subsidiaries to pay their obligations as they become due in the ordinary course of business, (b) make all payments required or that the Board determines is appropriate under the NiSource Notes, (c) maintain the Company’s and its Subsidiaries’ target regulatory capital structure and investment grade credit metrics, (d) fund planned capital expenditures, (e) maintain an adequate level of working capital, (f) maintain prudent reserves for future obligations (including contingent obligations of the Company and its Subsidiaries), (g) comply with applicable Law, Order, the terms of the Company’s and its Subsidiaries’ Indebtedness (including making any required payments of principal or interest in satisfaction of Indebtedness), or (h) respond to an Emergency Situation, with the requirement of the Company and its Subsidiaries, to make upward cash distributions (on a quarterly basis) of at least fifty percent (50%) of the applicable entity’s Net Income for the relevant period (but, in any case, no less than all Available Cash).

“Business Day” means any day other than a Saturday, Sunday or a day on which banking institutions located in New York, New York or Delaware are closed generally.

“Capital Account” means the capital account maintained for each Member on the Company’s books and records in accordance with the following provisions:

(a) To each Member’s Capital Account there shall be added (i) such Member’s Capital Contributions, (ii) such Member’s allocable share of net Profits and any items in the nature of income or gain that are specially allocated to such Member pursuant to Section 5.6 or Section 5.7 hereof or other

provisions of this Agreement, and (iii) the amount of any Company liabilities assumed by such Member or which are secured by any property distributed to such Member.

(b) From each Member's Capital Account there shall be subtracted (i) the amount of (A) cash and (B) the Gross Asset Value of any Company assets (other than cash) distributed to such Member pursuant to any provision of this Agreement, (ii) such Member's allocable share of net Losses and any other items in the nature of expenses or losses that are specially allocated to such Member pursuant to Section 5.6 or Section 5.7 hereof or other provisions of this Agreement, and (iii) liabilities of such Member assumed by the Company or which are secured by any property contributed by such Member to the Company.

(c) In the event any Membership Interest is transferred in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred Membership Interest.

(d) In determining the amount of any liability for purposes of subparagraphs (a) and (b) above, there shall be taken into account Code Section 752(c) and any other applicable provisions of the Code and Regulations.

The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Regulations Sections 1.704-1(b) and 1.704-2 and shall be interpreted and applied in a manner consistent with such Regulations.

"Capital Contribution" means, with respect to any Member, the total amount of cash and the initial Gross Asset Value of property (other than cash) contributed to the capital of the Company by such Member, whether as an initial Capital Contribution or as an additional Capital Contribution.

"Change in Control" means with respect to the applicable Party, any person or group (within the meaning of Sections 13(d)(3) and 14(d)(2) of the Securities Exchange Act of 1934, as amended) at any time becoming the beneficial owner of more than fifty percent (50%) of the combined voting power of the voting securities of such Party (including through general partner and limited partner arrangements).

"Code" means the Internal Revenue Code of 1986, as amended.

"Company Group" means the Company and each of its Subsidiaries, collectively.

"Company Minimum Gain" has the meaning set forth in Treasury Regulations Sections 1.704-2(b)(2) and 1.704-2(d)(1) for the phrase "partnership minimum gain."

"Competitor" means any Person that is, or through its Subsidiaries is, directly involved in or competes with the Company Business in the United States. For the avoidance of doubt, a Competitor shall not include any financial sponsors that own equity in any Person that is directly involved in the Company Business in the United States.

"Contract" means any written agreement, arrangement, commitment, indenture, instrument, purchase order, license or other binding agreement.

"Control" means the possession, directly or indirectly, of the power to direct the management and policies of a Person whether through the ownership of voting securities, Contract or otherwise.

“Covered Person” means any (a) Member, any Affiliate of a Member or any officers, directors, shareholders, partners, members, employees, representatives or agents of a Member or their respective direct or indirect Affiliates, (b) Director, or (c) employee, officer, or agent of the Company or its Affiliates.

“CPI Escalator” means that certain increase calculated annually on the anniversary of the Effective Date by the percentage increase of services measured by the consumer price index as determined by the U.S. Department of Labor, Bureau of Labor Statistics.

“Debt Financing” means any debt financing incurred by the BIP Investor Member or any of its Affiliates (other than the Company), including, the incurrence of any loans or the issuance of any bonds, notes, debentures or hybrid securities.

“Debt-to-Capital Ratio” means the debt-to-capital ratio of NIPSCO as calculated for IURC purposes.

“Depreciation” means, for Allocation Year or other period, an amount equal to the depreciation, amortization or other cost recovery deduction allowable for federal income tax purposes with respect to an asset for such Allocation Year or other period, except that (a) with respect to an asset the Gross Asset Value of which differs from its adjusted basis for U.S. federal income tax purposes and which difference is being eliminated by use of the “remedial allocation method” as defined in Treasury Regulations Section 1.704-3(d), Depreciation for such period shall be the amount of the book basis recovered for such period under the rules prescribed in Treasury Regulations Section 1.704-3(d)(2), and (b) if the Gross Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such Allocation Year or other period, Depreciation shall be an amount that bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization or other cost recovery deduction for such Allocation Year or other period bears to such beginning adjusted tax basis; provided, however, that if the federal income tax depreciation, amortization or other cost recovery deduction for such Allocation Year or other period is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the Board.

“Emergency Expenditure” means amounts required to be incurred in order to respond to an Emergency Situation or to avoid an Emergency Situation in a manner that is consistent with general practices applicable to facilities used in the Company Business or consistent with the past operations of the Company or its Subsidiaries, but only to the extent such expenditures are reasonably designed to ameliorate the consequences, or an immediate threat of any of the consequences, of the issues set forth in the definition of “Emergency Situation”.

“Emergency Situation” means, with respect to the business of the Company and its Subsidiaries, any abnormal system condition or abnormal situation requiring immediate action to maintain the system, frequency, loading within acceptable limits or voltage or to prevent loss of firm load; material equipment damage or tripping of system elements that would reasonably be expected to materially and adversely affect reliability of an electric system or any other occurrence or condition that requires immediate action to prevent or mitigate an immediate and material threat to the safety of Persons or the operational integrity of the assets and business of the Company or its Subsidiaries or any other condition or occurrence requiring prompt implementation of emergency procedures as defined by the applicable transmission grid operator, distribution or transmitting utility.

“Encumber” means to place a Lien against.

“Equity Commitment Letters” means (i) the Equity Commitment Letter dated as of the Investment Closing Date by Blackstone Infrastructure Partners L.P. for the benefit of the Company in the amount equal to \$250,000,000.00 and (ii) the Equity Commitment Letter dated as of the Effective Date by Blackstone Infrastructure Partners L.P. for the benefit of the Company in the amount equal to \$175,000,000.00.

“Exchange Act” has the meaning set forth in the definition of “Excluded Membership Interests”.

“Excluded Membership Interests” means any Membership Interests or other equity interests in the Company issued in connection with:

- (a) any issuance to a Third Party pursuant to and in accordance with Section 7.1;
- (b) any arrangement approved unanimously by the Board for the return of income or capital to the Members;
- (c) any equity split, equity dividend or any similar recapitalization; or
- (d) the commencement of any offering or registration of Membership Interests or other equity interests of the Company or any of its Subsidiaries, pursuant to a registration statement filed in accordance with the United States Securities Act of 1933 (the “Securities Act”) or under the Securities and Exchange Act of 1934 (the “Exchange Act”).

“Excluded Transactions” means Transactions in the ordinary course of the Company Business and, in each case on an arm’s length basis, with respect to (i) tax equity financings related to renewable projects, (ii) the transfer or sale of Zonal Resource Credits or other similar capacity credits to or from NIPSCO or its Subsidiaries to or from the Company or its Subsidiaries or (iii) pilot programs, and similar undertakings by the Company or its Subsidiaries in connection with the Company Business.

“Fair Market Value” means, with respect to any asset (including equity interest), the price at which the asset would change hands between a willing buyer and a willing seller that are not affiliated parties, neither being under any compulsion to buy or to sell, and both having knowledge of the relevant facts and taking into account the full useful life of the asset. In valuing Membership Interests, no consideration of any control, liquidity or minority discount or premium shall be taken into account. Fair Market Value shall be determined by the Board in accordance with the foregoing, subject to Section 13.15.

“FERC” means the U.S. Federal Energy Regulatory Commission or any successor agency thereto.

“GAAP” means United States generally accepted accounting principles applied on a consistent basis during the periods involved.

“GenCo Declination” means that certain order of the IURC approved on September 24, 2025, of the verified petition of GenCo for certain determinations by the IURC with respect to its jurisdiction over petitioner’s activities as a non-retail generator of electric power.

“GenCo Offtake Agreement” means any offtake agreements (including capacity supply agreements) pursuant to which GHII or its Subsidiaries will sell power, storage, capacity or ancillary products to NIPSCO to allow NIPSCO to fulfill its obligations to certain large load or hyperscale

customers, for each pursuant to a “special contract” or similar arrangement (including any tariff) as submitted to the IURC and/or otherwise consistent with applicable Law at such time, including any applicable IURC rules and regulations.

“GHII” means Generation Holdings II LLC, a Delaware limited liability company and indirect subsidiary of the Parent.

“GHII Member” means each Member as defined in the GHII Operating Agreement.

“GHII Operating Agreement” means that certain Amended and Restated Limited Liability Company Agreement dated as of the date hereof by and among GHII, Generation Holdings I LLC, an Indiana limited liability company and Affiliate of the NiSource member, BIP Orion Holdco L.P., BIP Orion Holdco II L.P., and solely for the purposes of Article VI thereto, the Parent.

“Governmental Body” means any national, foreign, federal, regional, state, local, municipal or other governmental authority of any nature (including any division, department, agency, commission or other regulatory body thereof) and any court or arbitral tribunal, including any governmental, quasi-governmental or non-governmental body administering, regulating or having general oversight over electricity, power or the transmission or transportation thereof, including any regional transmission operator, independent system operator and any market monitor thereof.

“Gross Asset Value” means, with respect to any asset, the asset’s adjusted basis for federal income tax purposes, except as follows:

(a) The initial Gross Asset Value of any asset contributed by a Member to the Company shall be the gross fair market value of such asset on the date of the contribution, as determined by the Board, provided that the initial Gross Asset Values of the assets contributed to the Company pursuant to Section 5.1 shall be as set forth on Schedule 1.

(b) The Gross Asset Values of all Company assets immediately prior to the occurrence of any event described in subparagraphs (i) through (v) below shall be adjusted to equal their respective gross fair market values, as determined by the Board, as of the following times: The Gross Asset Values of all Company assets shall be adjusted to equal their respective gross fair market values, as determined by the Board, as of the following times: (i) the acquisition of an additional interest in the Company by any new or existing Member in exchange for more than a de minimis Capital Contribution; (ii) the distribution by the Company to a Member of more than a de minimis amount of property as consideration for an interest in the Company; (iii) the liquidation of the Company within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(g); (iv) in connection with the grant of an interest in the Company (other than a de minimis interest) as consideration for the provision of services to or for the benefit of the Company by an existing Member acting in a partner capacity, or by a new Member acting in a partner capacity in anticipation of being a Member; and (v) the acquisition of an interest in the Company upon the exercise of a non-compensatory option in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv)(s); provided, however, adjustments pursuant to clause (i), clause (ii), and clause (iv) above shall be made only if the Board reasonably determines that such adjustments are necessary or appropriate to reflect the relative economic interests of the Members in the Company; and provided further, if any non-compensatory option is outstanding, Gross Asset Values shall be adjusted in accordance with Treasury Regulation Sections 1.704-1(b)(2)(iv)(f)(1) and 1.704-1(b)(2)(iv)(h)(2);

(c) The Gross Asset Value of any Company asset distributed to a Member shall be the gross fair market value of such asset on the date of distribution as determined by the Board

(d) The Gross Asset Values of Company assets shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Regulations Section 1.704-1(b)(2)(iv)(m); provided, however, that Gross Asset Values shall not be adjusted pursuant to this subparagraph (d) to the extent that an adjustment pursuant to subparagraph (b) above is made in connection with a transaction that would otherwise result in an adjustment pursuant to this subparagraph (d).

(e) If the Gross Asset Value of a Company asset has been determined or adjusted pursuant to subparagraph (a), subparagraph (b) or subparagraph (d) above, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such Company asset for purposes of computing net Profits and net Losses.

“Indebtedness” means indebtedness or long term debt or similar instruments as those terms are calculated or determined by IURC.

“Investor Call Trigger” means (i) either Investor Member fails to fund all or any portion of its share of a Mandatory Capital Contribution or any Additional Funding Requirement (other than a Mandatory Capital Contribution) in respect of two (2) events if either Investor Member indicated it would do so in its Response to Capital Call but failed to do so within the time period specified in Section 5.1; provided, that the NiSource Member shall be required to provide notice to the BIP Investor Member immediately upon any Investor Member’s first event of failure to fund that would trigger this right; (ii) the Investor Members’ aggregate Percentage Interest is equal to or less than five percent (5%), or (iii) the NiSource Member elects to pursue a spin off, split off or similar transaction of the Company, NIPSCO or an Affiliate; provided, in the case of this clause (iii), the NiSource Member may not exercise its Call Right unless the Spin Return Threshold would be satisfied in the event such contemplated transaction is consummated.

“Investor Consent Threshold” means a Percentage Interest equal to or greater than 19.9%; provided, that, solely in the event the Investor Members’ aggregate Percentage Interest is reduced in connection with issuances of Membership Interests in compliance with Sections 5.1 or 7.1, such reference to “19.9%” shall be replaced by “17.5%”.

“IRR” means, at any time of determination, the actual annual rate of return of the Investor Members (specified as a percentage) taking into account only the following, on a cash-in, cash-out basis: (a) all capital contributions actually made to the Company by or on behalf of the Investor Members or any of its Permitted Transferees with respect to their Membership Interests on or before such date, and (b) all cash distributions made to the Investor Members or any of their respective Permitted Transferees on or before such date. For the avoidance of doubt, the IRR calculation would not include any tax payments at the Investor Members level. The IRR will be calculated using the XIRR function in the most recent version of Microsoft Excel (or if such program is no longer available, such other software program for calculating the IRR as is reasonably determined by the Board), and will be based on the actual dates of funding of such capital contributions and the actual dates of receipt of such cash distributions and proceeds.

“IURC” means the Indiana Utility Regulatory Commission.

“Law” means any law (statutory, common or otherwise), rule, regulation, code or ordinance enacted, adopted, promulgated or applied by any Governmental Body, including all regulatory

requirements emanating from state and federal regulators of the Company Group's businesses and operations.

"Liens" means all liens, encumbrances, mortgages, deeds of trust, pledges, security interests, charges, claims, proxy, voting trust or transfer restrictions, under any stockholder or similar agreement or Organizational Document.

"Maximum Investor Commitment" means \$425,000,000.00.

"Member" means each of the NiSource Member and the Investor Members, and any Person admitted as an additional member of the Company or a substitute member of the Company pursuant to the provisions of this Agreement, each in its capacity as a member of the Company.

"Member Nonrecourse Debt" has the meaning of "partner nonrecourse debt" as set forth in Treasury Regulations Section 1.704-2(b)(4).

"Member Nonrecourse Debt Minimum Gain" means an amount, with respect to each Member Nonrecourse Debt, equal to the Company Minimum Gain that would result if such Member Nonrecourse Debt were treated as a Nonrecourse Liability, determined in accordance with Treasury Regulation Section 1.704-2(i)(3).

"Member Nonrecourse Deductions" has the meaning of "partner nonrecourse deductions" set forth in Treasury Regulations Section 1.704-2(i)(1) and 1.704-2(i)(2).

"Membership Interests" means membership interests of the Company.

"MOIC" means, as of any measurement time, with respect to any holder of Membership Interests, the number resulting from the quotient of (i) the cumulative amount of distributions received by such holder (or its predecessors in interest) in respect of such Membership Interests divided by (ii) the cumulative amount of all capital contributions made to the Company by such holder (or its predecessors in interest) in respect of such Membership Interests prior to such time or, in the case of the Investor Members, the cumulative amount of the Purchase Price (as defined in the PSA) under the PSA paid by the Investor Members to the Parent (as defined therein); provided that, for the purpose of foregoing calculation, the Investor Members shall be aggregated and treated as a single holder.

"Net Income" means the Net Income attributable to the applicable entity in its consolidated GAAP income statement adjusted to (i) reflect non-GAAP adjustments included in the Parent's consolidated non-GAAP reporting associated with the applicable entity and recorded in accordance with the Parent's non-GAAP policy in effect as of the date of the income statement, and (ii) add post-tax Pension & OPEB Non-Service Cost if it is an expense and subtract post-tax Pension & OPEB Non-Service Cost in cases when this item is income. For reference, the Parent's non-GAAP policy is to that certain non-GAAP policy in effect as of the Investment Closing Date.

"New Securities" means any Membership Interests or other equity interests in the Company, other than any Excluded Membership Interests.

"NiSource Leadership Team" means any individual serving as an officer at any Company Group.

"Nonrecourse Deductions" has the meaning set forth in Treasury Regulations Sections 1.704-2(b)(1) and 1.704-2(c).

“Nonrecourse Liability” has the meaning set forth in Treasury Regulations Sections 1.704-2(b)(3) and 1.752-1(a)(2).

“OFAC” means the U.S. Office of Foreign Assets Control.

“Order” means any order, ruling, decision, verdict, decree, writ, award, judgment, injunction, or other similar determination or finding of any Governmental Body.

“Organizational Documents” means, with respect to any corporation, its articles or certificate of incorporation, memorandum or articles of association and by-laws or documents of similar substance; with respect to any limited liability company, its articles of association, articles of organization or certificate of organization, formation or association and its operating agreement or limited liability company agreement or documents of similar substance; with respect to any limited partnership, its certificate of limited partnership and partnership agreement or documents of similar substance; and with respect to any other entity, documents of similar substance to any of the foregoing.

“Outside Group” means the Parent and its Subsidiaries, other than the Company and its Subsidiaries.

“Partnership Audit Rules” means Sections 6221 through 6241 of the Code, as enacted in Public Law 114-74, as may be amended, including any final or temporary Regulations, other administrative guidance or case law interpreting Sections 6221 through 6241 of the Code (and any analogous provision of state or local tax law).

“Partnership Representative” means, with respect to any Allocation Year, the Person designated for such year as the partnership representative for the Company pursuant to section 6223(a) of the Code or with respect to the tax law of any state or foreign jurisdiction, as a representative pursuant to a provision of law of such state or foreign jurisdiction corresponding to Section 6223(a) of the Code and shall also include the Person through whom a Partnership Representative acts.

“Percentage Interest” means, in respect of any Member, their relative ownership in the Membership Interests, expressed as a percentage, which shall be deemed to be equal to the number of Membership Interests that such Member owns divided by the total number of Membership Interests then outstanding.

“Permitted Transferee” means, with respect to the NiSource Member or either Investor Member, (a) a directly or indirectly wholly owned Subsidiary of such Member, (b) an Affiliate of such Member of which such Member is, directly or indirectly, a wholly owned Subsidiary (an “Affiliate Parent”), or (c) an Affiliate of such Member that is a wholly owned Subsidiary of an Affiliate Parent.

“Persons” means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or a Governmental Body.

“Preemptive Right Share” means a ratio of (a) the number of Membership Interests held by such Member with Preemptive Rights, to (b) the total number of Membership Interests then outstanding immediately prior to the issuance of New Securities giving rise to the Preemptive Rights.

“President” means the President of NIPSCO.

“Profits” and “Losses” mean, for each Allocation Year, an amount equal to the Company’s taxable income or loss for such Allocation Year, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments (without duplication):

(a) Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Profits or Losses pursuant to this definition of “Profits” and “Losses” shall be added to such taxable income or loss;

(b) Any expenditures of the Company described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Profits or Losses pursuant to this definition of “Profits” and “Losses,” shall be subtracted from such taxable income or loss;

(c) In the event the Gross Asset Value of any Company asset is adjusted pursuant to clause (b) or clause (c) of the definition of “Gross Asset Value,” the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the Gross Asset Value of the asset) or an item of loss (if the adjustment decreases the Gross Asset Value of the asset) from the disposition of such asset and shall be taken into account for purposes of computing Profits or Losses;

(d) In lieu of the depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such Allocation Year, computed in accordance with the definition of Depreciation;

(e) Gain or loss resulting from any disposition of property with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Gross Asset Value of the property disposed of, notwithstanding that the adjusted tax basis of such property differs from its Gross Asset Value;

(f) To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Code Section 734(b) or Section 743(b) is required, pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m)(4), to be taken into account in determining Capital Accounts as a result of a distribution other than in liquidation of a Member’s interest in the Company, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) from the disposition of such asset and shall be taken into account for purposes of computing Profits or Losses; and

(g) Notwithstanding any other provision of this definition, any items that are specially allocated pursuant to Section 5.7 or Section 5.8 shall not be taken into account in computing Profits or Losses.

The amounts of the items of Company income, gain, loss, or deduction available to be specially allocated pursuant to Section 5.7 and Section 5.8 shall be determined by applying rules analogous to those set forth in clause (a) through clause (f) of this definition

“Prohibited Competitor” means (i) any Competitor listed on Appendix (A) hereto, as may be updated from time to time in accordance with Section 6.3(b) and (ii) any person owned or controlled by an entity existing under the laws of a country or territory that is subject to, or a target of, any Sanctions.

“PSA” means the Purchase and Sale Agreement, dated June 17, 2023, as amended by that certain Amendment No. 1 to Purchase and Sale Agreement, dated July 6, 2023, in each case, by and among the Company, the NiSource Member and the BIP Investor Member.

“Qualified Designee” means (i) with respect to NiSource Member, an employee of Parent or its Affiliates that is an officer of any such entity and (ii) with respect to BIP Investor Member, an employee of the BIP Investor Member or its parent company that is an officer or comparable position of such entity or is otherwise affiliated with such entity; provided, that a “Qualified Designee” shall not include any Person so long as such Person is (a) a director, officer, employee, or other Person affiliated with a Prohibited Competitor or (b) any Person convicted by a court or equivalent tribunal of any felony (or equivalent crime in the applicable jurisdiction) or of any misdemeanor (or equivalent crime in the applicable jurisdiction) that involves financial dishonesty or moral turpitude, or (c) any Person that would create a material reputational risk to the Company based on a good faith determination by the Board.

“Qualified Transferee” means any Person so long as such Person is (i) an asset manager with “assets under management” (as such term is commonly defined in the private equity industry) of at least \$5,000,000,000, (ii) a Person with its equity interests listed on a nationally recognized stock exchange which has a market capitalization of at least \$5,000,000,000 or (iii) a Person that based on its most recent audited balance sheet has at least \$5,000,000,000 of assets, and/or in all cases, is in the good faith determination of the Board of being financially capable of carrying out the obligations and promptly paying all liabilities as they become due and payable under and in accordance with this Agreement and such Person is not a Prohibited Competitor; provided, that a Person that consummated a foreclosure pursuant to Section 6.2(b) shall be deemed a Qualified Transferee.

“Qualifying Core Assets” means assets utilized in connection with the conduct of the Company’s and its Subsidiaries’ business on which the Company reasonably expects (a) that it or its Subsidiaries will be eligible to include in the applicable rate base, and to earn a return on through rates approved by the IURC, FERC (or such other applicable Governmental Body that may then be applicable) that are commercially reasonable (to be determined by the Board in good faith) and are not otherwise inconsistent with such applicable Governmental Body (as the case may be) rate precedent or (b) which are reasonably necessary (as determined by the Board in good faith) for the Company’s and its Subsidiaries’ performance under the GenCo Offtake Agreements in accordance with the terms thereof. For the avoidance of doubt, “Qualifying Core Assets” shall also include (i) necessary or ancillary expenses to support such assets (including working capital) and (ii) assets approved by the IURC for recovery through a “special contract” entered into by NIPSCO or similar arrangement (including any tariff).

“Rate Base Amount” means an amount equal to the net utility plant of the Company and its Subsidiaries, taken as a whole as determined based on the most recently filed FERC Form 1s for the Company and each of its Subsidiaries.

“Representatives” means the directors, officers, employees, agents and Advisors of a Party.

“Sanctioned Country” means a country or territory that is the target of comprehensive Sanctions (currently, Cuba, Iran, North Korea, Syria, the Crimea region of Ukraine, and the so-called Donetsk and Luhansk People’s Republics in eastern Ukraine).

“Sanctioned Person” means, (a) any Person listed in any Sanctions-related list of designated Persons maintained by a Governmental Body described in the definition of “Sanctions,” (b) any Person operating, organized, domiciled or resident in a Sanctioned Country, (c) the government of, or a

Governmental Body or government official of, any Sanctioned Country or of Venezuela, or (d) any Person directly or indirectly owned or otherwise controlled by, acting for or on behalf of, or acting at the direction of, any such Person described in clauses (a), (b), or (c).

“Sanctions” means any trade or economic sanctions imposed, administered or enforced from time to time by OFAC, the U.S. Department of State, His Majesty’s Treasury, the United Nations, the European Union or any agency or subdivision of any of the foregoing, including any regulations, rules and executive orders issued in connection therewith.

“Securities Act” has the meaning set forth in the definition of “Excluded Membership Interests”.

“Senior Officers” means with respect to the NiSource Member, the Chief Executive Officer of the Parent, and with respect to the Investor Members, the Global Head of Infrastructure of Blackstone Inc.

“Spin Return Threshold” means the Investor Return Threshold and the MOIC Return Threshold.

“Subsidiary” means, with respect to any Person, any entity of which a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of such Person or a combination thereof or any partnership, association or other entity of which a majority of the partnership or other similar ownership interest is at the time owned or controlled, directly or indirectly, by such Person or one or more Subsidiaries of such Person or a combination thereof. For purposes of this definition, a Person is deemed to have a majority ownership interest in a partnership, limited liability company, association or other business entity if such Person is allocated a majority of the gains or losses of such partnership, limited liability company, association or other entity or is or controls the managing director or general partner of such partnership, limited liability company, association or other business entity.

“Tag Portion” means an amount of Membership Interests equal to the specified quantity of Tag-Along Offered Membership Interests multiplied by the applicable Investor Member’s Percentage Interest.

“Target Performance Management Net Income” means the financial model output reflected in the “Net Income – Controlling Interests – GAAP” row of the .PDF labeled “Project Blue – Seller Model and Non-GAAP Policy.pdf” and attached to an email from the BIP Investor Member’s counsel to the NiSource Member’s counsel copying Representatives of the BIP Investor Member and the NiSource Member on December 28, 2023 at 4:16 p.m. Eastern Standard Time.

“Tax” or “Taxes” means any federal, state, local or foreign taxes, including income, gross receipts, capital stock, capital gains, franchise, profits, license, withholding, payroll, social security, unemployment, disability, real property, ad valorem/personal property, stamp, excise, occupation, sales, use, excise, transfer, value added, import, export, alternative minimum, estimated or other tax, duty, assessment or governmental charge in the nature of a tax, including any interest, penalty or addition thereto.

“Tax Return” means any return, claim for refund, report, election, form, statement or information return relating to Taxes, including any schedule or attachment thereto, and including any amendments thereof.

“Third Party” means, with respect to a Member, another Person that is not another Member or an Affiliate of a Member.

“Transfer” shall mean, with respect to the legal or beneficial ownership of any of a Member’s Membership Interests, any sale, assignment, transfer, pledge, encumbrance, hypothecation or other similar arrangement or disposal, directly or indirectly, whether voluntarily, involuntarily or by operation of applicable Law (through a Change in Control or otherwise) including by the entry into any contract, option or other arrangement, or the granting or imposition of any Lien, that gives any Person other than the Member, whether or not upon the occurrence or nonoccurrence of an event, the right to acquire any Membership Interests or any interest therein, to vote any Membership Interest, or to require that any Membership Interests be transferred, directly or indirectly, whether voluntarily, involuntarily or by operation of applicable Law. For the avoidance of doubt and notwithstanding the foregoing, none of the following shall constitute a Transfer: (i) a sale, assignment, transfer, or other disposition of equity interests in any Member or any direct or indirect parent of such Member in which such Member represents less than fifty percent (50%) of the Fair Market Value of all of the assets directly or indirectly held by such Member or direct or indirect parent the equity interests of which are being disposed, except in any such case as expressly set forth in Section 6.2(b), (ii) a Change in Control of the NiSource Member, (iii) indirect transfers of Membership Interests resulting solely from acquisitions and dispositions of equity interests of Blackstone Inc., Parent or their respective Affiliates on the New York Stock Exchange, (iv) Change in Control of or any other sale, assignment, transfer, or other disposition of equity interests in the Parent, (v) any direct or indirect transfer of equity interests in either Investor Member that does not result in a Change in Control of such Investor Member, and (vi) as permitted under Section 6.2(b).

“Zonal Resource Credits” shall have the meaning defined in Module E of the Midcontinent Independent System Operator (MISO) Tariff.

Section 13.17 Terms Defined Elsewhere in this Agreement. As used in this Agreement, the following terms shall have the meanings ascribed to them in the sections indicated:

Term	Section
AAA	Section 13.13(a)
Affiliate Agreement Default	Section 2.14(c)
Affiliate Agreement Default Notice	Section 2.14(c)
Affiliate Agreements	Section 2.14(a)
Agreement	Preamble
BIP Investor Member	Preamble
Blocker Seller	Section 6.7
Board	Section 2.1
Board Observer	Section 2.13
Call Consummation Period	Section 5.1(e)
Call Exercise Price	Section 5.1(e)
Call Notice	Section 5.1(e)
Call Right	Section 5.1(e)
Capital Request Funding Date	Section 5.1(a)
Capital Request Notice	Section 5.1(a)
Company	Preamble
Company Business	Section 1.3(a)
Confidential Information	Section 9.6(a)
Contributing Member	Section 5.1(b)(ii)
Contribution Unfunded Amount Notice	Section 5.1(b)

Corporate Opportunity	Section 9.3(b)
Cure Period	Section 5.1(e)
Defaulting Member	Section 4.2
Designated Alternate	Section 2.2(e)
Directors	Section 2.1
Drag-Along Buyer	Section 6.5(a)
Drag-Along Notice	Section 6.5(b)
Drag-Along Right	Section 6.5(a)
Drag-Along Sale	Section 6.5(a)
Event of Default	Section 4.1
Event of Dissolution	Section 4.3(a)
Excess Contribution	Section 5.1(b)(i)
Fund Indemnites	Section 11.7
Fund Indemnitors	Section 11.7
Independent Evaluator	Section 13.15
Investment Closing Date	Recitals
Investor Directors	Section 2.2(b)
Investor Members	Preamble
Investor Return Thresholds	Section 6.5(h)
Lock-Up Period	Section 6.1(b)
Mandatory Capital Contribution	Section 5.1(a)
Measurement Period	Schedule 2
MOIC Return Threshold	Section 6.5(h)
NIPSCO	Section 2.14(b)
NiSource Directors	Section 2.2(d)
NiSource Member	Preamble
NiSource Notes	Section 2.14(b)
NiSource Shortfall Amount	Section 5.1(g)
Non-Transferring Member	Section 6.3(a)
Over-Contributing Member	Section 5.1(b)(i)
Parent	Preamble
Partnership Representative	Section 10.2
Party	Preamble
Preemptive Right	Section 7.1
Preemptive Right Notice Period	Section 7.1
Preemptive Right Participation Notice	Section 7.1
Pro Rata Request Amount	Section 5.1(a)
Regulatory Allocations	Section 5.7(h)
Response To Capital Call	Section 5.1(a)
Sale Notice	Section 6.3(a)(i)
Sale Period	Section 6.3(a)(ii)
Seller Model	Schedule 2
Senior Management Termination Event	Schedule 2
Senior Management Member	Schedule 2
Subject Membership Interests	Section 6.3(a)

Tag-Along Buyer	Section 6.4(a)
Tag-Along Notice	Section 6.4(a)
Tag-Along Offered Membership Interests	Section 6.4(a)
Tag-Along Sale	Section 6.4(a)
Total Number of Directors	Section 2.2(a)
Transferring Member	Section 6.3(a)
Unfunded Amount	Section 5.1(b)
Unfunded Amount Loan	Section 5.1(b)(ii)(A)
VCOC Investment Date	Preamble
VCOC Investor Member	Preamble

Section 13.18 Other Definitional Provisions. The following shall apply to this Agreement:

(a) Accounting terms which are not otherwise defined in this Agreement have the meanings given to them under GAAP. To the extent that the definition of an accounting term defined in this Agreement is inconsistent with the meaning of such term under GAAP, the definition set forth in this Agreement shall control.

(b) The terms “hereof,” “herein” and “hereunder” and terms of similar import are references to this Agreement as a whole and not to any particular provision of this Agreement. Section, clause, schedule and exhibit references contained in this Agreement are references to sections, clauses, schedules and exhibits in or to this Agreement, unless otherwise specified.

(c) Whenever the words “include,” “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation.” Where the context permits, the use of the term “or” shall be equivalent to the use of the term “and/or.”

(d) When calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period shall be excluded. If the last day of such period is a day other than a Business Day, the period in question shall end on the next succeeding Business Day. In addition, notwithstanding any deadline for payment, performance, notice or election under this Agreement, if such deadline falls on a date that is not a Business Day, then the deadline for such payment, performance, notice or election will be extended to the next succeeding Business Day.

(e) Words denoting any gender shall include all genders, including the neutral gender. Where a word is defined herein, references to the singular shall include references to the plural and vice versa.

(f) The word “will” will be construed to have the same meaning and effect as the word “shall”. The words “shall,” “will,” or “agree(s)” are mandatory, and “may” is permissive.

(g) All references to “\$” and dollars shall be deemed to refer to United States currency unless otherwise specifically provided.

(h) All references to a day or days shall be deemed to refer to a calendar day or calendar days, as applicable, unless otherwise specifically provided.

(i) Any reference to any Contract shall be a reference to such agreement or Contract, as amended, amended and restated, modified, supplemented or waived.

(j) Any reference to any particular Code section or any Law shall be interpreted to include any amendment to, revision of or successor to that section or Law regardless of how it is numbered or classified; provided, that, for the purposes of the representations and warranties contained herein, with respect to any violation of or non-compliance with, or alleged violation of or non-compliance, with any

Code section or Law, the reference to such Code section or Law means such Code section or Law as in effect at the time of such violation or non-compliance or alleged violation or non-compliance.

(k) For all purposes of this Agreement (including the determination of a Member's Percentage Interest and its entitlement, if applicable, to designate one or more Directors), such Member and its Permitted Transferees shall be deemed to be, and shall be treated as, one and the same Member.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the undersigned has duly executed this Agreement as of the date first written above.

The Company:

NIPSCO Holdings II LLC

By: /s/ Shawn Anderson

Name: Shawn Anderson

Title: President and Chief Financial Officer

IN WITNESS WHEREOF, the undersigned has duly executed this Agreement as of the date first written above.

NiSource Member:

NIPSCO Holdings I LLC

By: /s/ Shawn Anderson

Name: Shawn Anderson

Title: President and Chief Financial Officer

Solely with respect to Article VI:

Parent:

NiSource Inc.

By: /s/ Shawn Anderson

Name: Shawn Anderson

Title: Executive Vice President and Chief Financial Officer

IN WITNESS WHEREOF, the undersigned has duly executed this Agreement as of the date first written above.

BIP Investor Member:

BIP Blue Buyer L.L.C.

By: BIP Holdings Manager L.L.C., its managing member

By: /s/ Sebastien Sherman

Name: Sebastien Sherman

Title: Senior Managing Director

VCOC Investor Member:

BIP Blue Buyer VCOC L.L.C.

By: BIP Holdings Manager L.L.C., its managing member

By: /s/ Sebastien Sherman

Name: Sebastien Sherman

Title: Senior Managing Director

Schedule 1
Schedule of Members

Schedule 1

Senior Management Termination Event

Appendix A
PROHIBITED COMPETITORS

**Certification Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002**

I, Lloyd M. Yates, certify that:

1. I have reviewed this Quarterly Report of NiSource Inc. on Form 10-Q of NiSource Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 29, 2025

By:

/s/ Lloyd M. Yates

Lloyd M. Yates
President and Chief Executive Officer

1. I have reviewed this Quarterly Report of NiSource Inc. on Form 10-Q of NiSource Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ Shawn Anderson
Shawn Anderson
Executive Vice President and Chief Financial Officer

**Certification Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of NiSource Inc. (the “Company”) on Form 10-Q for the year ending September 30, 2025 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Lloyd M. Yates, Chief Executive Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Lloyd M. Yates

Lloyd M. Yates

President and Chief Executive Officer

Date: October 29, 2025

**Certification Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of NiSource Inc. (the “Company”) on Form 10-Q for the year ending September 30, 2025 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Shawn Anderson, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Shawn Anderson

Shawn Anderson

Executive Vice President and Chief Financial Officer

Date: October 29, 2025

TAB 64.7

807 KAR 5:001 Section 16(7)(p)

2026 - 8-Ks

Columbia Gas of Kentucky, Inc.
CASE NO. 2026-00099
Forecasted Test Period Filing Requirements
807 KAR 5:001 Section 16(7)(p)

Description of Filing Requirement:

A copy of the utility's annual report on Form 10-K as filed with the Securities and Exchange Commission for the most recent two (2) years, and any Form 8-K issued during the past two (2) years, and any Form 10-Q issued during the past six (6) quarters;

Response:

Please see attached for NiSource Inc.'s application for Form 10-Q's and Form 8-K's. Form 10-K is part of the Annual Report to Stockholders and is included with Filing Requirement 16(7)(l) located at Tab 60.

Responsible Witness:

Elizabeth N. Davis

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant To Section 13 OR 15(d) of The
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 11, 2026

NiSource Inc.

(Exact name of registrant as specified in its charter)

DE

(State or other jurisdiction
of incorporation or organization)

001-16189

Commission
file number

35-2108964

(I.R.S. Employer
Identification No.)

801 East 86th Avenue
Merrillville, IN

(Address of principal executive offices)

46410

(Zip Code)

Registrant's telephone number, including area code (614) 460-6000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions.

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	NI	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On February 11, 2026, NiSource Inc. (the “Company”) reported its financial results for the year ended December 31, 2025. The Company’s press release, dated February 11, 2026, is attached as Exhibit 99.1.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

Exhibit Number	Description
99.1	Press Release, dated February 11, 2026, issued by NiSource Inc.
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Schema Document
101.CAL	Inline XBRL Calculation Linkbase Document
101.LAB	Inline XBRL Labels Linkbase Document
101.PRE	Inline XBRL Presentation Linkbase Document
101.DEF	Inline XBRL Definition Linkbase Document
104	Cover page Interactive Data File (formatted as inline XBRL, and contained in Exhibit 101.)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NiSource Inc.

(Registrant)

Date: February 11, 2026

By:

/s/ Gunnar J. Gode

Gunnar J. Gode

Senior Vice President, Chief Accounting and Tax Officer
(Principal Accounting Officer)



FOR IMMEDIATE RELEASE

February 11, 2026

FOR ADDITIONAL INFORMATION

Media

media@nsource.com

Investors

investors@nsource.com

NiSource announces full-year 2025 results

- Achieved 2025 non-GAAP adjusted EPS above guidance range
- Exceeded 2025 non-GAAP FFO/Debt guidance range
- Reaffirming 2026 non-GAAP consolidated adjusted EPS guidance
- Reaffirming 2026-2033 consolidated non-GAAP adjusted EPS compound annual growth rate of 8%-9%

MERRILLVILLE, Ind. - NiSource Inc. (NYSE: NI) today announced, on a GAAP basis, net income available to common shareholders for the year ended December 31, 2025 of \$929.5 million, or \$1.95 of earnings per diluted share, compared to net income available to common shareholders of \$739.7 million, or \$1.62 of earnings per diluted share, for the year ended December 31, 2024.

NiSource also reported full-year 2025 non-GAAP adjusted net income available to common shareholders of \$905.2 million, or \$1.90 of adjusted EPS, compared to non-GAAP adjusted net income available to common shareholders of \$798.6 million, or \$1.75 of adjusted EPS, for the year ended December 31, 2024. Schedule 1 of this press release contains a complete reconciliation of GAAP measures to non-GAAP measures. **

NiSource is reaffirming its 2026 non-GAAP consolidated adjusted EPS guidance of \$2.02–\$2.07. The company expects to invest approximately \$28.0 billion from 2026–2030 under its consolidated capital plan, which includes utility system modernization initiatives and nearly \$7.0 billion in strategic data center infrastructure investments. This consolidated investment plan is expected to support an anticipated compound annual growth rate (CAGR) with respect to non-GAAP consolidated adjusted EPS of 8%-9% and consolidated rate base growth of 9%-11% from 2026 through 2033.

"We closed 2025 with significant momentum, delivering on our commitments and advancing a diversified portfolio that spans natural gas, electric, renewables, and a transformative data center project," said NiSource President and CEO Lloyd Yates. "It's been a strong year, highlighted by delivering a landmark data center agreement with Amazon and a novel solution that flows back more than \$1 billion in savings to retail customers in a differentiated and impactful way. This approach ensures affordability remains top of mind as we continue driving disciplined O&M performance and leveraging technology to improve efficiency."

"Our pipeline of opportunities remains robust, positioning us for continued growth. With major infrastructure investments underway and an innovative agreement in place, we're building a resilient, future-ready grid that supports economic development across our footprint. I want to thank our employees and partners for their dedication—together, we're driving sustainable value for customers and shareholders."

****Non-GAAP Disclosure Statement**

This press release includes financial results and guidance for NiSource with respect to adjusted net income available to common shareholders, adjusted EPS, base plan adjusted EPS and consolidated adjusted EPS, which are non-GAAP financial measures as defined by the SEC. Commencing in 2026, the company will begin to present base plan adjusted EPS and consolidated adjusted EPS. As presented, guidance with respect to base plan adjusted EPS, including annual base plan adjusted EPS growth, excludes, in addition to the items historically excluded from adjusted EPS, the impact of data center operations and development activities relating to provision of electric service to current and future data center or other large load customers. The company provides guidance regarding base plan adjusted EPS because it expects that the earnings from its data center operations and development activities will experience a different growth profile compared to the base plan adjusted EPS growth. Providing guidance with respect to base plan adjusted EPS growth, together with guidance regarding consolidated adjusted EPS growth, will provide investors with the same information that management considers to evaluate the company's ongoing business performance and provide greater transparency into the performance of different aspects of our business that are impacted by distinct trends and factors.

Consolidated adjusted EPS represents base plan adjusted EPS together with adjusted EPS from our data center operations and development activities. 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 guidance on adjusted EPS, base plan adjusted EPS and consolidated adjusted EPS, NiSource reminds investors that it does not provide a GAAP equivalent of its guidance on base plan adjusted EPS or consolidated adjusted EPS due to the impact of unpredictable factors such as fluctuations in weather, impact of asset sales and impairments and other unusual or infrequent items included in the comparable GAAP measures, which may be material. The company is not able to estimate the impact of such factors on the comparable GAAP measures and, as such, the company is not able to provide a reconciliation of its non-GAAP base plan adjusted EPS guidance or its non-GAAP consolidated adjusted EPS guidance to the comparable GAAP equivalents without unreasonable efforts.

Additional Information

Additional information for the year ended December 31, 2025, is available on the Investors section of www.nisource.com and includes segment and financial information and a presentation. The company alerts investors that it intends to use the Investors section of its website, www.nisource.com, and the company's social media channels to disseminate important information about the company to its investors. Investors are advised to look at NiSource's website and social media channels for future important information about the company.

About NiSource

NiSource Inc. (NYSE: NI) is one of the largest fully-regulated utility companies in the United States, serving approximately 3.3 million natural gas customers and 500,000 electric customers across six states through its local Columbia Gas and NIPSCO brands. The mission of our approximately 7,700 employees is to deliver safe, reliable energy that drives value to our customers. NiSource is a member of the Dow Jones Sustainability - North America Index and is on Forbes lists of America's Best Employers for Women and Diversity. Learn more about NiSource's record of leadership in sustainability, investments in the communities it serves and how we live our vision to be an innovative and trusted energy partner at www.NiSource.com.

The content of our website is not incorporated by reference into this document or any other report or document NiSource files with the Securities and Exchange Commission ("SEC").

NI-F

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Forward-Looking Statements

This Press Release 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"). Forward-looking statements in this press release include, but are not limited to, statements concerning our guidance on base and consolidated adjusted EPS, plans, strategies, objectives, expected performance, planned 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 not statements of historical fact. Expressions of future goals and expectations and similar expressions reflecting something other than historical fact, including "may," "will," "should," "could," "would," "aims," "seeks," "expects," "plans," "anticipates," "intends," "believes," "estimates," "predicts," "potential," "targets," "forecast," and "continue," 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. Investors and prospective investors should understand that many factors impact whether any forward-looking statement contained herein will or can be realized. Any one of those factors could cause actual results to differ materially from those projected.

Factors that could cause actual results to differ materially from those projected in any forward-looking statement discussed in this Press Release include, among other things: our ability to execute our business plan or growth strategy, including utility infrastructure investments, or business opportunities; our ability to manage data center growth in our service territories; potential incidents and other operating risks associated with our business; our ability to work successfully with our JV partners; our ability to construct, develop and place into service the generation or transmission assets we develop to support the customer under the data center contract (the "Contract Assets") and any future data center contracts on time or at all and consistent with initial cost estimates, as well as the performance of such assets once constructed and placed into service; our ability to obtain the significant additional financing required to construct the Contract Assets and any other generation or transmission assets we develop to support future data center contracts on favorable terms, if at all; our ability to recover our investments and realize our expected return under the data center contract and any future data center contracts that we enter into; our ability to maintain our investment grade credit ratings as we finance and pursue our data center strategy, including our performance under the data center contract and any future data center contracts that we enter into; our customers' performance under the data center contract and any future data center contracts; any decision by our customer or future customers to terminate the data center contract or future data center contracts or reduce the committed capacity thereunder; potential changes in the MISO accreditation treatment of capacity resources; our ability to adapt to, and manage costs related to, advances in technology, including alternative energy sources and changes in related laws and regulations; our increased dependency on 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 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 demand; our ability to attract, retain or re-skill a qualified workforce and maintain good labor relations; our ability to manage new initiatives and organizational changes; the performance and quality of third-party suppliers and service providers; our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals, including our Net Zero Goal, including any future associated impact from business opportunities such as data center development as those opportunities evolve; potential cybersecurity attacks or security breaches; increased requirements and costs related to cybersecurity; the actions of activist stockholders; any damage to our reputation; the impacts of natural disasters, potential terrorist attacks or other catastrophic events; the physical impacts of climate change and the transition to a lower carbon future; our debt obligations; any changes to our credit ratings or the credit ratings of certain of our subsidiaries; adverse economic and capital market conditions, including increases in inflation or interest rates, recession, or changes in investor sentiment; economic regulation and the impact of regulatory rate

reviews; our ability to obtain expected financial or regulatory outcomes; economic conditions in certain industries; the ability 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; the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation; compliance with changes in, or new interpretations of applicable laws, regulations and tariffs; the cost of compliance with environmental laws and regulations and the costs of associated liabilities; changes in tax laws or the interpretation thereof; and other matters set forth in 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 fiscal year ended December 31, 2024 and matters set forth in our subsequent Quarterly Reports on Form 10-Q, some 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 expected results over time or otherwise, except as required by law.

Schedule 1 - Reconciliation of Consolidated Net Income Available to Common Shareholders to Adjusted Net Income Available to Common Shareholders (Non-GAAP) and Adjusted Earnings Per Share (Non-GAAP) (unaudited)

<i>(in millions, except per share amounts)</i>	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2025	2024	2023	2025	2024	2023
GAAP Net Income Available to Common Shareholders	\$ 257.8	\$ 223.9	\$ 225.6	\$ 929.5	\$ 739.7	\$ 661.7
Adjustments to Operating Income:						
Operating Revenues:						
Weather - compared to normal ⁽¹⁾	(11.5)	9.8	13.4	(32.6)	60.4	60.6
Total adjustments to operating income	(11.5)	9.8	13.4	(32.6)	60.4	60.6
Income Taxes:						
Tax effect of above items ⁽²⁾	2.9	(2.5)	(3.3)	8.3	(15.5)	(15.8)
Preferred Dividends:						
Preferred dividends redemption premium ⁽³⁾	—	—	3.6	—	14.0	9.8
Total adjustments to net income	(8.6)	7.3	13.7	(24.3)	58.9	54.6
Adjusted Net Income Available to Common Shareholders (Non-GAAP)	\$ 249.2	\$ 231.2	\$ 239.3	\$ 905.2	\$ 798.6	\$ 716.3
Diluted Average Common Shares	479.7	469.9	449.3	474.5	456.0	447.9
GAAP Diluted Earnings Per Share⁽⁴⁾	\$ 0.53	\$ 0.47	\$ 0.50	\$ 1.95	\$ 1.62	\$ 1.48
Adjustments to diluted earnings per share	(0.02)	0.02	0.03	(0.05)	0.13	0.12
Adjusted Earnings Per Share (Non-GAAP)	\$ 0.51	\$ 0.49	\$ 0.53	\$ 1.90	\$ 1.75	\$ 1.60

⁽¹⁾Represents the estimated impact of actual weather during the period compared to expected normal weather. Beginning in 2024, the adjustment for NIPSCO Operations excludes the impact of non-controlling interest.

⁽²⁾Represents income tax expense associated with adjustments to GAAP amounts calculated using the applicable statutory tax rates for legal entities.

⁽³⁾Represents the difference between the carrying value on the redemption date of the Series B Preferred Stock and the total amount of consideration paid to redeem.

⁽⁴⁾GAAP Diluted Earnings Per Share includes the effects of income allocated to participating securities. Please refer to Note 5, "Earnings Per Share," within the Company's Annual Report on Form 10-K for the period ended December 31, 2025.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant To Section 13 OR 15(d) of The
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 6, 2026

NiSource Inc.

(Exact name of registrant as specified in its charter)

DE

(State or other jurisdiction
of incorporation or organization)

001-16189

Commission
file number

35-2108964

(I.R.S. Employer
Identification No.)

801 East 86th Avenue

Merrillville, IN

(Address of principal executive offices)

46410

(Zip Code)

Registrant's telephone number, including area code (614) 460-6000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions.

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	NI	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On May 6, 2026, NiSource Inc. (the “Company”) reported its financial results for the period ended March 31, 2026. The Company’s press release, dated May 6, 2026, is attached as Exhibit 99.1.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

Exhibit Number	Description
99.1	Press Release, dated May 6, 2026, issued by NiSource Inc.
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Schema Document
101.CAL	Inline XBRL Calculation Linkbase Document
101.LAB	Inline XBRL Labels Linkbase Document
101.PRE	Inline XBRL Presentation Linkbase Document
101.DEF	Inline XBRL Definition Linkbase Document
104	Cover page Interactive Data File (formatted as inline XBRL, and contained in Exhibit 101.)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NiSource Inc.

(Registrant)

Date: May 6, 2026

By:

/s/ Gunnar J. Gode

Gunnar J. Gode

Senior Vice President, Chief Accounting and Tax Officer
(Principal Accounting Officer)



FOR IMMEDIATE RELEASE

May 6, 2026

FOR ADDITIONAL INFORMATION

Media

media@nisource.com

Investors

investors@nisource.com

NiSource announces first quarter results

- GenCo cost savings expand to approximately \$1.4 billion for existing customers through Alphabet and Amazon collaboration
- Raising 2026-2033 non-GAAP consolidated adjusted EPS compound annual growth rate to 9%-10%
- Reaffirming 2026 non-GAAP consolidated adjusted EPS guidance reflecting approximately 8% year-over-year growth at the midpoint

MERRILLVILLE, Ind. - NiSource Inc. (NYSE: NI) today announced, on a GAAP basis, net income available to common shareholders for the quarter ended March 31, 2026 of \$510.7 million, or \$1.06 of earnings per diluted share, compared to net income available to common shareholders of \$474.8 million, or \$1.00 of earnings per diluted share, for the same period of 2025.

NiSource also reported first quarter 2026 non-GAAP adjusted net income available to common shareholders of \$509.6 million, or \$1.06 of consolidated adjusted EPS, compared to consolidated non-GAAP adjusted net income available to common shareholders of \$462.3 million, or \$0.98 of adjusted EPS, for the same period of 2025. Schedule 1 of this press release contains a complete reconciliation of GAAP measures to non-GAAP measures. **

NiSource is reaffirming its 2026 non-GAAP consolidated adjusted EPS guidance of \$2.02-\$2.07 and raising its consolidated compound annual growth rate (CAGR) with respect to non-GAAP consolidated adjusted EPS to 9%-10% from 2026 through 2033.

"We are off to a strong start in 2026, continuing to execute on our strategy and deliver value for our customers, communities, and shareholders," said President and CEO Lloyd Yates. "We are seeing the impact of our GenCo model through new and expanded collaboration with Alphabet and Amazon, which together are expected to deliver approximately \$1.4 billion in customer value, drive economic development across Indiana, strengthen our grid and position NiSource to reliably serve the growing energy demand. None of this would be possible without the continued dedication of our employees and partners as we work together to deliver safe, reliable service."

****Non-GAAP Disclosure Statement**

This press release includes financial results and guidance for NiSource with respect to adjusted net income available to common shareholders, base plan adjusted EPS and consolidated adjusted EPS, which are non-GAAP financial measures as defined by the SEC. Commencing in 2026, the company began to present base plan adjusted EPS and consolidated adjusted EPS. As presented, guidance with respect to base plan adjusted EPS, including annual base plan adjusted EPS growth, excludes, in addition to the items historically excluded from adjusted EPS, the impact of data center operations and development activities relating to provision of electric service to current and future data center or other large load customers. The company provides guidance regarding base plan adjusted EPS because it expects that the earnings from its data center operations and development activities will experience a different growth profile compared to the base plan adjusted EPS growth. Providing guidance with respect to base plan adjusted EPS growth, together with guidance regarding consolidated adjusted EPS growth, provides investors with the same information that management considers to evaluate the company's ongoing business performance and provide greater transparency into the performance of different aspects of our business that are impacted by distinct trends and factors. Consolidated adjusted EPS represents base plan adjusted EPS together with adjusted EPS from our data center operations and development activities. 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 guidance on base plan adjusted EPS and consolidated adjusted EPS, NiSource reminds investors that it does not provide a GAAP equivalent of its guidance on base plan adjusted EPS or consolidated adjusted EPS due to the impact of unpredictable factors such as fluctuations in weather, impact of asset sales and impairments and other unusual or infrequent items included in the comparable GAAP measures, which may be material. The company is not able to estimate the impact of such factors on the comparable GAAP measures and, as such, the company is not able to provide a reconciliation of its non-GAAP base plan adjusted EPS guidance or its non-GAAP consolidated adjusted EPS guidance to the comparable GAAP equivalents without unreasonable efforts.

Additional Information

Additional information for the quarter ended March 31, 2026, is available on the Investors section of www.nisource.com and includes segment and financial information and a presentation. The company alerts investors that it intends to use the Investors section of its website, www.nisource.com, and the company's social media channels to disseminate important information about the company to its investors. Investors are advised to look at NiSource's website and social media channels for future important information about the company.

About NiSource

NiSource Inc. (NYSE: NI) is one of the largest fully-regulated utility companies in the United States, serving approximately 3.3 million natural gas customers and 500,000 electric customers across six states through its local Columbia Gas and NIPSCO brands. The mission of our approximately 7,700 employees is to deliver safe, reliable energy that drives value to our customers. NiSource is a member of the Dow Jones Sustainability - North America Index and is on Forbes lists of America's Best Employers for Women and Diversity. Learn more about NiSource's record of leadership in sustainability, investments in the communities it serves and how we live our vision to be an innovative and trusted energy partner at www.NiSource.com.

The content of our website is not incorporated by reference into this document or any other report or document NiSource files with the Securities and Exchange Commission ("SEC").

NI-F

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Forward-Looking Statements

This Press Release 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"). Forward-looking statements in this press release include, but are not limited to, statements concerning our guidance on base and consolidated adjusted EPS, plans, strategies, objectives, expected performance, planned 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 not statements of historical fact. Expressions of future goals and expectations and similar expressions reflecting something other than historical fact, including "may," "will," "should," "could," "would," "aims," "seeks," "expects," "plans," "anticipates," "intends," "believes," "estimates," "predicts," "potential," "targets," "forecast," and "continue," 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. Investors and prospective investors should understand that many factors impact whether any forward-looking statement contained herein will or can be realized. Any one of those factors could cause actual results to differ materially from those projected.

Factors that could cause actual results to differ materially from those projected in any forward-looking statement discussed in this Press Release include, among other things: our ability to execute our business plan or growth strategy, including utility infrastructure investments, or business opportunities; our ability to manage data center growth in our service territories; potential incidents and other operating risks associated with our business; our ability to work successfully with our JV partners; our ability to construct, develop and place into service the generation or transmission assets we develop to support our customers under our current and any future data center contracts on time or at all and consistent with initial cost estimates, as well as the performance of such assets once constructed and placed into service; our ability to obtain the significant additional financing required to construct such generation or transmission assets we develop to support data center contracts on favorable terms, if at all; our ability to recover our investments and realize our expected return under our current and any future data center contracts that we enter into; our ability to maintain our investment grade credit ratings as we finance and pursue our data center strategy, including our performance under our current and any future data center contracts that we enter into; our customers' performance under our current and any future data center contracts; any decision by our current data center customers and any future data center customers to terminate our current or any future data center contracts or reduce the committed capacity thereunder; potential changes in the MISO accreditation treatment of capacity resources; our ability to adapt to, and manage costs related to, advances in technology, including alternative energy sources and changes in related laws and regulations; our increased dependency on 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 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 demand; our ability to attract, retain or re-skill a qualified workforce and maintain good labor relations; our ability to manage new initiatives and organizational changes; the performance and quality of third-party suppliers and service providers; our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals, including our Net Zero Goal, including any future associated impact from business opportunities such as data center development as those opportunities evolve; regulation and the impact of regulatory rate reviews; our ability to obtain expected financial or regulatory outcomes; potential cybersecurity attacks or security breaches; increased requirements and costs related to cybersecurity; any damage to our reputation; the impacts of natural disasters, acts of terrorism, acts of war or other catastrophic events; the physical impacts of climate change and the transition to a lower carbon future; our debt obligations; any changes to our credit ratings or the credit ratings of certain of our subsidiaries; adverse economic and capital market conditions, including increases in inflation or interest rates, recession, or changes in investor sentiment; the actions of activist stockholders;

economic conditions in certain industries; the ability 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; the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation; compliance with changes in, or new interpretations of applicable laws, regulations and tariffs; the cost of compliance with environmental laws and regulations and the costs of associated liabilities; changes in tax laws or the interpretation thereof; and other matters set forth in 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 fiscal year ended December 31, 2025 and matters set forth in our subsequent Quarterly Reports on Form 10-Q, some 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 expected results over time or otherwise, except as required by law.

Schedule 1 - Reconciliation of Consolidated Net Income Available to Common Shareholders to Adjusted Net Income Available to Common Shareholders (Non-GAAP) and Consolidated Adjusted Earnings Per Share (Non-GAAP)
(unaudited)

<i>(in millions, except per share amounts)</i>	Three Months Ended March 31,	
	2026	2025
GAAP Net Income Available to Common Shareholders	\$ 510.7	\$ 474.8
Adjustments to Operating Income:		
Operating Revenues:		
Weather - compared to normal ⁽¹⁾	3.7	(16.8)
Total adjustments to operating income	3.7	(16.8)
Income Taxes:		
Tax effect of above items ⁽²⁾	(1.2)	4.3
Preferred Dividends:		
Preferred dividends redemption premium ⁽³⁾	(3.6)	—
Total adjustments to net income	(1.1)	(12.5)
Adjusted Net Income Available to Common Shareholders (Non-GAAP)	\$ 509.6	\$ 462.3
Diluted Average Common Shares	480.9	472.5
GAAP Diluted Earnings Per Share⁽⁴⁾	\$ 1.06	\$ 1.00
Adjustments to diluted earnings per share	—	(0.02)
Consolidated Adjusted Earnings Per Share (Non-GAAP)	\$ 1.06	\$ 0.98

⁽¹⁾Represents the estimated impact of actual weather during the period compared to expected normal weather.

⁽²⁾Represents income tax expense associated with adjustments to GAAP amounts calculated using the applicable statutory tax rates for legal entities.

⁽³⁾Represents the excise tax refund from the 2023 preferred stock redemption premium.

⁽⁴⁾GAAP Diluted Earnings Per Share includes the effects of income allocated to participating securities. Please refer to Note 5, "Earnings Per Share," within the Company's Quarterly Report on Form 10-Q for the period ended March 31, 2026.

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): May 11, 2026

NiSource Inc.
(Exact Name of Registrant as Specified in Charter)

Delaware
(State or other jurisdiction
of incorporation)

001-16189
(Commission
file number)

35-2108964
(I.R.S. Employer
Identification No.)

801 East 86th Avenue
Merrillville, Indiana
(Address of Principal Executive Offices)

46410
(Zip Code)

Registrant's telephone number, including area code: (614) 460-6000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2 (b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	NI	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 5.07 Submission of Matters to a Vote of Security Holders.

Set forth below are the matters acted upon by the stockholders of the Company at the Annual Meeting held on May 11, 2026, as described in the Company's Proxy Statement filed on March 30, 2026, and the final voting results for each matter.

Proposal 1: Election of Directors. The number of votes cast for and against each nominee, as well as the number of abstentions and broker non-votes, were as follows:

Name of Nominee	Votes For	Votes Against	Abstentions	Broker Non-Votes
Peter A. Altabef	414,006,968	5,855,008	469,578	25,018,609
Sondra L. Barbour	412,963,046	6,900,966	467,542	25,018,609
Theodore H. Bunting, Jr.	414,370,889	5,174,625	786,040	25,018,609
Eric L. Butler	414,717,073	5,160,096	454,385	25,018,609
Deborah A. Henretta	406,215,500	13,649,916	466,138	25,018,609
Deborah A.P. Hersman	415,063,901	4,818,145	449,508	25,018,609
Michael E. Jesanis	405,424,359	14,439,085	468,110	25,018,609
William D. Johnson	414,401,564	5,436,077	493,913	25,018,609
Kevin T. Kabat	405,078,618	14,782,458	470,478	25,018,609
Cassandra S. Lee	415,025,036	4,832,396	474,122	25,018,609
John McAvoy	415,286,451	4,597,930	447,173	25,018,609
Lloyd M. Yates	415,032,999	4,957,792	340,763	25,018,609

Each nominee was elected.

Proposal 2: Approval of Named Executive Officer Compensation on an Advisory Basis. The number of votes cast for and against this matter, as well as the number of abstentions, were as follows:

Votes For	Votes Against	Abstentions
398,500,583	20,428,879	1,402,092

There were 25,018,609 broker non-votes as to Proposal 2.

Proposal 2 was approved on an advisory basis.

Proposal 3: Ratification of the Appointment of Deloitte & Touche LLP as the Company's Independent Registered Public Accounting Firm for 2026. The number of votes cast for and against this matter, as well as the number of abstentions, were as follows:

Votes For	Votes Against	Abstentions
419,507,200	25,068,686	774,277

There were no broker non-votes as to Proposal 3.

Proposal 3 was approved.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NISOURCE INC.

May 12, 2026

By: /s/ Kimberly S. Cuccia

Kimberly S. Cuccia

Executive Vice President, General Counsel and Corporate Secretary

TAB 64.8

807 KAR 5:001 Section 16(7)(p)

2026 - 10-Qs

Columbia Gas of Kentucky, Inc.
CASE NO. 2026-00099
Forecasted Test Period Filing Requirements
807 KAR 5:001 Section 16(7)(p)

Description of Filing Requirement:

A copy of the utility's annual report on Form 10-K as filed with the Securities and Exchange Commission for the most recent two (2) years, and any Form 8-K issued during the past two (2) years, and any Form 10-Q issued during the past six (6) quarters;

Response:

Please see attached for NiSource Inc.'s application for Form 10-Q's and Form 8-K's. Form 10-K is part of the Annual Report to Stockholders and is included with Filing Requirement 16(7)(l) located at Tab 60.

Responsible Witness:

Elizabeth N. Davis

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2026

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 001-16189

NiSource Inc.

(Exact name of registrant as specified in its charter)

DE

(State or other jurisdiction of
incorporation or organization)

801 East 86th Avenue
Merrillville, IN

(Address of principal executive offices)

35-2108964

(I.R.S. Employer
Identification No.)

46410

(Zip Code)

(614) 460-6000

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

	Title of Each Class	Trading	Name of Each Exchange on Which
		Symbol(s)	Registered
Common Stock, par value \$0.01 per share		NI	NYSE

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files.)

Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Emerging growth company ☐ Non-accelerated filer ☐ Smaller reporting company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: Common Stock, \$0.01 Par Value: 479,439,245 shares outstanding at April 29, 2026.

NISOURCE INC.
FORM 10-Q QUARTERLY REPORT
FOR THE QUARTER ENDED MARCH 31, 2026

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DEFINED TERMS

The following is a list of frequently used abbreviations or acronyms that are found in this report:

NiSource Subsidiaries and Affiliates (not exhaustive)

Columbia of Kentucky	Columbia Gas of Kentucky, Inc.
Columbia of Maryland	Columbia Gas of Maryland, Inc.
Columbia of Ohio	Columbia Gas of Ohio, Inc.
Columbia of Pennsylvania	Columbia Gas of Pennsylvania, Inc.
Columbia of Virginia	Columbia Gas of Virginia, Inc.
GenCo	NIPSCO Generation LLC
Generation Holdings I	Generation Holdings I LLC
Generation Holdings II	Generation Holdings II LLC
NIPSCO	Northern Indiana Public Service Company LLC
NIPSCO Holdings I	NIPSCO Holdings I LLC
NIPSCO Holdings II	NIPSCO Holdings II LLC
NiSource ("we," "us" or "our")	NiSource Inc.
Rosewater	Rosewater Wind Generation LLC and its wholly owned subsidiary, Rosewater Wind Farm LLC
Indiana Crossroads Solar	Indiana Crossroads Solar Generation LLC and its wholly owned subsidiary, Meadow Lake Solar Park LLC
Indiana Crossroads Wind	Indiana Crossroads Wind Generation LLC and its wholly owned subsidiary, Indiana Crossroads Wind Farm LLC
Dunn's Bridge I	Dunn's Bridge I Solar Generation LLC and its wholly owned subsidiary, Dunn's Bridge Solar Center, LLC

Abbreviations and Other

ADS	Amazon Data Services, Inc,
ADS Contract	NIPSCO agreement to provide electricity to ADS' data centers
AFUDC	Allowance for funds used during construction
Alphabet	Alphabet, Inc.
Alphabet Contract	NIPSCO agreement to provide electricity to Alphabet's data centers
AOCI	Accumulated other comprehensive income (loss)
ASC	Accounting standards codification
ASU	Accounting standards update
ATM	At-the-market
BESS	Battery energy storage system
BIP Orion Holdco L.P.	BIP Orion Holdco L.P., a Delaware limited liability company and also an affiliate of Blackstone
BIP Orion Holdco II L.P.	BIP Orion Holdco II L.P., a Delaware limited liability company and also an affiliate of Blackstone
Blackstone	Blackstone Infrastructure Partners L.P.
Blackstone Investor	BIP Orion Holdco L.P. and BIP Orion Holdco II L.P. affiliates of Blackstone (GenCo Minority Interest Transaction) and Blackstone Infrastructure Partners, affiliates of Blackstone (NIPSCO Minority Interest Transaction)
BTA	Build-transfer agreement
CCGT	Combined cycle gas turbine
CCRs	Coal combustion residuals
CEO	Chief executive officer

<u>DEFINED TERMS</u>	
CEP	Ohio capital expenditure program
CERCLA	Comprehensive Environmental Response Compensation and Liability Act (also known as Superfund)
CODM	Chief operating decision maker
Columbia Operations	Reportable segment comprised of the results of NiSource Gas Distribution company, including all of its Columbia Gas distribution companies and related subsidiaries
Contract Assets	Generation assets and related transmission infrastructure to be developed in connection with the ADS Contract
DSM	Demand side management
Dunn's Bridge II	Dunn's Bridge II Solar Generation LLC
EPA	United States Environmental Protection Agency
EPC	Engineering, procurement, and construction
EPC Contracts	Engineering, procurement, and construction contracts
EPS	Earnings per share
ESA	Energy storage agreement
FAC	Fuel adjustment clause
FASB	Financial Accounting Standards Board
FERC	Federal Energy Regulatory Commission
FMCA	Indiana federally mandated cost adjustment mechanism
GAAP	Generally Accepted Accounting Principles
GCA	Gas cost adjustment
GCT	Generation cost tracker
GenCo Minority Interest Transaction	A transaction between NiSource, Generation Holdings II (sole owner of GenCo) and Blackstone Investor entered into in October 2025, that offered equity interests in Generation Holdings II in exchange for capital contributions by the parties.
Generation Assets	Power generations facilities and battery storage to be developed in connection with the ADS Contract
Generation Holdings II LLC Agreement	Amended And Restated Limited Liability Company Agreement of Generation Holdings II
GHG	Greenhouse gases
GWh	Gigawatt hours
IRP	Ohio infrastructure replacement program
IURC	Indiana Utility Regulatory Commission
JV	Joint venture
MGP	Manufactured gas plant
MISO	Midcontinent Independent System Operator
MMDth	Million dekatherms
MW	Megawatts
MWh	Megawatt hours
NIPSCO Electric	The electric generation, transmission and distribution activities of the NIPSCO Operations reportable segment
NIPSCO Gas	The gas distribution activities of the NIPSCO Operations reportable segment
NIPSCO Holdings II LLC Agreement	Third Amended And Restated Limited Liability Company Agreement of NIPSCO Holdings II

NIPSCO Minority Interest Transaction	DEFINED TERMS A transaction between NiSource, NIPSCO Holdings II (sole owner of NIPSCO) and an affiliate of Blackstone pursuant to a purchase and sale agreement entered into on June 17, 2023, that offered equity interests in NIPSCO Holdings II in exchange for capital contributions by the parties.
NIPSCO Operations	Reportable segment comprised of the results of NIPSCO Holdings I, NIPSCO Holdings II, and NIPSCO and all related subsidiaries
NYMEX	New York Mercantile Exchange
OPEB	Other postemployment benefits
PHMSA	Pipeline and Hazardous Materials Safety Administration
Pool Resource Assets	Portfolio of electric generation assets and related assets owned or contracted for by NIPSCO and/or its affiliates (primarily including GenCo) and designed to serve the needs of data center customers.
PPA	Power purchase agreement
ROE	Return on equity
SAVE	Steps to advance Virginia's energy plan
Scope 1 GHG Emissions	Direct emissions from sources owned or controlled by us (e.g., emissions from our combustion of fuel, vehicles, and process emissions and fugitive emissions)
Scope 2 GHG Emissions	Indirect emissions from sources owned or controlled by us
SEC	Securities and Exchange Commission
SMRP	Kentucky safety modification and replacement program
SMS	Safety management system
TCJA	An Act to provide for reconciliation pursuant to titles II and V of the concurrent resolution on the budget for fiscal year 2018 (commonly known as the Tax Cuts and Jobs Act of 2017)
TDSIC	Indiana transmission, distribution and storage system improvement charge
Templeton	Templeton Wind Energy LLC
VIE	Variable interest entity
2018 Plan	2018 integrated resource plan
2021 Plan	2021 integrated resource plan
2024 Plan	2024 integrated resource plan

Note regarding forward-looking statements

This Quarterly Report on Form 10-Q 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"). These forward-looking statements include, but are not limited to, statements concerning our plans, strategies, objectives, expected performance, planned 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 not statements of historical fact. Expressions of future goals and expectations and similar expressions reflecting something other than historical fact, including "may," "will," "should," "could," "would," "aims," "seeks," "expects," "plans," "anticipates," "intends," "believes," "estimates," "predicts," "potential," "targets," "forecast," and "continue," 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. Investors and prospective investors should understand that many factors impact whether any forward-looking statement contained herein will, or can be, realized. Any one of those factors could cause actual results to differ materially from those projected.

Factors that could cause actual results to differ materially from those projected in any forward-looking statement discussed in this Quarterly Report on Form 10-Q include, among other things:

- our ability to execute our business plan or growth strategy, including utility infrastructure investments, or business opportunities;
- our ability to manage data center growth in our service territories;
- potential incidents and other operating risks associated with our business;
- our ability to work successfully with our JV partners;
- our ability to construct, develop and place into service the Contract Assets, Pool Resource Assets and any other generation or transmission assets we develop to support future data center contracts on time or at all and consistent with initial cost estimates, as well as the performance of such assets once constructed and placed into service;
- our ability to obtain the significant additional financing required to construct the Contract Assets and any other generation or transmission assets we develop to support future data center contracts on favorable terms, if at all;
- our ability to recover our investments and realize our expected return under the ADS Contract and any future data center contracts that we enter into;
- our ability to maintain our investment grade credit ratings as we finance and pursue our data center strategy, including our performance under the ADS Contract and any future data center contracts that we enter into;
- ADS performance under the ADS Contract and the performance of our customers under any future data center contracts;
- any decisions by ADS to terminate or reduce the committed capacity under the ADS Contract or any decision by any customer under any future data center contract to terminate or reduce the committed capacity under the contract;
- potential changes in the MISO accreditation treatment of capacity resources;
- our ability to adapt to, and manage costs related to, advances in technology, including alternative energy sources and changes in related laws and regulations;
- our increased dependency on 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 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 demand;
- our ability to attract, retain or re-skill a qualified workforce and maintain good labor relations;
- our ability to manage new initiatives and organizational changes;
- the performance and quality of third-party suppliers and service providers;
- our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals, including our Net Zero Goal (as defined below), including any future associated impact from business opportunities such as data center development as those opportunities evolve;
- regulation and the impact of regulatory rate reviews;
- our ability to obtain expected financial or regulatory outcomes;
- potential cybersecurity attacks or security breaches;
- increased requirements and costs related to cybersecurity;
- any damage to our reputation;
- the impacts of natural disasters, acts of terrorism, acts of war or other catastrophic events;
- the physical impacts of climate change and the transition to a lower carbon future;
- our debt obligations;
- any changes to our credit ratings or the credit ratings of certain of our subsidiaries;
- adverse economic and capital market conditions, including increases in inflation or interest rates, recession, or changes in investor sentiment;
- the actions of activist stockholders;
- economic conditions in certain industries;
- the ability 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;
- the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation;
- compliance with changes in, or new interpretations of applicable laws, regulations and tariffs;
- the cost of compliance with environmental laws and regulations and the costs of associated liabilities;
- changes in tax laws or the interpretation thereof; and
- other matters set forth in Part I, Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations," and Part II, Item 1A, "Risk Factors," of this report, and Part I, Item 1, "Business," Part I, 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 fiscal year ended December 31, 2025, some 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 statement to reflect changed assumptions, the occurrence of anticipated or unanticipated events or changes to expected results over time or otherwise, except as required by law.

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PART I

ITEM 1. FINANCIAL STATEMENTS

NiSource Inc.

Condensed Statements of Consolidated Income (unaudited)

	Three Months Ended March 31,	
	2026	2025
<i>(in millions, except per share amounts)</i>		
Operating Revenues		
Customer revenues	\$ 2,322.3	\$ 2,149.5
Other revenues	40.8	33.7
Total Operating Revenues	2,363.1	2,183.2
Operating Expenses		
Cost of energy	669.2	647.5
Operation and maintenance	489.2	427.8
Depreciation and amortization	288.3	258.6
Loss on impairment of assets	—	0.3
Other taxes	97.2	89.6
Total Operating Expenses	1,543.9	1,423.8
Operating Income	819.2	759.4
Other Income (Deductions)		
Interest expense, net	(191.6)	(132.8)
Other, net	14.4	5.8
Total Other Deductions, Net	(177.2)	(127.0)
Income before Income Taxes	642.0	632.4
Income Taxes	85.8	105.7
Net Income	556.2	526.7
Net income attributable to noncontrolling interest	49.1	51.9
Net Income Attributable to NiSource	507.1	474.8
Preferred dividends redemption premium	3.6	—
Net Income Available to Common Shareholders	\$ 510.7	\$ 474.8
Earnings Per Share		
Basic Earnings Per Share	\$ 1.06	\$ 1.01
Diluted Earnings Per Share	\$ 1.06	\$ 1.00
Basic Average Common Shares Outstanding	479.0	470.4
Diluted Average Common Shares	480.9	472.5

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

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ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Condensed Statements of Consolidated Comprehensive Income (unaudited)

<i>(in millions, net of taxes)</i>	Three Months Ended March 31,	
	2026	2025
Net Income	\$ 556.2	\$ 526.7
Other comprehensive (loss) income:		
Net unrealized (loss) gain on available-for-sale debt securities ⁽¹⁾	(1.2)	0.8
Reclassification adjustment for cash flow hedges	(0.1)	(0.1)
Unrecognized pension and OPEB benefit (costs) ⁽²⁾	(1.7)	0.5
Total other comprehensive (loss) income	(3.0)	1.2
Comprehensive Income	\$ 553.2	\$ 527.9

⁽¹⁾Net unrealized (loss) gain on available-for-sale debt securities, net of \$0.3 million tax benefit and \$0.2 million tax expense in the first quarter of 2026 and 2025, respectively.

⁽²⁾Unrecognized pension and OPEB benefit (cost), net of \$1.5 million tax expense and \$0.1 million tax expense in the first quarter of 2026 and 2025, respectively.

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

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ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Condensed Consolidated Balance Sheets (unaudited)

<i>(in millions)</i>	March 31, 2026	December 31, 2025
ASSETS		
Property, Plant and Equipment		
Plant	\$ 39,043.9	\$ 38,058.8
Accumulated depreciation and amortization	(9,616.5)	(9,370.6)
Net Property, Plant and Equipment ⁽¹⁾	29,427.4	28,688.2
Investments and Other Assets		
Unconsolidated affiliates	8.2	8.1
Available-for-sale debt securities (amortized cost of \$157.8 and \$145.8)	156.7	146.1
Other investments	116.3	118.6
Total Investments and Other Assets	281.2	272.8
Current Assets		
Cash and cash equivalents	71.9	110.1
Restricted cash	25.2	25.6
Accounts receivable	1,281.2	1,238.1
Allowance for credit losses	(46.1)	(40.6)
Accounts receivable, net	1,235.1	1,197.5
Gas storage	88.4	252.0
Materials and supplies, at average cost	193.8	189.0
Electric production fuel, at average cost	21.3	8.5
Exchange gas receivable	69.6	66.0
Regulatory assets	380.6	274.2
Income tax receivable	11.5	15.7
Prepayments	209.1	149.3
Other current assets	102.5	89.3
Total Current Assets ⁽¹⁾	2,409.0	2,377.2
Other Assets		
Regulatory assets	2,301.9	2,225.2
Goodwill	1,485.9	1,485.9
Deferred charges and other ⁽²⁾	695.6	809.4
Total Other Assets	4,483.4	4,520.5
Total Assets	\$ 36,601.0	\$ 35,858.7

⁽¹⁾Includes \$1,506.4 million and \$1,312.7 million at March 31, 2026 and December 31, 2025, respectively, of net property, plant and equipment assets and \$110.1 million and \$90.1 million at March 31, 2026 and December 31, 2025, respectively, of current assets of consolidated VIEs that may be used only to settle obligations of the consolidated VIEs. Refer to Note 4, "Noncontrolling Interests," for additional information.

⁽²⁾Includes \$199.0 million and \$305.4 million at March 31, 2026 and December 31, 2025, respectively, of advanced deposits of project costs of consolidated VIEs that may be used only to settle obligations of the consolidated VIEs. Refer to Note 4, "Noncontrolling Interests," for additional information.

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

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ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Condensed Consolidated Balance Sheets (unaudited) (continued)

	March 31, 2026	December 31, 2025
<i>(in millions, except share amounts)</i>		
CAPITALIZATION AND LIABILITIES		
Capitalization		
Stockholders' Equity		
Common stock - \$0.01 par value, 750,000,000 shares authorized; 479,364,801 and 478,432,058 shares outstanding, respectively	\$ 4.8	\$ 4.8
Treasury stock	(99.9)	(99.9)
Additional paid-in capital	9,859.1	9,866.6
Retained deficit	(96.6)	(315.2)
Accumulated other comprehensive loss	(9.2)	(6.2)
Total NiSource Stockholders' Equity	9,658.2	9,450.1
Noncontrolling interest in consolidated subsidiaries	2,269.3	2,209.8
Total Stockholders' Equity	11,927.5	11,659.9
Long-term debt, excluding amounts due within one year	15,458.9	15,457.8
Total Capitalization	27,386.4	27,117.7
Current Liabilities		
Current portion of long-term debt	16.8	19.7
Short-term borrowings	1,291.0	736.0
Accounts payable	999.3	1,124.5
Dividends payable - common stock	147.4	4.4
Customer deposits and credits	148.1	283.4
Taxes accrued	240.8	228.8
Interest accrued	218.8	206.2
Asset retirement obligations	49.9	55.0
Exchange gas payable	56.5	125.4
Regulatory liabilities	204.3	260.1
Accrued compensation and employee benefits	153.5	246.8
Other accruals	200.4	167.1
Total Current Liabilities ⁽¹⁾	3,726.8	3,457.4
Other Liabilities		
Deferred income taxes	2,588.2	2,500.1
Deferred credits	79.6	77.2
Accrued liability for postretirement and postemployment benefits	157.9	153.1
Regulatory liabilities	1,579.1	1,513.3
Asset retirement obligations	793.4	781.9
Other noncurrent liabilities	289.6	258.0
Total Other Liabilities ⁽¹⁾	5,487.8	5,283.6
Commitments and Contingencies (Refer to Note 13, "Other Commitments and Contingencies")		
Total Capitalization and Liabilities	\$ 36,601.0	\$ 35,858.7

⁽¹⁾Includes \$134.1 million and \$56.9 million at March 31, 2026 and December 31, 2025, respectively, of current liabilities and \$56.3 million and \$55.7 million at March 31, 2026 and December 31, 2025, respectively, of other liabilities, and finance leases of \$40.1 million at March 31, 2026 and December 31, 2025, respectively, of consolidated VIEs that creditors do not have recourse to our general credit. Refer to Note 4, "Noncontrolling Interests," for additional information.

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

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ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Condensed Statements of Consolidated Cash Flows (unaudited)

Three Months Ended March 31, (in millions)	2026	2025
Operating Activities		
Net Income	\$ 556.2	\$ 526.7
Adjustments to Reconcile Net Income to Net Cash from Operating Activities:		
Depreciation and amortization	288.3	258.6
Deferred income taxes and investment tax credits	75.8	91.3
Payments for asset retirement obligations	(15.5)	(10.4)
Other adjustments	18.3	7.1
Changes in Assets and Liabilities:		
Components of working capital ⁽¹⁾	(531.5)	(205.3)
Regulatory assets/liabilities	50.5	10.3
Other noncurrent liabilities and deferred credits and charges	0.2	8.1
Net Cash Flows from Operating Activities	442.3	686.4
Investing Activities		
Capital expenditures	(805.2)	(637.3)
Milestone payments to renewable generation asset developers	—	(554.2)
Advanced deposits	(22.4)	(125.3)
Other investing activities	(45.0)	(35.9)
Net Cash Flows used for Investing Activities	(872.6)	(1,352.7)
Financing Activities		
Proceeds from issuance of long-term debt	—	741.5
Repayments of finance lease obligations	(5.9)	(5.5)
Net change in commercial paper and other short-term borrowings	555.0	166.4
Issuance of common stock, net of issuance costs	3.9	3.2
Equity costs, premiums and other debt related costs	(22.7)	(15.4)
Contributions from NIPSCO and GenCo minority interest holders	33.5	34.8
Distribution to NIPSCO minority interest holders	(19.9)	(17.5)
Distributions to tax equity partners	(3.2)	(4.1)
Dividends paid - common stock	(149.0)	(132.0)
Net Cash Flows from Financing Activities	391.7	771.4
Change in cash, cash equivalents and restricted cash	(38.6)	105.1
Cash, cash equivalents and restricted cash at beginning of period	135.7	198.6
Cash, Cash Equivalents and Restricted Cash at End of Period	\$ 97.1	\$ 303.7

⁽¹⁾ Refer to Note 17, "Supplemental Disclosures of Cash Flow Information," for additional information.

Reconciliation to Balance Sheet

(in millions)	March 31, 2026	December 31, 2025
Cash and cash equivalents	71.9	110.1
Restricted cash	25.2	25.6
Total Cash, Cash Equivalents and Restricted Cash	97.1	135.7

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

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ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Condensed Statements of Consolidated Equity (unaudited)

<i>(in millions)</i>	Common Stock	Treasury Stock	Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest in Consolidated Subsidiaries	Total
Balance as of December 31, 2025	\$ 4.8	\$ (99.9)	\$ 9,866.6	\$ (315.2)	\$ (6.2)	\$ 2,209.8	\$ 11,659.9
Comprehensive Income:							
Net income	—	—	—	507.1	—	49.1	556.2
Other comprehensive loss, net of tax	—	—	—	—	(3.0)	—	(3.0)
Dividends:							
Common stock (\$0.60 per share)	—	—	—	(292.1)	—	—	(292.1)
Noncontrolling Interests:							
Contributions from noncontrolling interests	—	—	—	—	—	33.5	33.5
Distributions to noncontrolling interests	—	—	—	—	—	(23.1)	(23.1)
Stock issuances (redemptions):							
Series A Preferred stock redemption premium	—	—	—	3.6	—	—	3.6
Employee stock purchase plan	—	—	1.9	—	—	—	1.9
Long-term incentive plan	—	—	(12.0)	—	—	—	(12.0)
401(k) and profit sharing	—	—	2.6	—	—	—	2.6
Balance as of March 31, 2026	\$ 4.8	\$ (99.9)	\$ 9,859.1	\$ (96.6)	\$ (9.2)	\$ 2,269.3	\$ 11,927.5

<i>(in millions)</i>	Common Stock	Treasury Stock	Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest in Consolidated Subsidiaries	Total
Balance as of December 31, 2024	\$ 4.7	\$ (99.9)	\$ 9,521.5	\$ (711.7)	\$ (30.4)	\$ 1,984.1	\$ 10,668.3
Comprehensive Income:							
Net income	—	—	—	474.8	—	51.9	526.7
Other comprehensive income, net of tax	—	—	—	—	1.2	—	1.2
Dividends:							
Common stock (\$0.56 per share)	—	—	—	(264.5)	—	—	(264.5)
Noncontrolling Interests:							
Contributions from noncontrolling interests	—	—	—	—	—	34.8	34.8
Distributions to noncontrolling interest	—	—	—	—	—	(21.6)	(21.6)
Stock issuances (redemptions):							
Employee stock purchase plan	—	—	1.7	—	—	—	1.7
Long-term incentive plan	—	—	(3.3)	—	—	—	(3.3)
401(k) and profit sharing	—	—	2.7	—	—	—	2.7
Balance as of March 31, 2025	\$ 4.7	\$ (99.9)	\$ 9,522.6	\$ (501.4)	\$ (29.2)	\$ 2,049.2	\$ 10,946.0

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ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.
Condensed Statements of Consolidated Equity (unaudited) (continued)

Shares (in thousands)	Common		
	Shares	Treasury	Outstanding
Balance as of December 31, 2025	482,395	(3,963)	478,432
Issued:			
Employee stock purchase plan	45	—	45
Long-term incentive plan	831	—	831
401(k) and profit sharing	57	—	57
Balance as of March 31, 2026	483,328	(3,963)	479,365

Shares (in thousands)	Common		
	Shares	Treasury	Outstanding
Balance as of December 31, 2024	473,785	(3,963)	469,822
Issued:			
Employee stock purchase plan	46	—	46
Long-term incentive plan	682	—	682
401(k) and profit sharing	68	—	68
Balance as of March 31, 2025	474,581	(3,963)	470,618

The accompanying Notes to Condensed Consolidated Financial Statements (unaudited) are an integral part of these statements.

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

1. Basis of Accounting Presentation

Our accompanying Condensed Consolidated Financial Statements (unaudited) reflect all normal recurring adjustments that are necessary, in the opinion of management, to present fairly the results of operations in accordance with GAAP in the United States of America. The accompanying financial statements include the accounts of us, our majority-owned subsidiaries, and VIEs of which we are the primary beneficiary after the elimination of all intercompany accounts and transactions.

The accompanying financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025. Income for interim periods may not be indicative of results for the calendar year due to weather variations and other factors.

The Condensed Consolidated Financial Statements (unaudited) have been prepared pursuant to the rules and regulations of the SEC. Certain information and note disclosures normally included in annual financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to those rules and regulations, although we believe that the disclosures made in this Quarterly Report on Form 10-Q are adequate to make the information herein not misleading.

2. Recent Accounting Pronouncements

Recently Issued Accounting Pronouncements

In September 2025, the FASB issued ASU 2025-06, *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software*. We are currently evaluating the impacts this amendment will have on our internal-use software capitalization policy. See Note 2 to the Company's Consolidated Financial Statements in the Annual Report on Form 10-K for the year ended December 31, 2025, for a discussion of the impact of this ASU.

In November 2024, the FASB issued ASU 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40)*. We are currently evaluating the impacts this amendment will have on our required disclosures. See Note 2 to the Company's Consolidated Financial Statements in the Annual Report on Form 10-K for the year ended December 31, 2025, for a discussion of the impact of this ASU.

3. Revenue Recognition

Revenue Disaggregation and Reconciliation. We disaggregate revenue from contracts with customers based upon reportable segment, as well as by customer class. The Columbia Operations segment provides regulated natural gas service and transportation for residential, commercial and industrial customers in Ohio, Pennsylvania, Virginia, Kentucky, and Maryland. The NIPSCO Operations segment provides regulated gas and electric service in the northern part of Indiana.

The tables below reconcile revenue disaggregation by customer class to segment revenue, as well as to revenues reflected on the Condensed Statements of Consolidated Income (unaudited):

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ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Three months ended March 31, 2026
(in millions)

	Columbia Operations	NIPSCO Operations	Corporate and Other	Total
Gas Distribution				
Residential	\$ 909.2	\$ 318.6	\$ —	\$ 1,227.8
Commercial	331.0	115.6	—	446.6
Industrial	57.4	34.1	—	91.5
Off-system	16.8	—	—	16.8
Miscellaneous ⁽¹⁾	14.2	3.1	—	17.3
Subtotal	\$ 1,328.6	\$ 471.4	\$ —	\$ 1,800.0
Electric Generation and Power Delivery				
Residential	\$ —	\$ 176.8	\$ —	\$ 176.8
Commercial	—	172.1	—	172.1
Industrial	—	155.5	—	155.5
Wholesale	—	8.5	—	8.5
Public Authority	—	4.3	—	4.3
Miscellaneous ⁽¹⁾	—	5.1	—	5.1
Subtotal	\$ —	\$ 522.3	\$ —	\$ 522.3
Total Customer Revenues⁽²⁾	1,328.6	993.7	—	2,322.3
Other Revenues⁽³⁾	(5.4)	44.8	1.4	40.8
Total Operating Revenues	\$ 1,323.2	\$ 1,038.5	\$ 1.4	\$ 2,363.1

⁽¹⁾Amounts included in Columbia Operations primarily relate to earnings share mechanisms, late fees, and wholesale revenues. Amounts included in NIPSCO Operations primarily relate to late fees and property rentals. ⁽²⁾Customer revenue amounts exclude intersegment revenues. See Note 15, "Business Segment Information," for discussion of intersegment revenues.

⁽³⁾Amounts included in Columbia Operations primarily relate to alternative revenue programs including weather normalization adjustment mechanisms. Amounts included in NIPSCO Operations primarily relate to alternative revenue programs including weather normalization adjustment mechanisms, MISO multi-value projects and revenue from FERC jurisdictional transmission assets. Amounts included in Corporate and Other primarily relate to products and services revenue.

Three months ended March 31, 2025
(in millions)

	Columbia Operations	NIPSCO Operations	Corporate and Other	Total
Gas Distribution				
Residential	\$ 851.2	\$ 291.4	\$ —	\$ 1,142.6
Commercial	306.5	103.1	—	409.6
Industrial	47.9	31.4	—	79.3
Off-system	22.3	—	—	22.3
Wholesale	1.1	—	—	1.1
Miscellaneous ⁽¹⁾	10.9	4.7	—	15.6
Subtotal	\$ 1,239.9	\$ 430.6	\$ —	\$ 1,670.5
Electric Generation and Power Delivery				
Residential	\$ —	\$ 167.9	\$ —	\$ 167.9
Commercial	—	160.1	—	160.1
Industrial	—	142.6	—	142.6
Wholesale	—	7.6	—	7.6
Public Authority	—	2.2	—	2.2
Miscellaneous ⁽¹⁾	—	(1.4)	—	(1.4)
Subtotal	\$ —	\$ 479.0	\$ —	\$ 479.0
Total Customer Revenues⁽²⁾	1,239.9	909.6	—	2,149.5
Other Revenues⁽³⁾	0.7	31.8	1.2	33.7
Total Operating Revenues	\$ 1,240.6	\$ 941.4	\$ 1.2	\$ 2,183.2

⁽¹⁾Amounts included in Columbia Operations primarily relate to earnings share mechanisms and late fees. Amounts included in NIPSCO Operations, primarily relate to revenue refunds, public repairs and property rentals. ⁽²⁾Customer revenue amounts exclude intersegment revenues. See Note 15, "Business Segment Information," for discussion of intersegment revenues.

⁽³⁾Amounts included in Columbia Operations primarily relate to alternative revenue programs including weather normalization adjustment mechanisms. Amounts included in NIPSCO Operations primarily relate to alternative revenue programs including weather normalization adjustment mechanisms, MISO multi-value projects and revenue from FERC jurisdictional transmission assets. Amounts included in Corporate and Other primarily relate to products and services revenue.

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ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Customer Accounts Receivable. Accounts receivable on our Condensed Consolidated Balance Sheets (unaudited) includes both billed and unbilled amounts, as well as certain amounts that are not related to customer revenues. Unbilled amounts of accounts receivable relate to a portion of a customer's consumption of gas or electricity from the date of the last cycle billing through the last day of the month (balance sheet date). Factors taken into consideration when estimating unbilled revenue include historical usage, customer rates, and weather. A significant portion of our operations are subject to seasonal fluctuations in sales. During the heating season, primarily from November through March, revenues and receivables from gas sales are more significant than in other months. The balances of customer receivables as of March 31, 2026 and December 31, 2025 are presented in the table below. We had no significant contract assets or liabilities during the period. Additionally, we have not incurred any significant costs to obtain or fulfill contracts.

<i>(in millions)</i>	Customer Accounts Receivable, Billed (less reserve)	Customer Accounts Receivable, Unbilled (less reserve)
Balance as of December 31, 2025	\$ 698.8	\$ 465.2
Balance as of March 31, 2026	\$ 1,016.1	\$ 182.7

Utility revenues are billed to customers monthly on a cycle basis. We expect that substantially all customer accounts receivable will be collected following customer billing, as this revenue consists primarily of periodic, tariff-based billings for service and usage. We maintain common utility credit risk mitigation practices, including requiring deposits and actively pursuing collection of past due amounts. Our regulated operations also utilize certain regulatory mechanisms that facilitate recovery of bad debt costs within tariff-based rates, which provides further evidence of collectability. It is probable that substantially all of the consideration to which we are entitled from customers will be collected upon satisfaction of performance obligations.

Allowance for Credit Losses. To evaluate for expected credit losses, customer account receivables are pooled based on similar risk characteristics, such as customer type, geography, payment terms, and related macro-economic risks. Expected credit losses are established using a model that considers historical collections experience, current information, and reasonable and supportable forecasts. Internal and external inputs are used in our credit model including, but not limited to, revenue projections, actual charge-offs data, recoveries data, shut-offs, security deposits and final bill data. We continuously evaluate available information relevant to assessing collectability of current and future receivables. We evaluate creditworthiness of specific customers periodically or following changes in facts and circumstances. When we become aware of a specific commercial or industrial customer's inability to pay, an allowance for expected credit losses is recorded for the relevant amount. We also monitor other circumstances that could affect our overall expected credit losses including, but not limited to, creditworthiness of overall population in service territories, adverse conditions impacting an industry sector, and current economic conditions.

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ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

At each reporting period, we record expected credit losses to an allowance for credit losses account. When deemed to be uncollectible, customer accounts are written-off. Rollforwards of our allowance for credit losses as of March 31, 2026 and December 31, 2025 are presented in the table below:

<i>(in millions)</i>	Columbia Operations	NIPSCO Operations	Total
Balance as of December 31, 2025	\$ 15.6	\$ 25.0	\$ 40.6
Current period provisions	11.8	6.6	18.4
Write-offs charged against allowance	(12.1)	(4.4)	(16.5)
Recoveries of amounts previously written off	3.2	0.4	3.6
Balance as of March 31, 2026	\$ 18.5	\$ 27.6	\$ 46.1

<i>(in millions)</i>	Columbia Operations	NIPSCO Operations	Total
Balance as of December 31, 2024	\$ 9.8	\$ 13.9	\$ 23.7
Current period provisions	42.3	25.0	67.3
Write-offs charged against allowance	(50.8)	(15.0)	(65.8)
Recoveries of amounts previously written off	14.3	1.1	15.4
Balance as of December 31, 2025	\$ 15.6	\$ 25.0	\$ 40.6

4. Noncontrolling Interests

Variable Interest Entities. A VIE is an entity in which the controlling interest is determined through means other than a majority voting interest. NIPSCO is the managing member and operator of two wind JVs, Rosewater and Indiana Crossroads Wind, which have 102 MW and 302 MW of nameplate capacity, respectively. NIPSCO is also a managing member and operator of two solar JVs, Indiana Crossroads Solar and Dunn's Bridge I, which have a nameplate capacity of 200 MW and 265 MW, respectively. We have determined that these JVs are VIEs. NIPSCO controls decisions that are significant to these entities' ongoing operations and economic results. Therefore, we have concluded that NIPSCO is the primary beneficiary and have consolidated all four entities.

Members of each respective JV include NIPSCO (who is the managing member) and a tax equity partner. Earnings, tax attributes and cash flows are allocated to both NIPSCO and the tax equity partner in varying percentages by category and over the life of the partnership. NIPSCO and each tax equity partner contributed cash to the respective JV. Once the tax equity partner has earned their negotiated rate of return and have reached a stated contractual date, NIPSCO has the option to purchase the remaining interest in the respective JV, at fair market value, from the tax equity partner. NIPSCO has an obligation to purchase 100% of the electricity generated by each commercially operational JV.

We did not provide any financial or other support for the JVs during the quarter that was not contractually required.

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ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Our Condensed Consolidated Balance Sheets (unaudited) included the following assets and liabilities associated with the JV VIEs.

(in millions)	March 31, 2026	December 31, 2025
Net property, plant and equipment	\$ 1,261.6	\$ 1,273.0
Current assets	27.6	27.6
Total assets ⁽¹⁾	1,289.2	1,300.6
Current liabilities	10.5	16.1
Asset retirement obligations	56.3	55.7
Finance lease obligations	40.1	40.1
Total liabilities ⁽¹⁾⁽²⁾	\$ 106.9	\$ 111.9

⁽¹⁾The assets of each VIE represent assets of a consolidated VIE that can be used only to settle obligations of the respective consolidated VIE. The creditors of the liabilities of the VIEs do not have recourse to the general credit of the primary beneficiary.

⁽²⁾In addition to the amounts disclosed above there is a de minimis amount of other noncurrent assets and liabilities at Rosewater as of March 31, 2026.

GenCo Minority Interest Transaction. In October 2025, a 19.9% equity interest in NiSource's wholly owned subsidiary, Generation Holdings II, the sole owner of GenCo, was issued to BIP Orion Holdco L.P. and BIP Orion Holdco II L.P., affiliates of Blackstone (collectively, "Blackstone Investor"), in exchange for \$35.2 million in cash contributions to Generation Holdings II through the Generation Holdings II LLC Agreement. Generation Holdings II is considered a VIE as it passes the variability of its operating results through to its shareholders (Generation Holdings I and Blackstone Investor) and has insufficient equity to finance its activities without additional subordinated financial support. The sole purpose of the VIE is to own and operate GenCo which will acquire and build generation assets and provide capacity and electricity to support data center customers. Generation Holdings II and its wholly owned subsidiary, GenCo, is a consolidated VIE, as we have the power to direct the significant decision-making activities that most impact the ongoing operations and economic performance of the entity (i.e., we are the primary beneficiary) including business development and operating decisions. See Note 4 to the Company's Consolidated Financial Statements in the Annual Report on Form 10-K for the year ended December 31, 2025, for additional details on the Generation Holdings II LLC Agreement.

During the first quarter of 2026, we received \$8.0 million of contributions and we made zero distributions to our Generation Holdings II minority interest holders based on their relative ownership percentages. There were no contributions received or distributions made during the first quarter of 2025.

Our Condensed Consolidated Balance Sheets (unaudited) included the following assets and liabilities associated with the GenCo VIE:

(in millions)	March 31, 2026	December 31, 2025
Net Property, Plant and Equipment	\$ 244.8	\$ 39.7
Current assets	82.5	62.5
Other assets	201.5	305.4
Total assets ⁽¹⁾	528.8	407.6
Current liabilities	123.6	40.8
Total liabilities ⁽¹⁾	\$ 123.6	\$ 40.8

⁽¹⁾The assets of each VIE represent assets of a consolidated VIE that can be used only to settle obligations of the respective consolidated VIE. The creditors of the liabilities of the VIEs do not have recourse to the general credit of the primary beneficiary.

Voting Interest Entities. We retain a controlling financial interest in NIPSCO Holdings II and its subsidiaries and consolidate their financial results. See Note 4 to the Company's Consolidated Financial Statements in the Annual Report on Form 10-K for the year ended December 31, 2025, for additional details on the Amended NIPSCO Holdings II LLC Agreement. The following table provides information about the contributions from and distributions to our NIPSCO minority interest holders

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ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

included in our Condensed Statements of Consolidated Cash Flows (unaudited) and Condensed Statements of Consolidated Equity (unaudited).

(in millions)	Three Months Ended March 31,			
	2026		2025	
Contributions from NIPSCO minority interest holders	\$	25.5	\$	34.8
Distributions to NIPSCO minority interest holders		19.9		17.5

5. Earnings Per Share

The calculations of basic and diluted EPS are based on the weighted average number of shares of common stock and potential common stock outstanding during the period. Diluted EPS includes the incremental effects of the various long-term incentive compensation plans and ATM forward sale agreements under the treasury stock method when the impact would be dilutive (See Note 6, "Equity").

We use the two-class method of computing earnings per share because we have participating securities in the form of non-vested restricted stock units with a non-forfeitable right to dividend equivalents, for which vesting is predicated solely on the passage of time. The calculation of earnings per share using the two-class method excludes income attributable to these participating securities from the numerator and excludes the dilutive impact of those shares from the denominator.

The following table presents the calculation of our basic and diluted EPS:

	Three Months Ended March 31,	
(in millions, except per share amounts)	2026	2025
Numerator:		
Net Income Available to Common Shareholders	\$ 510.7	\$ 474.8
Less: Income allocated to participating securities	1.1	0.8
Net Income Available to Common Shareholders - Basic	509.6	474.0
Net Income Available to Common Shareholders - Diluted	\$ 509.6	\$ 474.0
Denominator:		
Average common shares outstanding - Basic	479.0	470.4
Dilutive potential common shares:		
Shares contingently issuable under employee stock plans	1.6	1.4
Shares restricted under employee stock plans	0.1	0.7
ATM forward sale agreements	0.2	—
Average Common Shares - Diluted	480.9	472.5
Earnings per common share:		
Basic	\$ 1.06	\$ 1.01
Diluted	\$ 1.06	\$ 1.00

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ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

6. Equity

ATM Program. In October 2025, we entered into eleven separate equity distribution agreements providing for the sale up to an aggregate of \$1.5 billion of our common stock.

- In October 2025, we executed a forward sale agreement, which allows us to issue a fixed number of shares at a price to be settled in the future. The forward purchaser under our forward sale agreement borrowed 2,390,057 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$41.84 per share. We may settle the forward sale agreement in shares, cash or net shares by October 2026. Had we settled all of the shares under the forward sale agreement at March 31, 2026, we would have received approximately \$99.7 million, based on a net price of \$41.72 per share.
- In February 2026, we executed a forward sale agreement, which allows us to issue a fixed number of shares at a price to be settled in the future. The forward purchaser under our forward sale agreement borrowed 2,200,000 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$45.63 per share. We may settle the forward sale agreement in shares, cash or net shares by December 2026. Had we settled all of the shares under the forward sale agreement at March 31, 2026, we would have received approximately \$99.9 million, based on a net price of \$45.43 per share.
- As of March 31, 2026, the ATM program inclusive of the outstanding forward sale agreements had approximately \$1.25 billion of equity capacity available. The ATM program expires in December 2028.

Preferred Stock. During the first quarter of 2026, following the issuance of final U.S. Treasury and Internal Revenue Service regulations clarifying the scope and application of the federal excise tax on stock repurchases made after December 31, 2022, we evaluated the applicability of the excise tax to our 2023 Series A Preferred Stock redemption premium. Based on this assessment, we determined that the excise tax previously recorded does not apply to these share repurchases. Accordingly, we reversed approximately \$3.6 million of excise tax expense and recognized a receivable as of March 31, 2026, for the expected refund of the amounts previously remitted.

7. Short-Term Borrowings

We generate short-term borrowings from our revolving credit facility, commercial paper program, and accounts receivable transfer programs. Each of these borrowing sources is described further below.

Revolving Credit Facility. We maintain a revolving credit facility to fund ongoing working capital requirements, including the provision of liquidity support for our commercial paper program, the issuance of letters of credit and general corporate purposes. Our revolving credit facility has a facility limit of \$2.50 billion and is comprised of a syndicate of banks. We had no outstanding borrowings under this facility as of March 31, 2026 and December 31, 2025, respectively.

Commercial Paper Program. In March 2026, we increased our commercial paper program limit from \$1.85 billion to \$2.50 billion. We had \$1,291.0 million and \$736.0 million of commercial paper outstanding with weighted-average interest rates of 4.12% and 3.92% as of March 31, 2026 and December 31, 2025, respectively.

Accounts Receivable Transfer Programs. Columbia of Ohio, NIPSCO, and Columbia of Pennsylvania each maintain a receivables agreement whereby they transfer their customer accounts receivables to third-party financial institutions through consolidated special purpose entities. The three agreements expire between August 2026 and April 2027 and may be further extended if mutually agreed to by the parties thereto.

All receivables transferred to third parties are valued at face value, which approximates fair value due to their short-term nature. The amount of the undivided percentage ownership interest in the accounts receivables transferred is determined in part by required loss reserves under the agreements.

Transfers of accounts receivable are accounted for as secured borrowings resulting in the recognition of short-term borrowings on the Condensed Consolidated Balance Sheets (unaudited). As of March 31, 2026, the maximum amount of debt that could be borrowed related to our accounts receivable programs was \$375.0 million.

We had no short-term borrowings related to the securitization transactions as of March 31, 2026 and December 31, 2025, respectively.

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ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

For the three months ended March 31, 2026 and 2025, zero and \$250.0 million, respectively, were recorded as cash flows from financing activities related to the change in short-term borrowings due to securitization transactions. Columbia of Ohio, NIPSCO and Columbia of Pennsylvania remain responsible for collecting on the receivables securitized, and the receivables cannot be transferred to another party.

Items listed above are presented net in the Condensed Statements of Consolidated Cash Flows (unaudited) as turnover is quick, the amounts are large, and their maturities are less than 90 days.

8. Regulatory Matters

Regulatory Assets and Liabilities. We follow the accounting and reporting requirements of ASC Topic 980, which provides that regulated entities account for and report assets and liabilities consistent with the economic effect of regulatory rate-making procedures when the rates established are designed to recover the costs of providing the regulated service and it is probable that such rates will be charged to and collected from customers. Certain expenses and credits subject to utility regulation or rate determination normally reflected in income or expense are deferred on the balance sheet and are recognized in the income statement as the related amounts are included in customer rates and recovered from or refunded to customers. We assess the probability of collection for all of our regulatory assets each period. The offset to the regulatory liability associated with our renewable investments included in regulated rates is recorded in "Depreciation and amortization" on the Condensed Statements of Consolidated Income (unaudited).

NIPSCO Electric rate case filing. Following the IURC order in June 2025, new rates were implemented in multiple steps beginning in July 2025 and the final step was implemented in March 2026.

Columbia of Pennsylvania rate case filing. Following the order in December 2025, rates became effective in January 2026. Two parties filed petitions for reconsideration on certain aspects of the final order; however, the Pennsylvania Public Utility Commission issued a final order in February 2026 denying reconsiderations and the timeline for appeal has passed.

NIPSCO Electric Special Contract and GenCo PPA filing. In November 2025, NIPSCO and GenCo filed an application with the IURC seeking approval of (i) a retail special contract for electric service between NIPSCO and ADS, (ii) a related power purchase agreement between NIPSCO and GenCo, and (iii) an alternative regulatory plan and associated accounting treatment. Testimony from the Indiana Office of the Utility Consumer Counselor ("OUCC") and intervenors was filed in January 2026. In February 2026, NIPSCO, GenCo, the OUCC, and the NIPSCO Industrial Group filed a Stipulation and Settlement Agreement ("Settlement") resolving all issues and accompanying testimony with the IURC. The Citizens Action Coalition is opposing the Settlement, and the LaPorte County Board of Commissioners is not opposing the Settlement. A settlement hearing occurred in April 2026. An order is anticipated in the second quarter of 2026.

In April 2026, NIPSCO submitted a compliance filing containing an amendment to the ADS Contract to accelerate the delivery of capacity to ADS. This compliance filing is expected to be acted upon at the same time as IURC's order noted above. NIPSCO and GenCo also filed an application with the IURC seeking approval of (i) a retail special contract for electric service between NIPSCO and a wholly owned subsidiary of Alphabet, (ii) a related power purchase agreement between NIPSCO and GenCo, and (iii) an alternative regulatory plan and associated accounting treatment. A procedural schedule has not been established, but an order is expected in the third quarter of 2026.

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ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

202(c) Emergency Order for R.M. Schahfer coal facility. Before the planned retirement of the R.M. Schahfer coal facility at the end of December 2025, NIPSCO received the first of successive emergency orders under section 202(c) of the Federal Power Act, to continue operating in 90-day increments, currently through June 21, 2026. The orders stated that continued operation of R.M. Schahfer is required to meet an energy emergency across MISO's North and Central regions. Consistent with the Federal Power Act and the U.S. Department of Energy regulations, the order authorizes NIPSCO to obtain cost recovery pursuant to 16 U.S.C. § 824a(c). As directed, NIPSCO continued to make R.M. Schahfer available in the MISO market. Following receipt of the initial emergency order, NIPSCO filed a complaint with FERC seeking a modification of the MISO tariff to establish a mechanism for recovery and allocation of the cost to comply with this order. In March 2026, FERC ordered MISO to make a compliance filing with tariff language for NIPSCO recovery and allocation of the cost to comply with this order within 30 days of FERC approving MISO's tariff in Consumer's FERC 202(c) complaint. NIPSCO filed a petition with the IURC to recover federally mandated costs related to the U.S. Department of Energy's 202(c) order in December of 2025, but the proceeding is being held in abeyance pending resolution of FERC/MISO level recovery of costs incurred while operating under the 202(c) order. While we do not believe IURC-level recovery under the FMCA Statute will be required, the petition was filed to preserve the right to seek such recovery if needed. Should such recovery become necessary, NIPSCO intends to file testimony and evidence outlining and justifying its request at a later date. As of March 31, 2026, \$65.9 million has been deferred to non-current regulatory assets for incremental costs incurred to comply with the 202(c) Emergency Order and \$54.4 million of non-current regulatory liabilities have been established for net MISO revenues and customer receipts in the first quarter of 2026. At present, NIPSCO is filing quarterly status reports with the IURC to keep them informed.

IURC Investigation. In November 2025, the IURC initiated an investigation into the accuracy of NIPSCO's gas meters. This investigation followed NIPSCO's disclosure of a latent issue with a small percentage of the meter indexes in NIPSCO's gas meters, which was discovered during roll-out of new AMI communications modules for gas meters. NIPSCO filed testimony in March 2026 and a hearing is scheduled for July 2026.

9. Risk Management Activities

We are exposed to certain risks relating to our ongoing business operations, namely commodity price risk and interest rate risk. We recognize that the prudent and selective use of derivatives may help to limit volatility in the price of natural gas and manage interest rate exposure.

Risk management assets and liabilities on our derivatives are presented on the Condensed Consolidated Balance Sheets (unaudited) as shown below:

(in millions)	March 31, 2026		December 31, 2025	
	Assets	Liabilities	Assets	Liabilities
Current ⁽¹⁾				
Derivatives not designated as hedging instruments	\$ 4.9	\$ 2.9	\$ 9.7	\$ 2.1
Total	\$ 4.9	\$ 2.9	\$ 9.7	\$ 2.1
Noncurrent ⁽²⁾				
Derivatives not designated as hedging instruments	\$ 11.9	\$ 6.8	\$ 9.1	\$ 3.8
Total	\$ 11.9	\$ 6.8	\$ 9.1	\$ 3.8

⁽¹⁾Current assets and liabilities are presented in "Other current assets" and "Other accruals", respectively, on the Condensed Consolidated Balance Sheets (unaudited).

⁽²⁾Noncurrent assets and liabilities are presented in "Deferred charges and other" and "Other noncurrent liabilities", respectively, on the Condensed Consolidated Balance Sheets (unaudited).

Our derivative instruments are subject to enforceable master netting arrangements or similar agreements. No collateral was either received or posted related to our outstanding derivative positions at March 31, 2026. If the above gross asset and liability positions were presented net of amounts owed or receivable from counterparties, we would report a net asset position of \$7.1 million and \$12.9 million as of March 31, 2026 and December 31, 2025, respectively.

Derivatives Not Designated as Hedging Instruments

Commodity price risk management. We, along with our utility customers, are exposed to variability in cash flows associated with natural gas purchases and volatility in natural gas prices. We purchase natural gas for sale and delivery to our retail, commercial and industrial customers, and for most customers the variability in the market price of gas is passed through in their

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ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

rates. Some of our utility subsidiaries offer programs whereby variability in the market price of gas is assumed by the respective utility. The objective of our commodity price risk programs is to mitigate the gas cost variability, for us or on behalf of our customers, associated with natural gas purchases or sales by economically hedging the various gas cost components using a combination of futures, options, forwards or other derivative contracts. As of March 31, 2026 and December 31, 2025, we had 82.2 MMDth and 83.7 MMDth, respectively, of net energy derivative volumes outstanding related to our natural gas hedges.

NIPSCO has received IURC approval to lock in a fixed price for its natural gas customers using long-term forward purchase instruments and is limited to 20% of NIPSCO's average annual GCA purchase volume. As of March 31, 2026, the remaining terms of these instruments range from one to six years. Likewise, Columbia of Pennsylvania has received approval for a 24-month rolling hedge program that will continue in perpetuity. The program is designed to financially hedge approximately 20% of the customers' annual demand. Under both programs, all gains and losses on these derivative contracts are deferred as regulatory liabilities or assets and are remitted to or collected from customers through the relevant cost recovery mechanism.

The following table summarizes the gains and losses associated with the commodity price risk programs deferred as regulatory assets and liabilities:

<i>(in millions)</i>	March 31, 2026		December 31, 2025	
Regulatory Assets				
Losses on commodity price risk programs	\$	12.7	\$	10.1
Regulatory Liabilities				
Gains on commodity price risk programs	\$	17.3	\$	19.2

Our derivative instruments measured at fair value as of March 31, 2026 and December 31, 2025 do not contain any credit-risk-related contingent features.

Derivatives Designated as Hedging Instruments

Interest rate risk management. As of March 31, 2026 and December 31, 2025, we had no active interest rate swap positions. We have recorded the overall net loss related to previously settled interest rate swaps in AOCI. The gain or loss associated with each previously settled interest rate swap is amortized in interest expense over the term of each corresponding debt issuance. These amounts were immaterial for the three months ended March 31, 2026 and 2025 and are recorded in "Interest expense, net" on the Condensed Statements of Consolidated Income (unaudited). Amounts expected to be reclassified to earnings during the next twelve months are immaterial. See Note 14, "Accumulated Other Comprehensive Loss," for additional information.

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ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

10. Fair Value

A. Fair Value Measurements

Recurring Fair Value Measurements

The following tables present financial assets and liabilities measured and recorded at fair value on our Condensed Consolidated Balance Sheets (unaudited) on a recurring basis and their level within the fair value hierarchy as of March 31, 2026 and December 31, 2025. As of March 31, 2026 and December 31, 2025, there were no material transfers between fair value hierarchies. Additionally, there were no changes in the method or significant assumptions used to estimate the fair value of our financial instruments.

Recurring Fair Value Measurements March 31, 2026 (in millions)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of March 31, 2026
Assets				
Risk management assets	\$ —	\$ 16.8	\$ —	\$ 16.8
Available-for-sale debt securities	—	156.7	—	156.7
Equity securities ⁽¹⁾⁽²⁾	8.7	—	—	8.7
Total	\$ 8.7	\$ 173.5	\$ —	\$ 182.2
Liabilities				
Risk management liabilities	\$ —	\$ 9.7	\$ —	\$ 9.7
Total	\$ —	\$ 9.7	\$ —	\$ 9.7

⁽¹⁾Equity securities are in a high dividend equity fund and are valued using market prices in active markets. Level 1 instrument valuations are obtained from real-time quotes for transactions in active exchange markets involving identical assets. Equity securities are presented in "Other Investments" on the Condensed Consolidated Balance Sheets (unaudited).

⁽²⁾As of March 31, 2026, the investment cost of equity securities measured at fair value was \$7.9 million, gross unrealized gains were \$0.9 million, and the fair value was \$8.7 million.

Recurring Fair Value Measurements December 31, 2025 (in millions)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of December 31, 2025
Assets				
Risk management assets	\$ —	\$ 18.8	\$ —	\$ 18.8
Available-for-sale debt securities	—	146.1	—	146.1
Equity Securities ⁽¹⁾⁽²⁾	8.5	—	—	8.5
Total	\$ 8.5	\$ 164.9	\$ —	\$ 173.4
Liabilities				
Risk management liabilities	\$ —	\$ 5.9	\$ —	\$ 5.9
Total	\$ —	\$ 5.9	\$ —	\$ 5.9

⁽¹⁾Equity securities are in a high dividend equity fund and are valued using market prices in active markets. Level 1 instrument valuations are obtained from real-time quotes for transactions in active exchange markets involving identical assets. Equity securities are presented in "Other Investments" on the Condensed Consolidated Balance Sheets (unaudited).

⁽²⁾As of December 31, 2025, the investment cost of equity securities measured at fair value was \$7.9 million, gross unrealized gains were \$0.7 million, and the fair value was \$8.5 million.

Level 1- When utilized, exchange-traded derivative contracts are based on unadjusted quoted prices in active markets and are classified within Level 1. These financial assets and liabilities are secured with cash on deposit with the exchange; therefore, nonperformance risk has not been incorporated into these valuations. These financial assets and liabilities are deemed to be cleared and settled daily by NYMEX as the related cash collateral is posted with the exchange. As a result of this exchange rule, NYMEX derivatives are considered to have no fair value at the balance sheet date for financial reporting purposes, and are

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ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

presented in Level 1 net of posted cash; however, the derivatives remain outstanding and are subject to future commodity price fluctuations until they are settled in accordance with their contractual terms.

Level 2- Certain non-exchange-traded derivatives are valued using broker or over-the-counter, on-line exchanges. In such cases, these non-exchange-traded derivatives are classified within Level 2. Non-exchange-based derivative instruments include swaps, forwards, and options. In certain instances, these instruments may utilize models to measure fair value taking into consideration credit risk. We use a similar model to value similar instruments. Valuation models utilize various inputs that include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, other observable inputs for the asset or liability and market-corroborated inputs, (i.e., inputs derived principally from or corroborated by observable market data by correlation or other means). Where observable inputs are available for substantially the full term of the asset or liability, the instrument is categorized within Level 2.

Level 3- Certain derivatives trade in less active markets with a lower availability of pricing information and models may be utilized in the valuation. When such inputs have a significant impact on the measurement of fair value, the instrument is categorized within Level 3.

Risk Management Assets and Liabilities. Risk management assets and liabilities include exchange-traded NYMEX futures and NYMEX options and non-exchange-based forward purchase contracts. NIPSCO and Columbia of Pennsylvania have entered into long-term forward natural gas purchase instruments to lock in a fixed price for natural gas customers. We value these contracts using a pricing model that incorporates market-based information when available, as these instruments trade less frequently and are classified within Level 2 of the fair value hierarchy. For additional information, see Note 9, "Risk Management Activities."

Available-for-Sale Debt Securities. Available-for-sale debt securities are investments pledged as collateral for trust accounts related to our wholly owned insurance company. We value U.S. Treasury, corporate debt and mortgage-backed securities using a matrix pricing model that incorporates market-based information. These securities trade less frequently and are classified within Level 2.

Our available-for-sale debt securities impairments are recognized periodically using an allowance approach. At each reporting date, we utilize a quantitative and qualitative review process to assess the impairment of available-for-sale debt securities at the individual security level. For securities in a loss position, we evaluate our intent to sell or whether it is more-likely-than-not that we will be required to sell the security prior to the recovery of its amortized cost. If either criteria is met, the loss is recognized in earnings immediately, with the offsetting entry to the carrying value of the security. If both criteria are not met, we perform an analysis to determine whether the unrealized loss is related to credit factors. The analysis focuses on a variety of factors that include, but are not limited to, downgrade on ratings of the security, defaults in the current reporting period or projected defaults in the future, the security's yield spread over treasuries, and other relevant market data. If the unrealized loss is not related to credit factors, it is included in other comprehensive income. If the unrealized loss is related to credit factors, the loss is recognized as credit loss expense in earnings during the period, with an offsetting entry to the allowance for credit losses. The amount of the credit loss recorded to the allowance account is limited by the amount at which the security's fair value is less than its amortized cost basis. If certain amounts recorded in the allowance for credit losses are deemed uncollectible, the allowance on the uncollectible portion will be charged off, with an offsetting entry to the carrying value of the security. Subsequent improvements to the estimated credit losses of available-for-sale debt securities will be recognized immediately in earnings. Continuous credit monitoring and portfolio credit balancing mitigates our risk of credit losses on our available-for-sale debt securities.

The amortized cost, gross unrealized gains and losses, allowance for credit losses, and fair value of available-for-sale securities at March 31, 2026 and December 31, 2025 were:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses ⁽¹⁾	Fair Value
March 31, 2026 (in millions)				
Available-for-sale debt securities				
U.S. Treasury debt securities	\$ 7.6	\$ —	\$ —	\$ 7.6
Corporate/Other debt securities	150.2	1.5	(2.6)	149.1
Total	\$ 157.8	\$ 1.5	\$ (2.6)	\$ 156.7
December 31, 2025 (in millions)				
Available-for-sale debt securities				
U.S. Treasury debt securities	\$ 9.5	\$ —	\$ —	\$ 9.5
Corporate/Other debt securities	136.3	2.4	(2.1)	136.6
Total	\$ 145.8	\$ 2.4	\$ (2.1)	\$ 146.1

⁽¹⁾Fair value of U.S. Treasury debt securities and Corporate/Other debt securities in an unrealized loss position without an allowance for credit losses is \$4.6 million and \$71.3 million, respectively, at March 31, 2026.

⁽²⁾Fair value of U.S. Treasury debt securities and Corporate/Other debt securities in an unrealized loss position without an allowance for credit losses is \$3.5 million and \$40.2 million, respectively, at December 31, 2025.

The cost of maturities sold is based upon specific identification. Net realized gains and losses on available-for-sale securities were de minimis for the three months ended March 31, 2026 and 2025, respectively. At March 31, 2026, approximately \$10.6 million and \$3.1 million of Corporate/Other debt securities and U.S. Treasury debt securities, respectively, had maturities of less than a year.

Equity Investments. Investments measured at net asset value per share (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. These investments represent holdings in a single private investment fund that are redeemable at the election of the holder. As of March 31, 2026 and December 31, 2025, the Company holds \$18.2 million and \$17.9 million of equity investments measured at net asset value, respectively.

Non-recurring Fair Value Measurements

We measure the fair value of certain assets, including goodwill, on a non-recurring basis, typically when events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. As of March 31, 2026, no non-recurring fair value adjustments have been made.

B. Other Fair Value Disclosures for Financial Instruments. The carrying amount of cash and cash equivalents, restricted cash, notes receivable, customer deposits and short-term borrowings is a reasonable estimate of fair value due to their liquid or short-term nature. Our long-term borrowings are recorded at historical amounts.

The following method and assumptions were used to estimate the fair value of each class of financial instruments.

Long-term Debt. The fair value of outstanding long-term debt is estimated based on the quoted market prices for the same or similar securities. Certain premium costs associated with the early settlement of long-term debt are not taken into consideration in determining fair value. These fair value measurements are classified within Level 2 of the fair value hierarchy. As of March 31, 2026, there was no change in the method or significant assumptions used to estimate the fair value of long-term debt.

The carrying amount and estimated fair values of these financial instruments were as follows:

(in millions)	Carrying Amount as of March 31, 2026	Estimated Fair Value as of March 31, 2026	Carrying Amount as of Dec. 31, 2025	Estimated Fair Value as of Dec. 31, 2025
Long-term debt (including current portion)	\$ 15,475.7	\$ 14,785.1	\$ 15,477.5	\$ 14,975.3

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ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

11. Income Taxes

Our interim effective tax rates reflect the estimated annual effective tax rates for 2026 and 2025 applied to year-to-date pretax income, adjusted for tax expense associated with certain discrete items. The effective tax rates for the three months ended March 31, 2026 and 2025 were 13.4% and 16.7%, respectively. These effective tax rates differ from the federal statutory tax rate of 21% primarily due to net income attributable to noncontrolling interest, amortization of excess deferred income taxes, federal tax credits net of deferred regulatory liabilities, state income taxes, and other permanent book-to-tax differences.

The decrease in the three month effective tax rate of 3.3% in 2026 compared to 2025 is primarily driven by increases in pass back of federal investment and production tax credits, amortization of excess deferred income taxes, and other permanent book-to-tax differences.

As of March 31, 2026, there have been no material changes to our unrecognized tax benefits or possible changes that could reasonably be expected to occur during the next twelve months. See Note 15 to the Company's Consolidated Financial Statements in the Annual Report on Form 10-K for the year ended December 31, 2025, for a discussion of these unrecognized tax benefits.

12. Pension and Other Postemployment Benefits

We provide defined contribution plans and noncontributory defined benefit retirement plans that cover certain of our employees. Benefits under the defined benefit retirement plans reflect the employees' compensation, years of service and age at retirement. Additionally, we provide health care and life insurance benefits for certain retired employees. Certain active employees may become eligible for these benefits if they reach retirement age while working for us. The expected cost of such benefits is accrued during the employees' years of service. We determined that, for certain rate-regulated subsidiaries, the future recovery of postretirement benefit costs is probable, and we record regulatory assets and liabilities for amounts that would otherwise have been recorded to expense or accumulated other comprehensive loss. Current rates of rate-regulated companies include postretirement benefit costs, including amortization of the regulatory assets and liabilities that arose prior to inclusion of these costs in rates. For most plans, cash contributions are remitted to grantor trusts.

For the three months ended March 31, 2026 and 2025, we contributed \$1.5 million and \$0.5 million, respectively, to our pension plans and \$1.1 million and \$4.9 million, respectively, to our OPEB plans.

The following table provides the components of the plans' actuarially determined net periodic benefit cost for the three months ended March 31, 2026 and 2025:

Three Months Ended March 31, (in millions)	Pension Benefits		OPEB	
	2026	2025	2026	2025
Components of Net Periodic Benefit Cost⁽¹⁾				
Service cost	\$ 5.3	\$ 4.9	\$ 0.8	\$ 1.0
Interest cost	14.1	16.0	4.6	5.6
Expected return on assets	(22.5)	(23.1)	(4.1)	(4.2)
Amortization of prior service credit	—	—	(1.1)	(0.4)
Recognized actuarial loss	5.9	6.4	0.1	0.4
Total Net Periodic Benefit Cost	\$ 2.8	\$ 4.2	\$ 0.3	\$ 2.4

⁽¹⁾The service cost component and all non-service cost components of net periodic benefit (income) cost are presented in "Operation and maintenance" and "Other, net," respectively, on the Condensed Statements of Consolidated Income (unaudited).

ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

13. Other Commitments and Contingencies

A. Guarantees and Indemnities. We and certain of our subsidiaries enter into various agreements providing financial or performance assurance to third parties on behalf of certain subsidiaries as a part of normal business. Such agreements include guarantees and stand-by letters of credit. These agreements are entered into primarily to support or enhance the creditworthiness otherwise attributed to a subsidiary on a stand-alone basis, thereby facilitating the extension of sufficient credit to accomplish the subsidiaries' intended commercial purposes. As of March 31, 2026 and December 31, 2025, we had issued letters of credit of \$119.0 million for the benefit of third parties.

We provide guarantees related to our future performance under BTAs for our renewable generation projects. At March 31, 2026 and December 31, 2025, our guarantees for multiple BTAs totaled \$27.2 million. See Note 19 to the Company's Consolidated Financial Statements in the Annual Report on Form 10-K for the year ended December 31, 2025 for more information.

We provide guarantees related to some of our rail and pipeline service agreements. As of March 31, 2026 and December 31, 2025, if we do not meet our contractual obligations under the terms of these agreements we would be required to pay up to a maximum of \$52.0 million.

B. Legal Proceedings. From time to time, various legal and regulatory claims and proceedings are pending or threatened against the Company and its subsidiaries. While the amounts claimed may be substantial, the Company is unable to predict with certainty the ultimate outcome of such claims and proceedings. The Company establishes reserves whenever it believes it to be appropriate for pending litigation matters. However, the actual results of resolving the pending litigation matters may be substantially higher than the amounts reserved. If one or more matters were decided against us, the effects could be material to our results of operations in the period in which we would be required to record or adjust the related liability and could also be material to our cash flows in the periods that we would be required to pay such liability. Due to the inherent uncertainty of litigation, there can be no assurance that the resolution of any particular claim, proceeding or investigation would not have a material adverse effect on our results of operations, financial position or liquidity.

Other Claims and Proceedings. We are also party to other claims, regulatory and legal proceedings arising in the ordinary course of business in each state in which we have operations, and based upon an investigation of these matters and discussion with legal counsel, we believe the ultimate outcome of such other legal proceedings to be individually, or in aggregate, not material at this time.

C. Environmental Matters. Our operations are subject to environmental statutes and regulations related to air quality, water quality, hazardous waste and solid waste. We believe that we are in substantial compliance with the environmental regulations currently applicable to our operations.

It is management's continued intent to address environmental issues in cooperation with regulatory authorities in such a manner as to achieve mutually acceptable compliance plans. However, there can be no assurance that fines and penalties will not be incurred. Management expects a majority of environmental assessment and remediation costs and asset retirement costs, further described below, to be recoverable through rates.

As of March 31, 2026 and December 31, 2025, we had recorded a liability of \$81.4 million and \$82.6 million, respectively, to cover environmental remediation at various sites. This liability is included in "Other accruals" and "Other noncurrent liabilities and deferred credits" in the Condensed Consolidated Balance Sheets (unaudited). We recognize costs associated with environmental remediation obligations when the incurrence of such costs is probable and the amounts can be reasonably estimated. The original estimates for remediation activities may differ materially from the amount ultimately expended. The actual future expenditures depend on many factors, including laws and regulations, the nature and extent of impact and the method of remediation. These expenditures are not currently estimable at some sites. We periodically adjust our liability as information is collected and estimates become more refined.

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ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

CERCLA. Our subsidiaries are potentially responsible parties at waste disposal sites under CERCLA and similar state laws. Under CERCLA, each potentially responsible party can be held jointly, severally and strictly liable for the remediation costs as the EPA, or state, can allow the parties to pay for remedial action or perform remedial action themselves and request reimbursement from the potentially responsible parties. Our affiliates have retained CERCLA environmental liabilities, including remediation liabilities, associated with certain current and former operations. At this time, we cannot estimate the full cost of remediating properties that have not yet been investigated, but it is possible that the future costs could be material to the Condensed Consolidated Financial Statements (unaudited).

MGP. We maintain a program to identify and investigate former MGP sites where our subsidiaries or predecessors may have liability. The program has identified 41 such sites where liability is probable. Remedial actions at many of these sites are being overseen by state or federal environmental agencies through consent agreements or voluntary remediation agreements.

We utilize a probabilistic model to estimate our future remediation costs related to MGP sites. The model was prepared with the assistance of a third party and incorporates our experience and general industry experience with remediating MGP sites. We perform an annual update of the model in the second quarter each year. Our total estimated liability related to the facilities subject to remediation was \$74.3 million and \$75.5 million at March 31, 2026 and December 31, 2025, respectively. The liability represents our best estimate of the probable cost to remediate the MGP sites. Remediation costs are estimated based on the best available information, applicable remediation standards at the balance sheet date and experience with similar facilities.

CCRs. NIPSCO continues to meet the compliance requirements established by the EPA for the regulation of CCRs. The CCR rule requirements currently in effect required revisions to previously recorded legal obligations associated with the retirement of certain NIPSCO facilities. The actual asset retirement costs related to the CCR rule may vary substantially from the estimates used to record the increased asset retirement obligation due to the uncertainty about the requirements that will be established by environmental authorities, compliance strategies that will be used, and the preliminary nature of available data used to estimate costs. As allowed by the rule, NIPSCO will continue to collect data over time to determine the specific compliance solutions and associated costs and, as a result, the actual costs may vary.

In May 2024, the EPA finalized changes to the current CCR regulations ("Legacy CCR Rule"), which address inactive surface impoundments at inactive facilities, referred to as legacy impoundments, and CCR management units ("CCRMUs") at inactive and active facilities. The rule largely requires these newly regulated units to conform to existing requirements, such as groundwater monitoring, closure requirements, and post-closure care. NIPSCO continues to assess whether existing legal obligations associated with the retirement of certain facilities must be revised and to estimate probable additional required asset retirement costs. NIPSCO expects to receive recovery of any such costs through existing and future depreciation rates.

D. Other Matters.

EPC Agreements. GenCo has entered into certain EPC contracts to construct generation capacity assets to support our data center strategy, requiring payments at specified periods. The assets contemplated by these contracts are subject to IURC approval. We may terminate for convenience the EPC Contracts and pay certain incurred project costs and termination fees if, for example, the ADS Contract is terminated or IURC approval of the underlying assets is not obtained.

Pool Resource Asset Agreements. During the first quarter of 2026, GenCo executed two fixed price ESA contracts to support the contracted customer demand, which are contingent on regulatory approval (such approval being the responsibility of the respective developers). GenCo has committed approximately \$658.7 million under these ESAs over 15 years; however, GenCo has exercised an option and intends to convert one of these ESAs, which relates to a battery storage project (the "Tipton BESS Project") with 167 MW nameplate capacity and expected to be completed in 2028, to a BTA (the "Tipton BTA").

GenCo also entered into a battery e-storage supply agreement of which approximately \$122.7 million is considered a noncancelable commitment as of March 31, 2026. We have provided a guarantee related to this agreement that would require us to pay up to a maximum of \$350.6 million.

In addition, during the first quarter of 2026, NIPSCO entered into market capacity purchase agreements to secure additional capacity for the period 2028 through 2030 for approximately \$174.6 million to support the contracted demand load of its data center customers. Subsequent to March 31, 2026, GenCo entered into a capacity agreement for the period from 2028 through 2040 for approximately \$1.1 billion, also to support the contracted demand load of its data center customers. This agreement is subject to regulatory approval.

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ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

14. Accumulated Other Comprehensive Loss

The following tables display the components of Accumulated Other Comprehensive Loss, net of tax:

(in millions)	Gains and Losses on Securities ⁽¹⁾	Gains and Losses on Cash Flow Hedges ⁽¹⁾	Pension and OPEB Items ⁽¹⁾	Accumulated Other Comprehensive Loss ⁽¹⁾
Balance as of December 31, 2025	\$ 0.1	\$ (13.6)	\$ 7.3	\$ (6.2)
Other comprehensive income before reclassifications	(1.2)	0.1	(1.9)	(3.0)
Amounts reclassified from accumulated other comprehensive loss	—	(0.2)	0.2	—
Net current-period other comprehensive income (loss)	(1.2)	(0.1)	(1.7)	(3.0)
Balance as of March 31, 2026	\$ (1.1)	\$ (13.7)	\$ 5.6	\$ (9.2)

⁽¹⁾All amounts are net of tax. Amounts in parentheses indicate debits.

(in millions)	Gains and Losses on Securities ⁽¹⁾	Gains and Losses on Cash Flow Hedges ⁽¹⁾	Pension and OPEB Items ⁽¹⁾	Accumulated Other Comprehensive Loss ⁽¹⁾
Balance as of December 31, 2024	\$ (4.0)	\$ (13.2)	\$ (13.2)	\$ (30.4)
Other comprehensive income before reclassifications	0.8	—	0.3	1.1
Amounts reclassified from accumulated other comprehensive loss	—	(0.1)	0.2	0.1
Net current-period other comprehensive income (loss)	0.8	(0.1)	0.5	1.2
Balance as of March 31, 2025	\$ (3.2)	\$ (13.3)	\$ (12.7)	\$ (29.2)

⁽¹⁾All amounts are net of tax. Amounts in parentheses indicate debits.

15. Business Segment Information

Our reportable segments reflect the manner in which our business is managed and our resources are allocated. Our operations are divided into two primary reportable segments, the Columbia Operations and the NIPSCO Operations segments. Columbia Operations aggregates the results of the fully regulated and wholly owned subsidiaries of NiSource Gas Distribution Group, Inc. (a holding company that owns Columbia of Kentucky, Columbia of Maryland, Columbia of Ohio, Columbia of Pennsylvania, and Columbia of Virginia). Each Columbia distribution company is an operating segment which we aggregate to form the Columbia Operations reportable segment. NIPSCO Operations includes the results of NIPSCO Holdings I and its majority-owned subsidiaries, including NIPSCO, which has regulated gas and electric operations in northern Indiana.

The remainder of our operations, which are not significant enough on a stand-alone basis to warrant treatment as a reportable segment, are presented as "Corporate and Other" and primarily are comprised of interest expense on holding company debt and unallocated corporate costs and activities, as well as new business development costs associated with GenCo. Refer to Note 3, "Revenue Recognition," for additional information on our segments and their sources of revenues. The following table provides information about our reportable segments. We use operating income as the primary measurement of performance for each of the reportable segments and make decisions on financing, dividends and taxes at the corporate level on a consolidated basis. We provide this measure to our CODM, the CEO, who utilizes it to assess performance and allocation of resources at the operating segment level based on budget-to-actual and actual-to-actual variances. Segment revenues include intersegment sales to affiliated subsidiaries, which are eliminated in consolidation. Affiliated sales are recognized on the basis of prevailing market, regulated prices or at levels provided for under contractual agreements. Operating income is derived from revenues and expenses directly associated with each segment.

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ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

Three Months Ended March 31, 2026

<i>(in millions)</i>	Columbia Operations	NIPSCO Operations	Total of Reportable Segments
Operating Revenues			
External Revenue	\$ 1,323.2	\$ 1,038.5	\$ 2,361.7
Intersegment Revenue	3.4	0.3	3.7
Total Operating Revenue	\$ 1,326.6	\$ 1,038.8	\$ 2,365.4
Cost of energy	383.9	285.3	669.2
O&M	278.4	221.4	499.8
Depreciation	120.9	162.7	283.6
Total other taxes	71.1	20.9	92.0
Operating Income	\$ 472.3	\$ 348.5	\$ 820.8

Three Months Ended March 31, 2025

<i>(in millions)</i>	Columbia Operations	NIPSCO Operations	Total of Reportable Segments
Operating Revenues			
External Revenue	\$ 1,240.6	\$ 941.4	\$ 2,182.0
Intersegment Revenue	3.2	0.3	3.5
Total Operating Revenue	1,243.8	941.7	2,185.5
Cost of energy	379.8	267.7	647.5
O&M	243.0	202.0	445.0
Depreciation	108.2	141.3	249.5
Total other taxes	67.0	18.5	85.5
Other segment items ⁽¹⁾	—	0.3	0.3
Operating Income	\$ 445.8	\$ 311.9	\$ 757.7

⁽¹⁾Other segment items consists of Loss on Sale or Impairment of Assets and other segment income or expenses deemed insignificant which are used to reach our measurement of segment profit or loss, Operating Income.

The following table provides information about the assets of our reportable segments included in the Condensed Consolidated Balance Sheets (unaudited):

<i>(in millions)</i>	March 31, 2026	December 31, 2025
Assets		
Columbia Operations	\$ 16,184.4	\$ 15,903.7
NIPSCO Operations	18,541.4	18,126.7
Corporate and Other	1,875.2	1,828.3
Consolidated Assets	\$ 36,601.0	\$ 35,858.7

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ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

To reconcile the segment tables above to consolidated NiSource:

	Three Months Ended March 31, 2026			
<i>(in millions)</i>	Total Reportable Segments	Corporate and Other	Eliminations	Consolidated NiSource
Total Operating Revenue	\$ 2,365.4	\$ 147.3	\$ (149.6)	\$ 2,363.1
Operating Income (Loss)	820.8	(1.6)	—	819.2

	Three Months Ended March 31, 2025			
<i>(in millions)</i>	Total Reportable Segments	Corporate and Other	Eliminations	Consolidated NiSource
Total Operating Revenue	\$ 2,185.5	\$ 145.4	\$ (147.7)	\$ 2,183.2
Operating Income	757.7	1.7	—	759.4

16. Other, Net

The following table displays the components of Other, Net included on the Condensed Statements of Consolidated Income (unaudited):

	Three Months Ended March 31,	
<i>(in millions)</i>	2026	2025
Interest income	\$ 4.7	\$ 2.0
AFUDC equity	9.8	9.2
Pension and other postretirement non-service benefit (cost)	2.2	(3.8)
Miscellaneous	(2.3)	(1.6)
Total Other, net	\$ 14.4	\$ 5.8

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ITEM 1. FINANCIAL STATEMENTS (continued)

NiSource Inc.

Notes to Condensed Consolidated Financial Statements (unaudited) (continued)

17. Supplemental Disclosures of Cash Flow Information

The following table displays the components of Working Capital on the Condensed Statements of Consolidated Cash Flows (unaudited):

<i>(in millions)</i>	Three Months Ended March 31,	
	2026	2025
Accounts receivable	\$ (51.1)	\$ (141.5)
Income tax receivable	7.9	—
Gas storage and other inventories	146.1	127.7
Accounts payable	(174.0)	(59.3)
Customer deposits and credits	(135.3)	(125.6)
Taxes accrued	12.5	34.2
Interest accrued	12.5	(14.8)
Exchange gas receivable/payable	(246.8)	40.9
Other accruals	16.9	28.6
Prepayments and other current assets	(64.4)	(20.0)
Accrued compensation and employee benefits	(55.8)	(75.5)
Total change in working capital	\$ (531.5)	\$ (205.3)

<i>(in millions)</i>	Three Months Ended March 31,	
	2026	2025
Non-cash transactions:		
Capital expenditures included in current liabilities	\$ 484.6	\$ 394.2
Advance deposits transferred to capital expenditures	108.5	—
Dividends declared but not paid	147.4	134.4

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ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

NiSource Inc.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued).

NiSource Inc.

EXECUTIVE SUMMARY

This Management's Discussion and Analysis of Financial Condition and Results of Operations ("Management's Discussion") includes management's analysis of past financial results and certain potential factors that may affect future results, potential future risks and approaches that may be used to manage those risks. See "Note regarding forward-looking statements" at the beginning of this report for a list of factors that may cause results to differ materially.

Management's Discussion is designed to provide an understanding of our operations and financial performance and should be read in conjunction with our Condensed Consolidated Financial Statements (unaudited) included in this report and our Annual Report on Form 10-K for the fiscal year ended December 31, 2025.

We are an energy holding company under the Public Utility Holding Company Act of 2005 whose primary subsidiaries are fully regulated natural gas and electric utility companies serving customers in six states. We generate substantially all of our operating income through these rate-regulated businesses, which are summarized for financial reporting purposes into two primary reportable segments: Columbia Operations and NIPSCO Operations. Refer to "Note 15, "Business Segment Information," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for further discussion of our business segments.

Our vision is to be a premier, innovative and trusted energy partner. We exist to deliver safe, reliable and competitive energy that drives value to our customers. In order to achieve this goal, we seek to develop strategies that benefit all stakeholders as we (i) support long-term infrastructure investment and safety programs to better serve our customers, (ii) align our tariff structures and regulatory programs with our cost structure, and (iii) create value and enable growth in an evolving energy ecosystem. These strategies focus on improving safety and reliability, enhancing customer experience, pursuing regulatory and legislative initiatives to increase accessibility for customers currently not on our gas and electric service, ensuring customer value and reducing emissions while generating sustainable returns. The safety of our customers, communities and employees remains our focus. Serving as a guiding practice for our SMS, NiSource is certified in conformance to the American Petroleum Institute Recommended Practice 1173, which is the foundation to our journey towards operational excellence.

Data Center Contracts and Strategy: NIPSCO recently entered into a data center contract with a new customer and entered into amendments to its ADS Contract. Set forth below is a discussion of recent developments relating to our data center contracts and strategy. This discussion is supplemental to, and should be read in conjunction with, our Annual Report on Form 10-K for the fiscal year ended December 31, 2025, in particular Part I, Item 1A, "Risk Factors—Data Center Operations and Strategy Risk" and Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations—Executive Summary—ADS Contract and Data Center Strategy."

Alphabet Contract

In March 2026, NIPSCO entered into an agreement with a wholly owned subsidiary of Alphabet, under which NIPSCO will provide electricity to the subsidiary's data center (the "Alphabet Contract"). Under the Alphabet Contract, which is pending IURC approval, NIPSCO will provide service to Alphabet's subsidiary pursuant to a capacity commitment beginning in summer 2026 and increasing to 300 MW commencing in 2030. The initial term of the Alphabet Contract is 15 years. Prior to receipt of applicable regulatory approvals from the IURC and FERC, NIPSCO will bill the customer for electric service under its base tariff. Following receipt of regulatory approvals, the customer will pay monthly capacity charges that are based on negotiated rates and actual consumption (subject to certain minimums), together with certain pass-through charges and an existing system charge which will be used to pass savings back to existing customers. The amounts we are entitled to receive from the customer are subject to adjustments including but not limited to resulting from tariff events or MISO accreditation changes. The customer's parent will provide credit support for the customer's payment obligations. Either party may terminate the Alphabet Contract upon certain defaults or failure to obtain necessary related approvals from the IURC and FERC. The Alphabet Contract contains other termination provisions which may be exercised following certain notice periods. If the customer terminates the Alphabet Contract, it is required to make certain termination payments that we believe will be sufficient to reimburse us for our investment costs and NIPSCO has certain obligations to mitigate.

The customer's electricity supply under the Alphabet Contract will be provided through a portfolio of electric generation assets and related assets owned or contracted for by NIPSCO and/or its affiliates (primarily including GenCo) and designed to serve the needs of the customer under the Alphabet Contract and other data center customers (the "Pool Resource Assets"). See "Data Center Strategy & Pool Resource Assets" below for additional information on the Pool Resource Assets. NIPSCO has entered into a PPA with GenCo in connection with the Alphabet Contract, which is pending IURC approval.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.

Amendments to ADS Contract

In March 2026, NIPSCO entered into an amendment to its ADS Contract to accelerate the delivery of capacity to ADS, resulting in increased committed capacity in the years 2027 through 2031. The amendment does not increase NIPSCO's 2,400 MW maximum capacity commitment to ADS under the original ADS Contract but increases the amounts of power to be delivered before the maximum commitment is reached. The amendment is pending IURC approval. Pursuant to the amendment, ADS will regularly pay NIPSCO a fixed capacity charge (not subject to adjustment) from 2027 through 2031, regardless of any termination of the ADS Contract or reduction of capacity. The payment structure under this amendment is distinct from and does not alter the payment structure or the payments NIPSCO will receive under the original ADS Contract. Demand under this amendment is expected to be served through Pool Resource Assets (rather than Contract Assets under the ADS Contract).

In addition, in March and May of 2026, NIPSCO entered into amendments to the ADS Contract, subject to IURC and FERC approval, to increase the committed capacity that NIPSCO will provide beginning in 2029 and increasing to a total capacity commitment of 2,800 MW by the end of 2032 and through the end of the initial term of the ADS Contract. ADS will pay NIPSCO both a fixed capacity charge and an existing system charge designed to pass savings back to existing customers, for the increased capacity. Demand under these amendments is expected to be served through Pool Resource Assets (rather than Contract Assets under the ADS Contract).

Construction Update

GenCo continues to advance development of its new combined-cycle natural gas-fired generation facility to support the ADS Contract. During the period, the EPC contractor progressed engineering, procurement, and planning activities in support of construction mobilization currently anticipated in mid-2026. The equipment supply contract for the CCGT units is progressing in accordance with planned delivery schedules.

GenCo is also advancing the development of a combined 400 MW and 100MW BESS installation. The battery equipment supply contract was awarded in February 2026, and the EPC contractor continues engineering, procurement, and planning activities to support the anticipated start of on-site construction in mid-2026.

Data Center Strategy & Pool Resource Assets

We continue to experience strong demand from potential data center customers in our northern Indiana service territory and are engaged in negotiations with potential additional counterparties. Agreements we enter into with additional counterparties will be served by means of customized, dedicated generation assets, Pool Resource Assets, or a combination.

With respect to customers to be served by Pool Resource Assets, NIPSCO will retain discretion to select and dispatch Pool Resource Assets to meet committed customer demand in a way that maintains reliability and efficiency without direct involvement or approval from specific customers. We believe this model will enable us to allocate generation resources more efficiently and provide us with greater flexibility to serve a broader range of potential customers.

We evaluate potential transactions with Pool Resource Asset customers in the context of existing demand and resources within the pool in order to promote a sustainable alignment between committed customer demand within the pool and capacity available from Pool Resource Assets. We will add capacity resources to the Pool Resource Assets to maintain resource adequacy requirements and promote efficient resource utilization based on contracts with customers (subject to IURC approval). We anticipate that the total accredited capacity from the pool will be large enough to support the total load requirements of our data center customers taking into consideration MISO requirements. Pool Resource Assets may include generation assets that we develop or contract for (for example, via a BTA), as well as capacity agreements, ESAs, market capacity purchases or other similar agreements. In order to provide initial Pool Resource Assets to serve contracted demand, GenCo plans to construct new battery storage with 100MW nameplate capacity, which is expected to be completed in 2028, and has entered into a number of ESA contracts (including with respect to the Tipton BESS Project, which we intend to convert into a BTA) and other capacity purchase agreements. For more information on these agreements, see Note 13, "Other Commitments and Contingencies - D. Other Matters" – Pool Resource Asset Agreements." We expect that the capacity provided by these initial Pool Resource Assets will suffice to meet substantially all contracted demand from the second half of 2028 through the expiration of the initial terms of our existing data center contracts.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued).**NiSource Inc.**

Our ability to recover our investments and earn a return under our contracts with customers served by Pool Resource Assets will be driven by, among other factors, the terms of our contracts with these customers (including the charges we receive from customers and any potential adjustments to such charges), our ability to construct or procure sufficient Pool Resource Assets in a timely and cost-effective manner, and the performance by us and our customers under the contracts, rather than a traditional rate-making process.

Through certain of our subsidiaries, we have entered into certain construction and equipment supply contracts in relation to additional generation and transmission assets that may be used to serve potential future data center customers. As we continue to evaluate our potential data center opportunities, we will continue to focus on the community, financial, operational and regulatory factors that must be managed effectively in order to succeed with our data center strategy. We believe data center development can enhance our local tax base, diversify the employment base across the state of Indiana, and provide greater value to existing customers and shareholders. We continually evaluate ways to effectively manage the potential power demand, generation sources, and transmission capabilities to meet potential further load growth from additional data center customers, while at the same time focusing on our environmental goals.

In order to perform under any further data center contracts, we expect that we would need to develop additional generation and transmission assets, which may be significant, and obtain additional financing in connection with such development. For these and other reasons, our ability to successfully execute our data center strategy is subject to a number of risks and uncertainties. Refer to Part I, Item 1A, "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025.

Energy Transition: We continue to advance our energy transition strategy, primarily through the continuation and enhancement of existing programs, such as implementing our plan to retire and replace remaining coal-fired electric generation by 2028 with a balanced mix of low- or zero-emission electric generation, ongoing pipe replacement and modernization programs, and deployment of advanced leak detection and repair. We continue to make progress on our electric generation transition, initiated through our 2018 Plan, and we are continually adjusting to the dynamic energy landscape. Before the planned retirement of the R.M. Schahfer coal facility at the end of December 2025, NIPSCO received the first of successive emergency orders under section 202(c) of the Federal Power Act, to continue operating in 90-day increments, currently through June 21, 2026. The orders stated that continued operation of R.M. Schahfer is required to meet an energy emergency across MISO's North and Central regions. Consistent with the Federal Power Act and the U.S. Department of Energy regulations, the order authorizes NIPSCO to obtain cost recovery pursuant to 16 U.S.C. § 824a(c). For additional information, see Note 8, "Regulatory Matters," and see Part I, Item 1A, "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025.

NIPSCO's 2021 Plan calls for a new natural gas peaking facility to replace existing vintage gas peaking facilities at the R.M. Schahfer Generating Station to support system reliability and resiliency, and upgrades to the electric transmission system. Following approval by the IURC in October 2024, the construction of a new 400 MW natural gas peaking generation facility is underway, which is expected to support the planned retirement of the existing vintage gas peaking facilities by the end of 2028. The 2021 Plan affirms the retirement of the Michigan City Generating Station by 2028 and calls for new natural gas peaking facilities. Final retirement dates for these units will be subject to MISO approval.

NIPSCO's 2024 Plan was submitted to the IURC on December 9, 2024. The 2024 Plan maintains the retirement decisions and capacity additions identified in the 2018 and 2021 Integrated Resource Plans and calls for additional generation resources through 2029 to support capacity requirements. The 2024 Plan informs future generation investments required to ensure reliability for NIPSCO's customers and incorporates factors such as anticipated load growth from data centers and other economic development opportunities, EPA emissions rules, and evolving MISO resource accreditation rules. Given that the 90-day 202(c) order could continue to be issued every 90 days to keep R.M. Schahfer open for the foreseeable future, and given that MISO's resource accreditations for renewables and storage remain uncertain, it may be necessary to evaluate changes to our previously communicated resource timelines and alternative resource decisions. We plan to move as efficiently as possible while maintaining the integrity of our commercial, planning, regulatory, procurement and operational execution processes.

We continue to enhance safety and reduce methane emissions on our gas systems through modernization programs and utilization of advanced leak detection and repair. In addition, we plan to advance other low- or zero-emission energy resources and technologies, such as hydrogen and renewable natural gas.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued).

NiSource Inc.

Transformation: We are modernizing and unlocking efficiencies within our systems and processes on operational excellence, safety, operation and maintenance management. These efforts include investments in proven technologies backed with standardized processes that are changing the way we plan, schedule, and execute work in the field and how we engage and provide service to our customers. We continue to focus on our customer technology platforms. In addition to transforming technology to enhance our employee and customer experiences, we believe these programs will modernize systems and further reduce our enterprise risk related to end-of-life systems. During the first quarter, we also initiated a multi-year program, Value Captured, aimed at accelerating certain transformation activities in response to growing customer affordability concerns. This program is focused on operational efficiencies, evaluating target operating models and improving long-term scalability.

NIPSCO Union Contract Negotiations: On April 2, 2026, NIPSCO initiated a lockout of employees represented by the United Steelworkers following months of extensive negotiations to produce successor collective bargaining agreements by the contract expiration date of March 31, 2026. Agreements were reached and subsequently ratified by the physical and clerical bargaining units on April 24, 2026, and May 1, 2026, respectively, ending the lockout. During the lockout period, we incurred incremental costs to support our work continuity plans.

Economic Environment: We continue to monitor risks related to order and delivery lead times for construction and other materials, potential unavailability of materials due to global shortages in raw materials, and decreased construction labor productivity in the event of disruptions in the availability of materials. We continue to experience elevated material and supply costs in certain product sourcing categories driven by increased demand and tariffs. To the extent that work plan delays occur or our costs increase, our business operations, results of operations, cash flows, and financial condition could be materially adversely affected.

Summary of Consolidated Financial Results

A summary of our consolidated financial results for the three months ended March 31, 2026 and 2025 are presented below:

(in millions, except per share amounts)	Three Months Ended March 31,		
	2026	2025	Favorable (Unfavorable)
Operating Revenues	\$ 2,363.1	\$ 2,183.2	\$ 179.9
Operating Expenses			
Cost of energy	669.2	647.5	(21.7)
Other Operating Expenses	874.7	776.3	(98.4)
Total Operating Expenses	1,543.9	1,423.8	(120.1)
Operating Income	819.2	759.4	59.8
Total Other Deductions, Net	(177.2)	(127.0)	(50.2)
Income Taxes	85.8	105.7	19.9
Net Income	556.2	526.7	29.5
Net income attributable to noncontrolling interest	49.1	51.9	2.8
Net Income Attributable to NiSource	507.1	474.8	32.3
Preferred dividends redemption premium	3.6	—	3.6
Net Income Available to Common Shareholders	510.7	474.8	35.9
Earnings Per Share			
Basic Earnings Per Share	\$ 1.06	\$ 1.01	\$ 0.05
Diluted Earnings Per Share	\$ 1.06	\$ 1.00	\$ 0.06

The majority of the costs of energy in both segments are tracked costs that are passed through directly to the customer, resulting in an equal and offsetting amount reflected in operating revenues.

The increase in net income available to common shareholders for the three months ended March 31, 2026 was primarily due to higher revenues associated with our capital investments, partially offset by higher operating expenses, including increased operation and maintenance expense and depreciation expense attributed to our net plant balances, as well as increased interest expense.

For additional information on operating income variance drivers see "Results and Discussion of Segment Operations" for Columbia Operations and NIPSCO Operations in this Management's Discussion.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued).

NiSource Inc.

Income Taxes

Refer to Note 11, "Income Taxes," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on income taxes and the change in the effective tax rates for the periods presented.

RESULTS AND DISCUSSION OF SEGMENT OPERATIONS

Presentation of Segment Information

Columbia Operations aggregates the results of the fully regulated and wholly owned subsidiaries of NiSource Gas Distribution Group, Inc. Each Columbia distribution company is an operating segment which we aggregate to form the Columbia Operations reportable segment. NIPSCO Operations aggregates the results of NIPSCO Holdings I and its majority-owned subsidiaries, including NIPSCO, which has both fully regulated gas and electric operations in northern Indiana. The remainder of our operations, which are not significant enough on a stand-alone basis to warrant treatment as a reportable segment, are presented as "Corporate and Other" within the Notes to the Condensed Consolidated Financial Statements (unaudited) and primarily are comprised of interest expense on holding company debt, unallocated corporate costs and activities and new business development costs associated with GenCo.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.
Columbia Operations

Financial and operational data for the Columbia Operations segment for the three months ended March 31, 2026 and 2025 are presented below.

(in millions)	Three Months Ended March 31,		
	2026	2025	Favorable (Unfavorable)
Operating Revenues	\$ 1,326.6	\$ 1,243.8	\$ 82.8
Operating Expenses			
Cost of energy	383.9	379.8	(4.1)
Operation and maintenance	278.4	243.0	(35.4)
Depreciation and amortization	120.9	108.2	(12.7)
Other taxes	71.1	67.0	(4.1)
Total Operating Expenses	854.3	798.0	(56.3)
Operating Income	\$ 472.3	\$ 445.8	\$ 26.5
Revenues			
Residential	\$ 907.5	\$ 858.0	\$ 49.5
Commercial	333.2	308.1	25.1
Industrial	58.0	48.2	9.8
Off-System	16.8	22.3	(5.5)
Wholesale and Other	11.1	7.2	3.9
Total	\$ 1,326.6	\$ 1,243.8	\$ 82.8
Sales and Transportation (MMDth)			
Residential	88.5	90.8	(2.3)
Commercial	60.8	61.9	(1.1)
Industrial	77.0	72.1	4.9
Off-System	4.4	5.9	(1.5)
Wholesale and Other	0.2	0.2	—
Total	230.9	230.9	—
Heating Degree Days⁽¹⁾	2,656	2,670	(14)
Normal Heating Degree Days⁽¹⁾	2,636	2,666	(30)
% Colder than Normal	1 %	— %	
% Warmer than prior year	(1)%		
Columbia Operations Customers			
Residential	2,244,188	2,233,968	10,220
Commercial	190,714	189,918	796
Industrial	1,981	1,988	(7)
Other	6	5	1
Total	2,436,889	2,425,879	11,010

⁽¹⁾ Heating degree figures represent averages of the five jurisdictions served by Columbia Operations.

Comparability of operation and maintenance expenses, depreciation and amortization, and other taxes may be impacted by regulatory, depreciation, and tax trackers that allow for the recovery in rates of certain costs.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

**NiSource Inc.
Columbia Operations**

The underlying reasons for changes in our operating revenues for the three months ended March 31, 2026 compared to the same period in 2025 are presented below.

	Favorable (Unfavorable)
	Three Months Ended
	March 31, 2026 vs 2025
Changes in Operating Revenues (in millions)	
Rates from base rate proceedings and regulatory capital programs	\$ 56.6
The effects of customer growth	1.2
The effects of weather in 2026 compared to 2025, net of weather and revenue normalization mechanisms	(14.2)
Other	4.5
Change in operating revenues (before cost of energy and other tracked items)	\$ 48.1
Operating revenues offset in operating expense	
Higher tracker deferrals within operation and maintenance, depreciation, and tax	30.6
Higher cost of energy billed to customers	4.1
Total change in operating revenues	\$ 82.8

Weather

In general, we calculate the weather-related revenue variance based on changing customer demand driven by weather variance from normal heating degree days, net of weather and revenue normalization mechanisms. Normal weather is aligned with the definitions used in base rates for each jurisdiction, which typically reflect a 20-year average for all operating companies, other than Columbia of Virginia, which uses a 30-year average. In certain circumstances, normal weather as defined in base rates may differ from the assumptions used in normalization mechanisms. Our composite heating degree days reported do not directly correlate to the weather-related dollar impact on the results of Columbia Operations. Heating degree days experienced during different times of the year or in different operating locations may have more or less impact on volume and dollars depending on when and where they occur. When the detailed results are combined for reporting, there may be weather-related dollar impacts on operations when there is not an apparent or significant change in our aggregated composite heating degree day comparison.

Sales

The change in volumes for the three months ended March 31, 2026 compared to 2025 was a result of decreased usage from residential customers offset by increases in residential and commercial customer count.

Commodity Price Impact

Cost of energy for the Columbia Operations segment is principally comprised of the cost of natural gas procured and transported on behalf of and sold to customers while providing distribution services, as well as the transportation and storage costs of acquiring natural gas. All of our Columbia Operations companies have state-approved recovery mechanisms that provide a means for full recovery of prudently incurred gas costs. These are tracked costs that are passed through directly to the customer, and the gas costs included in revenues are matched with the gas cost expense recorded in the period. Any difference in actual costs incurred and amounts billed to customers is recorded on the Condensed Consolidated Balance Sheets (unaudited) as under-recovered or over-recovered gas cost to be included in future customer billings. Therefore, increases in these tracked operating expenses are offset by increases in operating revenues and have essentially no impact on net income. Certain Columbia Operations companies continue to offer choice opportunities, where customers can choose to purchase gas from a third-party supplier through regulatory initiatives in their respective jurisdictions.

The underlying reasons for changes in our operating expenses for the three months ended March 31, 2026 compared to the same period in 2025 are presented below.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued).

NiSource Inc.
Columbia Operations

	Favorable (Unfavorable)	
	Three Months Ended	
	March 31, 2026 vs 2025	
Changes in Operating Expenses <i>(in millions)</i>		
Higher depreciation and amortization expense	\$	(12.7)
Higher outside services expenses		(4.9)
Higher property tax		(2.3)
Other		(1.7)
Change in operating expenses (before cost of energy and other tracked items)	\$	(21.6)
Operating expenses offset in operating revenue		
Higher tracker deferrals within operation and maintenance, depreciation, and tax		(30.6)
Higher cost of energy billed to customers		(4.1)
Total change in operating expense	\$	(56.3)

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued).

NiSource Inc.
NIPSCO Operations

Financial and operational data for the NIPSCO Operations segment, which services both gas and electric customers, for the three months ended March 31, 2026 and 2025 are presented below.

<i>(in millions)</i>	Three Months Ended March 31,		
	2026	2025	Favorable (Unfavorable)
NIPSCO Operations			
Operating Revenues	\$ 1,038.8	\$ 941.7	\$ 97.1
Operating Expenses			
Cost of energy	285.3	267.7	(17.6)
Operation and maintenance	221.4	202.0	(19.4)
Depreciation and amortization	162.7	141.3	(21.4)
Loss on impairment of assets	—	0.3	0.3
Other taxes	20.9	18.5	(2.4)
Total Operating Expenses	690.3	629.8	(60.5)
Operating Income	\$ 348.5	\$ 311.9	\$ 36.6

<i>(in millions)</i>	Three Months Ended March 31,		
	2026	2025	Favorable (Unfavorable)
NIPSCO Electric			
Revenues			
Residential	\$ 178.4	\$ 167.9	\$ 10.5
Commercial	173.6	160.1	13.5
Industrial	156.9	142.8	14.1
Wholesale and Other	43.2	30.4	12.8
Total	\$ 552.1	\$ 501.2	\$ 50.9
Sales (GWh)			
Residential	786.4	810.4	(24.0)
Commercial	898.9	884.8	14.1
Industrial	2,151.4	2,136.0	15.4
Wholesale and Other	155.0	180.5	(25.5)
Total	3,991.7	4,011.7	(20.0)
NIPSCO Electric Customers			
Residential	434,519	431,351	3,168
Commercial	59,843	59,286	557
Industrial	2,107	2,112	(5)
Wholesale and Other	702	707	(5)
Total	497,171	493,456	3,715

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.
NIPSCO Operations

(in millions)	Three Months Ended March 31,		
	2026	2025	Favorable (Unfavorable)
NIPSCO Gas			
Revenues			
Residential	\$ 330.0	\$ 298.7	\$ 31.3
Commercial	118.7	105.1	13.6
Industrial	34.1	31.4	2.7
Other	3.9	5.3	(1.4)
Total	\$ 486.7	\$ 440.5	\$ 46.2
Sales and Transportation Volumes (MMDth)			
Residential	31.5	32.7	(1.2)
Commercial	19.5	20.3	(0.8)
Industrial	71.2	73.8	(2.6)
Total	122.2	126.8	(4.6)
Heating Degree Days	2,917	3,015	(98)
Normal Heating Degree Days	3,049	3,079	(30)
% Warmer than Normal	(4)%	(2)%	
% Warmer than prior year	(3)%		
NIPSCO Gas Customers			
Residential	809,503	803,206	6,297
Commercial	67,011	66,699	312
Industrial	2,665	2,721	(56)
Total	879,179	872,626	6,553

Comparability of operation and maintenance expenses and depreciation and amortization may be impacted by regulatory and depreciation trackers that allow for the recovery in rates of certain costs.

The underlying reasons for changes in our operating revenues for the three months ended March 31, 2026 compared to the same period in 2025 are presented below.

Changes in Operating Revenues (in millions)	Favorable (Unfavorable)	
	Three Months Ended March 31, 2026 vs 2025	
Rates from base rate proceedings, regulatory capital and DSM programs	\$	83.7
The effects of customer growth		4.0
The effects of weather in 2026 compared to 2025, net of NIPSCO Gas' weather normalization mechanism		(7.9)
The effects of customer usage		(6.3)
Other		1.9
Change in operating revenues (before cost of energy and other tracked items)	\$	75.4
Operating revenues offset in operating expense		
Higher cost of energy billed to customers		17.6
Higher tracker deferrals within operation and maintenance, depreciation and tax		4.1
Total change in operating revenues	\$	97.1

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued).

NiSource Inc.
NIPSCO Operations

Weather

The results of operations for the NIPSCO Operations segment include income from both electric and gas services. In general, we calculate the weather-related revenue variance based on changing customer demand driven by weather variance from normal cooling degree days and normal heating degree days, net of NIPSCO Gas' weather normalization mechanism. Our composite cooling and heating degree days reported do not directly correlate to the weather-related dollar impact on the results of NIPSCO Operations. Cooling and heating degree days experienced during different times of the year or in different operating locations may have more or less impact on volume and dollars depending on when they occur. When the detailed results are combined for reporting, there may be weather-related dollar impacts on operations when there is not an apparent or significant change in our aggregated composite cooling and heating degree day comparison.

Sales

The decrease in total volumes sold to electric customers for the three months ended March 31, 2026 compared to the same period in 2025 was primarily attributable to decreased residential and wholesale usage, partially offset by increased industrial and commercial usage, as well as increased residential and commercial customer count.

The decrease in total volumes sold to gas customers for the three months ended March 31, 2026 compared to the same period in 2025 was primarily attributable to decreased usage by residential customers due to warmer weather, as well as decreased usage from industrial and commercial customers, partially offset by increases in residential and commercial customer count.

Commodity Price Impact

Cost of energy for the NIPSCO Operations segment's electric activities is principally comprised of the cost of coal, natural gas purchased for internal generation of electricity, transportation of coal and natural gas, and the cost of power purchased from generators of electricity for its generation and transmission activities. For its gas distribution activities, NIPSCO Operations' cost of energy is principally comprised of the cost of natural gas procured and transported on behalf of and sold to customers while providing distribution services, as well as the transportation and storage costs of acquiring natural gas. NIPSCO Operations has state-approved recovery mechanisms that provide a means for full recovery of prudently incurred costs of energy. The majority of these costs of energy are passed through directly to the customer, and the costs of energy included in operating revenues are matched with the cost of energy expense recorded in the period. Any difference in actual costs incurred and amounts billed to customers is recorded on the Condensed Consolidated Balance Sheets (unaudited) as under-recovered or over-recovered fuel and gas costs to be included in future customer billings. Therefore, increases in these tracked operating expenses are offset by increases in operating revenues and have essentially no impact on net income.

The underlying reasons for changes in our operating expenses for the three months ended March 31, 2026 compared to the same period in 2025 are presented below.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

NiSource Inc.
NIPSCO Operations

	Favorable (Unfavorable)
	Three Months Ended
	March 31, 2026 vs 2025
Changes in Operating Expenses (in millions)	
Higher depreciation and amortization expense driven by new base rates	\$ (20.7)
Higher outside services expenses	(4.6)
Higher materials and supplies expenses	(3.2)
Higher bad debt expense	(2.7)
Higher property taxes	(2.6)
Other	(5.0)
Change in operating expenses (before cost of energy and other tracked items)	\$ (38.8)
Operating expenses offset in operating revenue	
Higher cost of energy billed to customers	(17.6)
Higher tracker deferrals within operation and maintenance, depreciation and tax	(4.1)
Total change in operating expense	\$ (60.5)

Electric Supply and Generation Transition

NIPSCO continues to execute on an electric generation transition consistent with the 2018 Plan and 2021 Plan and maintained in the 2024 Plan. Before the planned retirement of the R.M. Schahfer coal facility at the end of December 2025, NIPSCO received the first of successive emergency orders under section 202(c) of the Federal Power Act, to continue operating in 90-day increments, currently through June 21, 2026. The orders stated that continued operation of R.M. Schahfer is required to meet an energy emergency across MISO's North and Central regions. Consistent with the Federal Power Act and the U.S. Department of Energy regulations, the order authorizes NIPSCO to obtain cost recovery pursuant to 16 U.S.C. § 824a(c). As directed, NIPSCO continued to make R.M. Schahfer available in the MISO market. We had forced outages on units 17 and 18 to support ongoing compliance with the 202(c) orders, during the period ended March 31, 2026. Following receipt of the emergency order, NIPSCO filed a complaint at FERC seeking a modification of the MISO tariff to establish a mechanism for recovery and allocation of the cost to comply with this order. NIPSCO made two filings with the IURC related to the emergency order. The first filing is to confirm accounting treatment of current electric rate order, and the second is a filing for recovery of federally mandated expenses related to the emergency order, which will be utilized in the event that any costs of complying with the emergency order fall outside of the MISO tariff recovery. For additional information, see Note 8, Regulatory Matters.

NIPSCO has one remaining project under the 2021 plan still under development. We expect the Templeton project, a wind BTA project with nameplate capacity of 200 MW, to be placed in service in 2027. See "Executive Summary - Energy Transition" in this Management's Discussion for additional information. NIPSCO has sold, and may in the future sell, renewable energy credits from its renewable generation to third parties to offset customer costs.

In March 2026, we experienced damage to our solar generation facilities at Dunn's Bridge I due to an extreme weather event. Based on preliminary estimates of the damages, we expect most, if not all, of the total loss will be covered by insurance proceeds less the applicable deductible.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued).

NiSource Inc.

Liquidity and Capital Resources

We continually evaluate the availability of adequate financing to fund our ongoing business operations, working capital and core safety and infrastructure investment programs. Our financing is sourced through cash flow from operations, the issuance of debt and/or equity, and minority interest investments. Equity issuances are primarily conducted through our ATM program. Additionally, we received proceeds from tax credit transfers related to previously and currently monetized credits, which are returned to customers over a ten-year period for investment tax credits and a one-year period for production tax credits. External debt financing is provided primarily through the issuance of long-term debt, accounts receivable securitization programs and our commercial paper program, which is backstopped by our committed revolving credit facility. In March 2026, we increased our commercial paper program limit from \$1.85 billion to \$2.50 billion. We believe these sources provide adequate capital to fund operating activities and capital expenditures for our base business (i.e., excluding operations and capital expenditures related to serving data center customers) in 2026 and beyond.

The aggregate cost of Contract Assets and Pool Resource Assets supporting our existing data center customers is currently estimated to be between \$9.25 to \$9.75 billion. We expect to finance the construction and development of these assets and purchases of market capacity through a number of sources including but not limited to funds received under our data center contracts, debt, and equity financing raised by NiSource and capital contributions from affiliates of Blackstone to NIPSCO Holdings II and Generation Holdings II in connection with such Blackstone affiliates' minority interest investments in those entities. For additional information on these minority interest investments, refer to Note 4, "Noncontrolling Interests," and Note 19, "Other Commitments and Contingencies - E. Other Matters," in our Annual Report on Form 10-K for the year ended December 31, 2025. If we enter into additional data center contracts, we expect that we would need to develop additional generation assets to serve our new data center customers. In order to fund the development of these assets, which may be significant, we would be required to obtain significant additional financing, for which we may consider other funding sources, structures, or partnerships, which may include JVs, off-balance sheet arrangements in the form of BTAs, or other arrangements to support maintenance of our investment grade credit ratings.

Sources of financing activities for the current year are as follows:

Details of our ATM program activity are summarized below:

- In February 2026, we executed a forward sale agreement, which allows us to issue a fixed number of shares at a price to be settled in the future. The forward purchaser under our forward sale agreement borrowed 2,200,000 shares from third parties, which the forward purchaser sold, through its affiliated agent, at a weighted average price of \$45.63 per share. We may settle the forward sale agreement in shares, cash or net shares by December 2026.
- As of March 31, 2026, the ATM program inclusive of the outstanding forward sale agreements had approximately \$1.25 billion of equity capacity available. The ATM program expires in December 2028.

See Note 6, "Equity," Note 7, "Short-Term Borrowings," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for more information on our financing activities.

Cash Flow Activities

The following table summarizes our cash flow activities:

(in millions)	Three Months Ended March 31,		
	2026	2025	Change in 2026 vs 2025
Cash from (used for):			
Operating Activities	\$ 442.3	\$ 686.4	\$ (244.1)
Investing Activities	(872.6)	(1,352.7)	480.1
Financing Activities	\$ 391.7	\$ 771.4	\$ (379.7)

Operating Activities

The year over year decrease in cash from operating activities was primarily attributable to changes in exchange gas receivables, accounts payable and prepayments as well as a change in inventory. These impacts were partially offset by higher net income, change in accounts receivable, and depreciation.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued).

NiSource Inc.

Investing Activities

The year over year decrease in investing activities was primarily driven by prior year milestone payments to renewable generation asset developers for certain of our BTA projects and prior year advanced deposits offset by current year capital expenditures.

We expect to make capital investments of approximately \$600 million in connection with Pool Resource Assets initially being developed in connection with contracted demand from data center customers. These capital expenditures are incremental to the estimates of capital investments relating to data center contracts described in our Annual Report on Form 10-K for the year ended December 31, 2025 and are included in the forecasted capital investment table below.

<i>(in billions)</i>	2026 Estimated	2027 Estimated	2028 Estimated	2029 Estimated	2030 Estimated
Capital Investments (Base Business)	\$3.9 - 4.1	\$3.7 - 3.9	\$3.7 - 3.9	\$4.9 - 5.1	\$4.3 - 4.5
Capital Investments (GenCo)	1.3 - 1.5	1.6 - 1.8	2.2 - 2.4	1.0 - 1.2	0.4 - 0.6
Capital Investments (Total)	\$5.2 - 5.6	\$5.3 - 5.7	\$5.9 - 6.3	\$5.9 - 6.3	\$4.7 - 5.1

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued).

NiSource Inc.

Regulatory Capital Programs. We continue to upgrade and modernize our electric system to enhance safety and reliability by addressing aged infrastructure and deploying advanced grid technologies. We are also upgrading and modernizing our gas infrastructure to enhance safety and reliability by reducing leaks. An ancillary benefit of these programs is the reduction of GHG emissions. In 2026, we continue to move forward on core infrastructure investment programs supported by complementary regulatory and customer initiatives across five states of our operating area.

The following table describes the most recent vintage of our regulatory programs to recover infrastructure replacement and other federally mandated compliance investments:

(in millions)

Company	Program	Capital Investment	Investment Period	Filing Date	Costs Covered ⁽¹⁾
Approved					
Columbia of Ohio	CEP - 2025	\$ 1,027.8	4/21-12/24	2/27/2025	Assets not included in the IRP or PHMSA IRP.
Columbia of Virginia	SAVE - 2026	\$ 176.1	10/24-12/26	8/12/2025	Replacement projects that (i) enhance system safety or reliability, or (ii) reduce, or potentially reduce, greenhouse gas emissions. Includes costs associated with Advanced Leak Detection and Repair.
Columbia of Kentucky	SMRP - 2026	\$ 181.4	1/23-12/26	10/15/2025	Replacement of mains and inclusion of system safety investments.
NIPSCO - Electric ⁽²⁾	TDSIC - 7	\$ 175.4	7/22-3/25	5/27/2025	New or replacement projects undertaken for the purpose of safety, reliability, system modernization or economic development.
NIPSCO - Electric ⁽³⁾	GCT - 3	\$ 385.6	9/23-10/26	12/16/2025	New gas peaker generation project cost forecasted through October 2026.
NIPSCO - Gas	TDSIC - 10	\$ 90.3	4/25-9/25	11/25/2025	New or replacement projects undertaken for the purpose of safety, reliability, system modernization, or economic development.
NIPSCO - Gas	FMCA -5	\$ 21.9	6/24-6/25	8/27/2025	Project costs to comply with federal mandates.
Columbia of Ohio	IRP - 2026	\$ 1,185.0	4/21-12/25	2/27/2026	Replacement of hazardous service lines, cast iron, wrought iron, uncoated steel, and bare steel pipe.
Columbia of Ohio	PHMSA IRP - 2026	\$ 180.2	1/23-12/25	2/27/2026	Investments necessary to comply with the PHMSA Mega Rule.
Pending Commission Approval					
NIPSCO - Gas	FMCA - 1	\$ 52.5	7/25-12/25	2/24/2026	Project costs to comply with federal mandates.
Columbia of Ohio	CEP - 2026	\$ 1,292.0	4/21-12/25	2/20/2026	Assets not included in the IRP or PHMSA IRP.

⁽¹⁾Programs do not include any costs already included in base rates.

⁽²⁾TDSIC – 7 was originally filed in May 2025. TDSIC - 7 was refiled in February 2026, due to the electric rate case Step 2 Compliance Filing. The refiled adjusted the capital in the tracker from \$315.6 million to \$175.4 million.

⁽³⁾Capital investment is based on a projected amount. The capital investment has not all been incurred to date and represents a forecasted average for the billing period.

Columbia of Ohio filed an application in December 2025 to seek continuation of its PHMSA IRP Rider for calendar year 2027. The request includes recovery of \$404.3 million of capital to reconfirm maximum allowable operating pressure of transmission class pipe to meet federal rule requirements.

NIPSCO filed a Gas TDSIC Plan (2026 - 2030) in December 2025. The petition is seeking recovery of new or replacement projects undertaken for the purpose of safety, reliability, system modernization, or economic development. The request includes \$741.0 million of estimated capital, including indirect costs and AFUDC. There is a hearing scheduled for May 2026 with the final order expected in July 2026.

Financing Activities

Common Stock. Refer to Note 6, "Equity," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on common stock.

Short-Term Debt. Refer to Note 7, "Short-Term Borrowings," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on short-term debt activity.

Noncontrolling Interest. Refer to Note 4, "Noncontrolling Interests," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for information on contributions and distributions from noncontrolling interests.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued).

NiSource Inc.

Sources of Liquidity

The following table displays our liquidity position as of March 31, 2026 and December 31, 2025:

(in millions)	March 31, 2026	December 31, 2025
Current Liquidity		
Revolving Credit Facility	\$ 2,500.0	\$ 2,500.0
Accounts Receivable Programs ⁽¹⁾	375.0	175.0
<i>Less:</i>		
Commercial Paper	1,291.0	736.0
Letters of Credit Outstanding Under Credit Facility	25.0	25.0
<i>Add:</i>		
Cash and Cash Equivalents	71.9	110.1
Net Available Liquidity	\$ 1,630.9	\$ 2,024.1

⁽¹⁾Represents the lesser of the seasonal limit or maximum borrowings supportable by the underlying receivables.

Debt Covenants. We are subject to a financial covenant under our revolving credit facility, which requires us to maintain a debt to capitalization ratio that does not exceed 70.0%. As of March 31, 2026, the ratio was 51.5%.

Credit Ratings. The credit rating agencies periodically review our ratings, taking into account factors such as our capital structure and earnings profile. The following table includes our and NIPSCO's credit ratings and ratings outlook as of March 31, 2026.

A credit rating is not a recommendation to buy, sell, or hold securities, and may be subject to revision or withdrawal at any time by the assigning rating organization.

	S&P		Moody's		Fitch	
	Rating	Outlook	Rating	Outlook	Rating	Outlook
NiSource	BBB+	Stable	Baa2	Stable	BBB	Stable
NIPSCO	BBB+	Stable	Baa1	Stable	BBB	Stable
Commercial Paper	A-2	Stable	P-2	Stable	F2	Stable

Certain of our subsidiaries have agreements that contain "ratings triggers" that require increased collateral if our credit rating or the credit ratings of certain of our subsidiaries are below investment grade. These agreements are primarily for insurance purposes and for the physical purchase or sale of power. As of March 31, 2026, the collateral requirement of approximately \$158.5 million would be required in the event of a downgrade below investment grade. In addition to agreements with ratings triggers, there are other agreements that contain "adequate assurance" or "material adverse change" provisions that could necessitate additional credit support such as letters of credit and cash collateral to transact business.

Equity. Our authorized capital stock consists of 770,000,000 shares, \$0.01 par value, 750,000,000 are common stock and 20,000,000 are preferred stock. As of March 31, 2026, 479,364,801 shares of common stock were outstanding and no shares of preferred stock were outstanding.

Contractual Obligations. A summary of contractual obligations is included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025. Since December 31, 2025, NIPSCO and GenCo have executed several capacity agreements and other agreements to support data center contracts. In addition, GenCo has exercised an option and intends to convert its ESA relating to the Tipton BESS Project to a BTA. Except for these items there were no additional material changes from year-end during the three months ended March 31, 2026. Refer to Note 13, "Other Commitments and Contingencies," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information regarding the EPC Contracts and equipment supply contracts.

Guarantees, Indemnities and Other Off Balance Sheet Arrangements. We and certain of our subsidiaries enter into various agreements providing financial or performance assurance to third parties on behalf of certain subsidiaries as a part of normal business. Such agreements include guarantees and stand-by letters of credit. Refer to Note 13, "Other Commitments and

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued).

NiSource Inc.

Contingencies," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information about such arrangements.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued).

NiSource Inc.

Regulatory, Environmental and Safety Matters

Cost Recovery and Trackers

Comparability of our operating results is impacted by regulatory trackers that allow for the recovery in rates of certain costs. Certain approved regulatory tracker mechanisms allow for abbreviated regulatory proceedings in order for the operating companies to quickly implement revised rates and recover associated costs.

A portion of the NIPSCO Operations' and Columbia Operations' gas distribution revenue is related to the recovery of gas costs through GCAs, the review of which occurs through standard regulatory proceedings. All states in our operating area require periodic review of actual gas procurement activity to determine prudence and confirm the recovery of prudently incurred energy commodity costs supplied to customers.

We recognize that energy efficiency reduces emissions, conserves natural resources and saves our customers money. Our gas distribution companies offer programs such as energy efficiency upgrades, home checkups and weatherization services. The increased efficiency of natural gas appliances and improvements in home building codes and standards contribute to a long-term trend of declining average use per customer. While we are looking to expand offerings so the energy efficiency programs can benefit as many customers as possible, our gas distribution operations utilities have pursued changes in rate design to more effectively match recoveries with costs incurred. Columbia of Ohio has adopted a straight fixed variable rate design for residential and small commercial customers that closely links the recovery of fixed costs with fixed charges. Columbia of Maryland and Columbia of Virginia have regulatory approval for weather and revenue normalization adjustments for certain customer classes, which adjust monthly revenues that exceed or fall short of approved levels. Columbia of Pennsylvania continues to operate its pilot residential weather normalization adjustment and also has a fixed customer charge. This weather normalization adjustment only adjusts revenues when actual weather compared to normal varies by more than 5%. Columbia of Kentucky incorporates a weather normalization adjustment for certain customer classes and also has a fixed customer charge. NIPSCO Gas has also received approval and implemented a weather normalization adjustment for certain of its customer classes. NIPSCO Gas and Electric include a fixed customer charge for residential and small commercial and industrial customer classes.

A portion of the NIPSCO Operations' revenue is related to the recovery of fuel costs to generate power and the fuel costs related to purchased power. These costs are recovered through a FAC, which is updated quarterly to reflect actual costs incurred to supply electricity to customers.

While increased efficiency of electric appliances and improvements in home building codes and standards have similarly impacted the average use per electric customer in recent years, NIPSCO expects future growth in per customer usage as a result of increasing electric applications, such as electric vehicles. These ongoing changes in use of electricity will likely lead to development of innovative rate designs, and NIPSCO will continue efforts to design rates that increase the certainty of recovery of fixed costs.

Rate Case Actions

The following table describes current rate case actions as applicable in each of our jurisdictions net of tracker impacts:

(in millions)

Company	Approved ROE	Requested Incremental Revenue	Approved Incremental Revenue	Filing Date	Rates Effective
Approved Rate Cases					
Columbia of Pennsylvania	10.00 %	\$ 110.4	\$ 55.6	March 20, 2025	January 2026
Columbia of Maryland	9.80 %	\$ 10.7	\$ 7.8	September 24, 2024	April 2025
Columbia of Kentucky	9.75 %	\$ 23.8	\$ 14.3	May 16, 2024	January 2025
Columbia of Virginia ⁽¹⁾	9.75 %	\$ 37.2	\$ 28.2	April 29, 2024	October 2024
Columbia of Ohio	9.60 %	\$ 221.4	\$ 68.3	June 30, 2021	March 2023
NIPSCO - Gas ⁽²⁾	9.75 %	\$ 161.9	\$ 120.9	October 25, 2023	August 2024
NIPSCO - Electric ⁽³⁾	9.75 %	\$ 368.7	\$ 257.0	September 12, 2024	July 2025

⁽¹⁾The approved rate case resulted in a black box settlement, representing a settlement to a specific revenue increase but not a specified ROE. The settlement provides use of a 9.75% ROE for future SAVE filings.

⁽²⁾New rates were implemented in 2 steps, with implementation of Step 1 rates effective in August 2024 and Step 2 rates effective in February 2025.

⁽³⁾New rates were implemented in multiple steps, with implementation of Step 1 rates in July 2025 and Step 2 rates in March 2026.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued).

NiSource Inc.

Regulatory, Environmental and Safety Matters

PHMSA Legislation and Regulations

To fulfill our vision of being a trusted energy provider, we follow safety practices required by regulations and we implement our SMS. SMS serves as the framework to identify and reduce risks and ensure consistent safety processes, procedures and operations across the organization.

As directed by law in the Protecting Our Infrastructure of Pipelines and Enhancing Safety (PIPES) Act of 2020, PHMSA has revised, and continues to revise, the pipeline safety regulations focused on public safety and environmental hazard mitigation, leak detection, methane emissions reduction, and enhanced safeguards for low-pressure distribution systems. Proposed revisions included requirements to detect and repair more leaks, increase survey frequency, and incorporate additional protections to prevent over-pressurization. A final leak detection and repair rule was withdrawn from publication in the Federal Register in January 2025, and no further progress has been made on the Safety of Gas Distribution Pipelines rulemaking.

We continue to evaluate and monitor PHMSA-related legislation and regulations but cannot predict the impact of changing pipeline safety regulations on our business at this time.

Environmental and Climate Change Issues

In March 2025, the EPA announced it will undertake 31 deregulatory actions to advance the current presidential administration's policy priorities as directed by various executive orders. These actions will address multiple existing water, waste, air and climate regulations including, but not limited to, GHG and CCR rules. In November 2025, the EPA proposed a rule to extend the compliance deadline for owners and operators to complete closure of their unlined CCR surface impoundments larger than 40 acres from October 2028 to October 2031. In February 2026, the EPA issued a final rule rescinding the 2009 Endangerment Finding, the scientific and legal foundation for federal GHG regulations under the Clean Air Act. Additionally, in February 2026, the EPA issued a final rule extending compliance deadlines for several provisions of the Legacy CCR Rule and subsequently, also in April 2026 proposed further revisions to the Legacy CCR Rule. NiSource will continue to monitor these matters and assess the impacts to our business as regulations are proposed and finalized, or as otherwise required by law.

Physical Climate Risks. Increased frequency of severe and extreme weather events associated with climate change could materially impact our facilities, energy sales, and results of operations. We are unable to predict these events. However, we perform assessments of physical risk, including physical climate risk, to our business. More extreme and volatile temperatures, increased storm intensity and flooding, and more volatile precipitation leading to changes in lake and river levels are among the weather events that are most likely to impact our business. Efforts to mitigate these physical risks continue to be implemented.

Transition Climate Risks and Opportunities. We actively engage with and monitor the impact that proposed legislative and regulatory programs related to GHG emissions, at both the federal and state levels, would have on our business.

In June 2025, the EPA proposed to repeal GHG emissions standards for fossil fuel-fired power plants that were finalized by the previous federal administration in May 2024. The proposed repeal would eliminate key requirements from the 2024 Carbon Pollution Standards, including capacity factor thresholds and carbon capture and storage (CCS) mandates. If finalized, this action would remove regulatory constraints that could significantly impact planned gas generation, allowing customers to avoid approximately \$675 million in additional cost as contemplated through the 2024 NIPSCO IRP.

We also continue to monitor evolving state policies related to GHG emissions from our gas distribution companies. The Climate Solutions Now Act of 2022 ("Act") requires Maryland to reduce GHG emissions by 60% by 2031 (from 2006 levels), and it requires the state to reach net zero emissions by 2045. The Maryland Department of the Environment ("MDE") adopted a plan to achieve its 2031 goal and is required to adopt a plan for its 2045 net zero goal by 2030. The Act also enacts a state policy to move to broader electrification of both existing buildings and new construction. In December 2024, the MDE issued final Building Energy Performance Standards, which require net zero direct GHG emissions from large buildings by 2040 with interim targets, or payments of an alternative compliance fee. Under an executive order, Maryland is also developing a Clean Heat Standard and a Zero-Emission Heating Equipment Standard, among other programs, that are intended to transition gas furnaces to electric heat pumps. In December 2025, the Maryland Public Service Commission ("MD PSC") issued proposed regulations with the stated purpose of eliminating "subsidies" for the extension of gas mains and service lines to new residential and commercial customers. According to the MD PSC, these regulations, if finalized, would require persons who request new

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued).

NiSource Inc.

Regulatory, Environmental and Safety Matters

service to pay the full cost of extending service in order to minimize the risk of future stranded costs for all ratepayers. In August 2025, the MD PSC instituted formal proceedings to investigate issues pertaining to long-term natural gas company planning practices. One purpose of these proceedings is to ensure that planning is consistent with Maryland's climate goals. Columbia of Maryland cannot predict the final impact of these policies and proceedings on our business at this time.

Net Zero Goal. In November 2022, we announced a goal of net zero GHG emissions by 2040 covering both Scope 1 and Scope 2 GHG emissions ("Net Zero Goal"). Our Net Zero Goal builds on GHG emission reductions achieved to-date. We plan to achieve our Net Zero Goal primarily through the continuation and enhancement of existing programs, such as retiring and replacing coal-fired electric generation with low- or zero-emission electric generation, ongoing pipe replacement and modernization programs, and deployment of advanced leak-detection technologies. In addition, we plan to advance other low- or zero-emission energy resources and technologies, which may include hydrogen, renewable natural gas, long-duration storage, and/or deployment of carbon capture and utilization technologies, if and when these become technologically and economically feasible. Carbon offsets and renewable energy credits may also be used to support achievement of our Net Zero Goal. As of the end of 2025, we had reduced Scope 1 GHG emissions by approximately 70% from 2005 levels.

Our GHG emissions projections, including achieving a Net Zero Goal, are subject to various assumptions that involve risks and uncertainties, and did not include any assumptions related to data center development and associated load growth. We remain committed to our Net Zero Goal by 2040 which will require supportive regulatory and legislative policies, favorable stakeholder environments and advancement of technologies that are not currently economically or technologically feasible to deploy at scale, as well as execution of our business plan. Otherwise, our actual results or ability to achieve our Net Zero Goal, including by 2040, may differ materially.

Market Risk Disclosures

Risk is an inherent part of our businesses. The extent to which we properly and effectively identify, assess, monitor and manage each of the various types of risk involved in our businesses is critical to our profitability. We seek to identify, assess, monitor and manage, in accordance with defined policies and procedures, the following principal market risks that are involved in our businesses: commodity price risk, interest rate risk and credit risk. We manage risk through a multi-faceted process with oversight by the Risk Management Committee that requires constant communication, judgment and knowledge of specialized products and markets. Our senior management takes an active role in the risk management process and has developed policies and procedures that require specific administrative and business functions to assist in the identification, assessment and control of various risks. These may include, but are not limited to market, operational, financial, compliance and strategic risk types. In recognition of the increasingly varied and complex nature of the energy business, our risk management process, policies and procedures continue to evolve and are subject to ongoing review and modification.

Commodity Price Risk

Our gas and electric subsidiaries have commodity price risk primarily related to the purchases of natural gas, power and capacity. To manage this market risk, our subsidiaries use derivatives, including commodity futures contracts, swaps, forwards and options. We do not participate in speculative energy trading activity.

Commodity price risk resulting from derivative activities at our rate-regulated subsidiaries is limited and does not bear significant exposure to earnings risk, since our current regulatory mechanisms allow recovery of prudently incurred purchased power, fuel and gas costs through the rate-making process, including gains or losses on these derivative instruments. These changes are included in the GCA and FAC regulatory rate-recovery mechanisms. If these mechanisms were to be adjusted or eliminated, these subsidiaries may begin providing services without the benefit of the traditional rate-making process and may be more exposed to commodity price risk. For additional information, see "Results and Discussion of Segment Operations" in this Management's Discussion.

Our subsidiaries are required to make cash margin deposits with their brokers to cover actual and potential losses in the value of outstanding exchange traded derivative contracts. The amount of these deposits, some of which are reflected in our restricted cash balance, may fluctuate significantly during periods of high volatility in the energy commodity markets.

Refer to Note 9, "Risk Management Activities," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for further information on our commodity price risk assets and liabilities.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued).

NiSource Inc.

Interest Rate Risk

We are exposed to interest rate risk as a result of changes in interest rates on borrowings under our revolving credit agreement, commercial paper program, and accounts receivable programs, which have interest rates that are indexed to short-term market interest rates. Based upon average borrowings and debt obligations subject to fluctuations in short-term market interest rates, an increase (or decrease) in short-term interest rates of 100 basis points (1%) would have increased (or decreased) interest expense by \$2.0 million for the three months ended March 31, 2026 and \$2.5 million for the three months ended March 31, 2025, respectively. We are also exposed to interest rate risk as a result of changes in benchmark rates that can influence the interest rates of future long-term debt issuances. From time to time we may enter into forward interest rate instruments to lock in long term interest costs and/ or rates.

Credit Risk

Due to the nature of the industry, credit risk is embedded in many of our business activities. Our extension of credit is governed by a Corporate Credit Risk Management Policy which establishes guidelines for documenting management approval levels for credit limits, evaluating creditworthiness, and credit risk mitigation efforts. Exposures to credit risks are monitored by the risk management function, which is independent of commercial operations. Credit risk arises due to the possibility that a customer, supplier or counterparty will not be able or willing to fulfill its obligations on a transaction on or before the settlement date. For derivative-related contracts, credit risk arises when counterparties are obligated to deliver or purchase defined commodity units of gas or power to us at a future date per execution of contractual terms and conditions. Exposure to credit risk is measured in terms of both current obligations and the market value of forward positions net of any posted collateral such as cash and letters of credit.

The financial status of our banking partners is periodically assessed through traditional credit ratings provided by major credit rating agencies.

Other Information

Critical Accounting Estimates

A summary of our critical accounting estimates is included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025. There were no material changes made as of March 31, 2026.

Recently Issued Accounting Pronouncements

Refer to Note 2, "Recent Accounting Pronouncements," in the Notes to the Condensed Consolidated Financial Statements (unaudited) for additional information about recently issued and adopted accounting pronouncements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Quantitative and qualitative disclosures about market risk are reported in Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations - Market Risk Disclosures."

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our chief executive officer and our chief financial officer are responsible for evaluating the effectiveness of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)). Our disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed by us in reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure and is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. Based upon that evaluation, our chief executive officer and chief financial officer concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were effective at a reasonable assurance level.

Changes in Internal Controls

There have been no changes in our internal control over financial reporting during the most recently completed quarter covered by this report that have materially affected, are reasonably likely to materially affect, our internal control over financial reporting.

PART II

ITEM 1. LEGAL PROCEEDINGS

For a description of our legal proceedings, see Note 13, "Other Commitments and Contingencies - B. Legal Proceedings," in the Notes to the Condensed Consolidated Financial Statements (unaudited).

ITEM 1A. RISK FACTORS

Please refer to the risk factors set forth in Part I, Item 1A of the Annual Report on Form 10-K for the year ended December 31, 2025 and Part II, Item 1A of the Quarterly Report on Form 10-Q for the quarter ended March 31, 2026. There have been no material changes to such risk factors.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

Director and Officer Trading Arrangements

During the quarter ended March 31, 2026, none of our directors or executive officers adopted or terminated a Rule 10b5-1 trading plan or adopted or terminated a non-Rule 10b5-1 trading arrangement (as defined in Item 408(c) of Regulation S-K).

ITEM 6. EXHIBITS

NiSource Inc.

- (31.1) [Certification of Chief Executive Officer pursuant to Rule 13a-14\(a\)/15d-14\(a\), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.](#)*
- (31.2) [Certification of Chief Financial Officer pursuant to Rule 13a-14\(a\)/15d-14\(a\), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.](#)*
- (32.1) [Certification of Chief Executive Officer pursuant to 18. U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 \(furnished herewith\).](#)*
- (32.2) [Certification of Chief Financial Officer pursuant to 18. U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 \(furnished herewith\).](#)*
- (10.1) NiSource Inc. Executive Severance Policy, as amended and restated effective January 1, 2026 (incorporated by reference to [Exhibit 10.13 to the NiSource Inc. Form 10-K filed](#) on February 11, 2026).
- (101.INS) Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
- (101.SCH) Inline XBRL Schema Document
- (101.CAL) Inline XBRL Calculation Linkbase Document
- (101.LAB) Inline XBRL Labels Linkbase Document
- (101.PRE) Inline XBRL Presentation Linkbase Document
- (101.DEF) Inline XBRL Definition Linkbase Document
- (104) Cover page Interactive Data File (formatted as inline XBRL, and contained in Exhibit 101.)
- * Exhibit filed herewith.
- ** Schedules and similar attachments to this Exhibit have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company agrees to furnish supplementally a copy of any omitted schedule or exhibit to the U.S. Securities and Exchange Commission (the "SEC") upon request

SIGNATURE

NiSource Inc.

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

NiSource Inc.

(Registrant)

Date: May 6, 2026

By:

/s/ Gunnar J. Gode

Gunnar J. Gode

Senior Vice President, Chief Accounting and Tax Officer
(Principal Accounting Officer)

**Certification Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002**

I, Lloyd M. Yates, certify that:

1. I have reviewed this Quarterly Report of NiSource Inc. on Form 10-Q of NiSource Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2026

By:

/s/ Lloyd M. Yates

Lloyd M. Yates

President and Chief Executive Officer

**Certification Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002**

I, Shawn Anderson, certify that:

1. I have reviewed this Quarterly Report of NiSource Inc. on Form 10-Q of NiSource Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2026

By: /s/ Shawn Anderson
Shawn Anderson
Executive Vice President and Chief Financial Officer

Exhibit 32.1

**Certification Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of NiSource Inc. (the “Company”) on Form 10-Q for the quarter ending March 31, 2026 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Lloyd M. Yates, Chief Executive Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Lloyd M. Yates

Lloyd M. Yates

President and Chief Executive Officer

Date: May 6, 2026

**Certification Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of NiSource Inc. (the “Company”) on Form 10-Q for the quarter ending March 31, 2026 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Shawn Anderson, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Shawn Anderson

Shawn Anderson
Executive Vice President and Chief Financial Officer

Date: May 6, 2026