

NISOURCE INC.

COMPENSATION COMMITTEE CHARTER

Purpose

The Compensation Committee (the “Committee”) is appointed by the Board of Directors (the “Board”) of NiSource Inc. (the “Company”) to (1) discharge the Board’s responsibilities relating to evaluation and compensation of the Company’s executives, (2) review and recommend to the Board, or approve as appropriate, incentive compensation plans, policies and programs intended to attract, retain and appropriately reward employees in order to motivate their performance in the achievement of the Company’s business objectives and align their interests with the long-term interests of the Company’s stockholders and (3) review the Company’s equal employment and diversity programs.

Committee Membership

The Committee shall consist of at least three directors, all of whom satisfy the definition of “independent” under the listing standards of the New York Stock Exchange (the “NYSE”). All Committee members shall also be “non-employee directors” as defined by Rule 16b-3 under the Securities Exchange Act of 1934 and “outside directors” as defined by Section 162(m) of the Internal Revenue Code. Determinations as to whether a particular director satisfies the requirements for membership on the Committee shall 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.

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 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 will have the authority, to the extent it deems necessary or appropriate, to retain a compensation consultant to assist in the evaluation of the compensation of the Chief Executive Officer (the "CEO") and other executive officers. The Committee shall have sole authority to retain and terminate any such consulting firm, including sole authority to approve the firm's fees and other retention terms. The Committee shall also have authority, to the extent it deems necessary or appropriate, to retain other advisors. The Committee shall retain advisors after taking into consideration all factors relevant to such advisors' independence to the extent required by the applicable NYSE corporate governance standards. The Company will provide for appropriate funding, as determined by the Committee, for payment of compensation to any consulting firm or other advisors retained by the Committee.

The Committee will make regular reports to the Board and will propose any necessary action to the Board. The Committee will review and reassess the adequacy of this charter annually and recommend any proposed changes to the Board for approval. The Committee will annually evaluate the Committee's own performance.

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

1. Evaluate the performance of the CEO and other executive officers in light of the Company's goals and objectives.
2. Review and approve corporate goals and objectives relevant to CEO and other executive officer compensation.
3. Make recommendations to the independent members of the Board regarding the compensation of the CEO, and approve the compensation of the other executive officers, based on the Committee's evaluation of their respective performance.
4. Review and approve periodically a general compensation policy for other officers of the Company and officers of its principal subsidiaries.
5. Consider the Company's performance and relative shareholder return, the value of similar incentive awards to chief executive officers at comparable companies, and the awards granted to the Company's CEO in past years when determining the long-term component of the CEO's compensation.
6. Approve or, if appropriate, make recommendations to the Board with respect to adoption of incentive compensation plans and equity-based plans.
7. Approve grants and/or awards of equity-based compensation under the Company's equity-based plans.
8. Review and evaluate the risks associated with the Company's compensation policies and practices and the steps management has taken to monitor and control such risks.

9. Review Company executive officer candidates for election by the Board.
10. Review the executive officers' development and succession plan (other than the CEO succession plan) and report its findings and recommendations to the Board.
11. Produce an annual report on executive compensation for inclusion in the proxy statement as the Compensation Committee Report.
12. Review the Company's procedures, programs, policies and practices, and make recommendations to management, with respect to equal employment opportunity and diversity initiatives.
13. 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 or required under the provisions of any compensation or benefit plan maintained by the Company.

March 21, 2017