

NISOURCE INC.

AUDIT COMMITTEE CHARTER

Purpose

The Audit Committee (the “Committee”) is appointed by the Board of Directors (the “Board”) of NiSource Inc. (the “Company”) to assist the Board in (1) monitoring the integrity of the financial statements of the Company, (2) monitoring the independent auditor’s qualifications and independence, (3) monitoring the performance of the Company’s internal audit function and independent auditors, (4) monitoring the compliance by the Company with legal and regulatory requirements, and (5) monitoring the Company’s risk assessment process. The Committee shall directly oversee the preparation of the report required by the rules of the Securities and Exchange Commission (the “Commission”) to be included in the Company’s annual proxy statement.

Committee Membership

The Committee shall consist of at least three directors, all of whom shall meet the independence requirements of the rules and regulations of the New York Stock Exchange (the “NYSE”) and the Commission and under the Securities Exchange Act of 1934 (the “Exchange Act”). Each of the members of the Committee shall be “financially literate” or shall become “financially literate” within a reasonable period of time of his or her appointment to the Committee, and at least one member of the Committee shall be an “audit committee financial expert” as defined by the Commission, as such qualifications are interpreted by the Board in its reasonable business judgment. Committee members shall not simultaneously serve on the audit committees of more than two other public companies. Determinations as to whether a particular director satisfies the requirements for membership on the Committee will be made by the Board. The Committee members will be appointed by the Board and may be removed by the Board in its discretion. The Committee shall have the authority to delegate any of its responsibilities to subcommittees as the Committee may deem appropriate, provided the subcommittees are composed entirely of independent directors who also meet the other requirements for membership of the Committee.

Meetings

The Committee shall meet as often as its members deem necessary to perform the Committee’s responsibilities, but in no event less than four times per year. The Board shall designate one member of the Committee to serve as its chairperson. The chairperson will preside, when present, at all meetings of the Committee. The Committee will meet at such times as determined by its chairperson or as requested by any two of its members. Notice of all Committee meetings shall be given, and waiver thereof determined, in accordance with the notice and waiver of notice requirements applicable to the Board. The Committee may meet by telephone, video conference or similar means of remote communication by means of which all persons participating in the meeting can hear each other.

The Committee shall meet separately, annually or more often as it determines, with each of management, the internal auditors and the independent auditor of the Company. The Committee may request any officer or employee of the Company or the Company's outside counsel or independent auditor to attend a meeting of the Committee or to meet with or provide information to any members of, or advisors to, the Committee.

Each member of the Committee shall have one vote. One-third of the Committee members, but not less than two, shall constitute a quorum. The Committee shall be authorized to take any permitted action only by the affirmative vote of a majority of the Committee members at any meeting at which a quorum is present, or by the unanimous written consent of all of the Committee members.

The Committee shall maintain copies of the minutes of each meeting of the Committee, and each written consent to action taken without a meeting, reflecting the actions so authorized or taken by the Committee. A copy of the minutes of each meeting and all consents shall be placed in the Company's minute book.

Committee Authority and Responsibilities

The Committee shall have the sole authority to appoint, retain or replace the Company's independent auditor. The Committee shall be directly responsible for the compensation and oversight of the work of the independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company. The independent auditor shall report directly to the Committee.

The Committee shall review proposals for all auditing services and permitted non-audit services (including the fees and terms thereof) to be performed for the Company by its independent auditor and shall approve all such proposals prior to the commencement or performance of such services, subject to the de minimis exceptions for non-audit services under the Exchange Act that are approved by the Committee prior to the completion of the audit. The Committee may form and delegate authority to subcommittees consisting of one or more members when appropriate, including the authority to grant preapprovals of audit and permitted non-audit services, provided that decisions of such subcommittee to grant preapprovals shall be presented to the full Committee at its next scheduled meeting for ratification.

The Committee shall also have the authority, to the extent it deems necessary or appropriate, to retain independent legal, accounting or other advisors. The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to the independent auditor for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company and to any advisors employed by the Committee. The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to any legal, accounting or other advisors retained by the Committee and for payment of ordinary administrative expenses of the Committee.

The Committee shall review and reassess the adequacy of the Company's Risk Management Committee Charter annually and amend the Charter as appropriate.

The Committee shall make regular reports to the Board. The Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. The Committee shall annually review the Committee's own performance.

The Committee, to the extent it deems necessary or appropriate and in furtherance of its purpose, shall:

Financial Statement and Disclosure Matters

1. Review and discuss with management and the independent auditor the annual audited financial statements, including disclosures made in "Management's Discussion and Analysis of Financial Condition and Results of Operations" ("MD&A"), and recommend to the Board whether the audited financial statements should be included in the Company's Form 10-K.
2. Review and discuss with management and the independent auditor the Company's quarterly financial statements prior to the filing of its Form 10-Q, including disclosures made in MD&A and including the results of the independent auditor's review of the quarterly financial statements.
3. Review and discuss with management and the independent auditor (a) major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies and (b) any analyses prepared by management or the independent auditor setting forth significant financial reporting issues and critical judgments and estimates made in connection with the preparation of financial statements.
4. Review and discuss quarterly reports from the independent auditors on:
 - (a) All critical accounting policies and practices to be used.
 - (b) All alternative treatments of financial information within generally accepted accounting principles ("GAAP") that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor.
 - (c) Other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences.
5. Review and discuss with the independent auditor any critical audit matter ("CAM") addressed in the audit of the Company's financial statements and the relevant financial statement accounts and disclosures that relate to each CAM.
6. Discuss with management the Company's earnings press releases, including the use of "pro forma" or "adjusted" non-GAAP information, as well as financial information and earnings guidance provided to analysts and rating agencies. Such discussion may be done generally (consisting of discussing the types of information to be disclosed and the types of presentations to be made) and need not be done in advance of such releases.

7. Discuss with management and the independent auditor the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the Company's financial statements.
8. Review and evaluate the Company's major risk exposures, including cyber security and supplier risks, and steps management has taken to monitor and control such exposures, including discussion of the Company's risk assessment and risk management policies.
9. Discuss with the independent auditor, the internal auditor and management the design and implementation of internal controls.
10. Discuss with the independent auditor the matters required to be discussed by Statement on Auditing Standards No. 114, or any successor standard, relating to the conduct of the audit, including any difficulties encountered in the course of the audit work, any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.
11. Review any disclosures made to the Committee by the Company's CEO and CFO during their certification process for the Form 10-K and Form 10-Q about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.
12. Discuss with the independent auditor the independent auditor's judgment about the quality, not just the acceptability, of the accounting principles applied in the Company's financial reporting.

Oversight of the Company's Relationship with the Independent Auditor

13. Review and evaluate the lead partner of the independent auditor team.
14. Evaluate, at the time of the engagement and periodically thereafter, the independence of the independent auditor and report its conclusions to the Board. In connection with such evaluation, the Committee shall require the independent auditor to deliver at least annually a formal written statement delineating all relationships between the independent auditor and the Company and addressing at least the matters set forth in Independence Standards Board Standard No. 1 and shall discuss with the independent auditor any relationships or services disclosed in the statement that may impact the objectivity and independence of the auditors.
15. Obtain and review a report from the independent auditor at least annually regarding (a) the independent auditor's internal quality-control procedures, (b) any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm, (c) any steps taken to deal with any such issues, and (d) all relationships between the independent auditor and the Company. The Committee shall solicit and take into account the opinions of management and internal auditors. The Committee shall present its conclusions with respect to the independent auditor to the Board.
16. Ensure the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by the

Exchange Act and the rules and regulation of the Commission. Consider whether, in order to assure continuing auditor independence, it is appropriate to adopt a policy of rotating the independent auditing firm on a regular basis.

17. Set policies for the Company's hiring of employees or former employees of the independent auditor who participated in any capacity in the audit of the Company, including any "cooling off" period required by the Exchange Act and the rules and regulations of the Commission.
18. Discuss with the national office of the independent auditor issues on which they were consulted by the Company's audit team and matters of audit quality and consistency.
19. Meet with the independent auditor prior to the audit to discuss the planning and staffing of the audit.

Oversight of the Company's Internal Audit Function

20. Review and concur with the appointment and replacement of the senior internal auditing executive.
21. Review the significant reports to management prepared by the internal auditing department and management's responses.
22. Discuss with the independent auditor and management the internal audit department responsibilities, budget and staffing and any recommended changes in the planned scope of the internal audit plan.
23. Discuss with the independent auditor the independent auditor's judgment about the competence, performance and cooperation of internal audit and management.

Compliance Oversight Responsibilities

24. Obtain from the independent auditor assurance that Section 10A(b) of the Exchange Act has not been implicated.
25. Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
26. Discuss with management and the independent auditor any correspondence with regulators or governmental agencies and any published reports which raise material issues regarding the Company's financial statements or accounting policies.
27. Discuss with the Company's Chief Legal Officer legal matters that may have a material impact on the Company's financial statements or compliance policies.
28. Review annually the effect of off-balance sheet arrangements, if any, on the Company's financial statements.
29. Prepare the report of the Committee required to be included in the Company's annual report or proxy statement.
30. Review and recommend changes to the Company's Business Ethics Program.

31. Review reports from management regarding the Company's compliance with legal and regulatory requirements. Review the Company's Code of Business Conduct (the "Code") on an annual basis. Consider and approve any waiver of the Code for any director, executive officer or officers subject to Section 16 of the Exchange Act.
32. Perform other duties and responsibilities, consistent with this Charter, the Company's bylaws, governing law, the rules and regulations of the NYSE, the federal securities laws and such other requirements applicable to the Company, delegated to the Committee by the Board.

Limitation of the Committee's Role

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with GAAP and applicable rules and regulations. These are the responsibilities of management and the independent auditor.

March 16, 2020