

NISOURCE INC/DE
Form DEF 14A
April 06, 2018
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A INFORMATION

**Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934**

(Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material under Rule 14a-12

NISOURCE INC.

(Name of registrant as specified in its charter)

(Name of person(s) filing proxy statement, if other than the registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

(1) Title of each class of securities to which transaction applies:

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- (2) Aggregate number of securities to which transaction applies:

- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

- (4) Proposed maximum aggregate value of transaction:

- (5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

- (1) Amount Previously Paid:

- (2) Form, Schedule or Registration Statement No.:

- (3) Filing Party:

- (4) Date Filed:

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NiSource Inc.

801 E. 86th Avenue Merrillville, Indiana 46410 (877) 647-5990

NOTICE OF ANNUAL MEETING

April 6, 2018

To the Holders of Common Stock of NiSource Inc.:

The 2018 annual meeting of the stockholders (the Annual Meeting) of NiSource Inc., a Delaware corporation (the Company), will be held at the Hyatt Rosemont, 6350 N. River Road, Rosemont, Illinois 60018 on Tuesday, May 8, 2018, at 10:00 a.m., local time, for the following purposes:

- (1) To elect ten directors named in the proxy statement to hold office until the next annual stockholders meeting and until their respective successors have been elected or appointed and qualified;
- (2) To approve named executive officer compensation on an advisory basis;
- (3) To ratify the appointment of Deloitte & Touche LLP as the Company s independent auditor for the year 2018;
- (4) To consider a stockholder proposal regarding stockholder right to act by written consent, if properly presented; and
- (5) To transact such other business as may properly come before the meeting and any adjournment or postponement thereof.

All stockholders of record as of the close of business on March 13, 2018, are eligible to vote at the Annual Meeting and any adjournment or postponement thereof.

Your vote is very important. Whether or not you plan to attend the Annual Meeting, please vote at your earliest convenience. You may vote your shares by marking, signing, dating and mailing the enclosed proxy card. You may also vote by telephone or through the Internet by following the instructions set forth on the proxy card. If you attend the Annual Meeting, you may be able to vote your shares in person, even if you have previously submitted a proxy. See the section Voting in Person for specific instructions on voting your shares.

If you plan to attend the Annual Meeting, please so indicate in the space provided on the proxy card or respond when prompted on the telephone or through the Internet.

PLEASE VOTE YOUR SHARES BY TELEPHONE, THROUGH THE INTERNET OR BY PROMPTLY MARKING, DATING, SIGNING AND RETURNING THE ENCLOSED PROXY CARD.

Samuel K. Lee

Corporate Secretary

Important Notice Regarding the Availability of Proxy Materials

For the Annual Meeting of Stockholders to be Held on May 8, 2018

The Proxy Statement, Notice of Annual Meeting and 2017 Annual Report to Stockholders

are available at *<https://www.nisource.com/filings>*

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This summary highlights information that may be expanded upon elsewhere in this proxy statement (Proxy Statement). This summary does not contain all of the information that you should consider and you should read the entire Proxy Statement before voting. The accompanying proxy is solicited on behalf of the Board of Directors of NiSource Inc. (the Board) for the 2018 annual meeting of the stockholders (the Annual Meeting).

2018 ANNUAL MEETING OF STOCKHOLDERS

Time and Date: 10:00 a.m. local time on Tuesday, May 8, 2018

Place: Hyatt Rosemont, 6350 N. River Road, Rosemont, Illinois 60018

Record Date: March 13, 2018

Common Shares Outstanding on Record Date: 337,567,015

Voting: Each share is entitled to one vote for each director to be elected and on each matter to be voted upon at the Annual Meeting.

This proxy statement and the accompanying proxy card are first being sent to stockholders on April 6, 2018.

VOTING MATTERS AND BOARD RECOMMENDATIONS

<u>Item</u>		<u>Board</u>	<u>Page</u>
		<u>Recommendations</u>	<u>Reference</u>
Proposal 1	Election of ten directors	For All Nominees	7
Proposal 2	Approval of named executive officer compensation on an advisory basis	For	63
Proposal 3	Ratification of Deloitte & Touche LLP as independent auditor for the year 2018	For	64
Proposal 4	Approval of stockholder proposal regarding stockholder right to act by written consent	Against	67

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Transact any other business that may properly come before the Annual Meeting or any adjournment(s) or postponement(s) of such meeting.

CORPORATE GOVERNANCE HIGHLIGHTS

Annual election of directors

Majority voting for all directors with resignation policy

No supermajority voting provisions

No stockholder rights plan (poison pill)

Proxy access by-law (3% ownership / 3 years / 20%)

Stockholder right to call special meetings

Separate chairman and CEO

All directors independent except CEO

Board committees comprised of all independent directors

Regular executive sessions of independent directors

Annual Board and committee evaluation process and ongoing evaluations of individual directors

Strategic and risk oversight by Board and committees

Annual Say-on-Pay advisory votes

Strong alignment between pay and performance in incentive plans

Commitment to safety and customer care

Political contributions disclosure

Enhanced independent auditor disclosure

Ongoing active stockholder outreach and engagement

See Corporate Governance for more information on our corporate governance practices.

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BOARD OF DIRECTORS NOMINEES

Director Nominees (10)					Board Committees				Nom & Gov
Name	Age	Since	Independent	Position	Audit	Comp	Finance	ESS	
Peter A. Altabef	58	2017	Yes	President & CEO, Unisys Corporation					
Eric L. Butler	57	2017	Yes	Retired Vice President, Chief Administrative Officer and Corporate Secretary, Union Pacific Corporation					
Aristides S. Candris	66	2012	Yes	Retired President & CEO, Westinghouse			*		
Wayne S. DeVeydt	48	2016	Yes	Chief Executive Officer, Surgery Partners, Inc.					
Joseph Hamrock	54	2015	No	President & CEO, NiSource Inc.					
Deborah A. Henretta	56	2015	Yes	Retired Group President, Proctor & Gamble Co.					
Michael E. Jesanis	61	2008	Yes	Retired President & CEO, National Grid USA	*				
Kevin T. Kabat	61	2015	Yes	Retired Vice Chairman & CEO, Fifth Third Bancorp		*			
Richard L. Thompson	78	2004	Yes	Chairman of the Board, NiSource Inc.					*
Carolyn Y. Woo	63	1998	Yes	Retired President & CEO, Catholic Relief Services				*	

*Chair of Committee

9 of 10	2 of 10	2 of 10
Are	Are	Are
Independent	Female	Diverse (Race/Ethnicity)
(90%)	(20%)	(20%)

Average Director

Age:

60 Years

Average Director

Tenure:

6 Years

See Proposal 1 Election of Directors for more information on our director nominees.

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EXECUTIVE COMPENSATION HIGHLIGHTS

We have designed our executive compensation program to meet our business objectives using various compensation elements intended to drive both long-term and short-term performance. We believe that a significant portion of total compensation should consist of at-risk performance-based compensation. Our executive compensation practices include the following, each of which the Compensation Committee believes reinforces our executive compensation policy and objectives.

See [Executive Compensation](#) for more information on our executive compensation program.



We DO Have This Practice	We Do NOT Have This Practice
Incentive award metrics that are objective and tied to key company performance measures	Repricing of options without stockholder approval
Share ownership guidelines applicable to executive officers and independent directors	Hedging or pledging transactions or short sales by executive officers or directors
Compensation recoupment policy	Tax gross-ups for Named Executive Officers (other than gross-ups that are available to all employees who receive relocation benefits)
Limited perquisites	Automatic single-trigger equity vesting upon a change-in-control
Prohibition against pledging unearned shares in our long-term incentive plan	Excise tax gross-ups under change-in-control agreements
Double-trigger severance benefits upon a change-in-control	Excessive pension benefits or defined benefit supplemental executive retirement plan
One-year minimum vesting for equity awards	Excessive use of non-performance based compensation
Significant portions of the executive compensation opportunity that are entirely contingent on performance against pre-established performance goals	Excessive severance benefits
Independent compensation consultant	Dividend equivalent rights or dividends on unvested performance shares or restricted stock units granted to executive officers