

**Charter of the Nominating and Corporate Governance Committee  
of the Board of Directors of  
Iteris, Inc.**

**Adopted as of March 18, 2004  
Amended as of May 15, 2018**

**1. Purposes.**

The purposes of the Nominating and Corporate Governance Committee (the “*Committee*”) of the Board of Directors (the “*Board*”) of Iteris, Inc. (the “*Company*”) shall be to assist the Board in (a) establishing the minimum qualifications for a director nominee, including the qualities and skills that Board members are expected to possess; (b) identifying and evaluating individuals qualified to become Board members, consistent with criteria approved by the Board; and (c) recommending that the Board select, the director nominees for election at the next Annual Meeting of Stockholders, or to fill vacancies on the Board (vacancies to be created by expansion of the Board) occurring between Annual Meetings of Stockholders; and (d) developing, recommending to the Board, and assessing corporate governance policies for the Company.

**2. Composition.**

(a) At Least Two Members; Chairperson. The Committee shall consist of a minimum of two independent directors as defined in Section 2(b) below. The Board shall designate a Committee member as the Chairperson of the Committee, or if the Board does not do so, the Committee members shall appoint a Committee member as Chairperson by a majority vote of the authorized number of Committee members.

(b) Independence. All members of the Committee shall be “*independent*” as determined by the Board and as defined in the listing standards of the Nasdaq Stock Market or such other national securities exchange on which the Company’s securities are then listed, as the same may be amended from time to time (the “*listing standards*”), the rules and regulations of the Securities and Exchange Commission (the “*SEC*”) and any other laws applicable to the Company.

(c) Appointment. Subject to the requirements of the listing standards and the Bylaws of the Company, the Board shall appoint Committee members at the first meeting of the Board following the Annual Meeting of Stockholders. Members of the Committee shall be appointed by the Board for one year terms and until their successors are appointed and qualified, or until their earlier retirement, resignation or removal. Any member of the Committee may be removed, with or without cause, and any vacancies may be filled, by the approval of a majority of the directors then serving on the full Board.

**3. Meetings, Reports and Resources of the Committee.**

(a) Meetings. The Committee shall meet as often as it determines necessary or advisable, but not less than once a year. The Committee may also hold special meetings or act by unanimous written consent as the Committee may decide. The meetings may be in person or by telephone. The Committee shall keep written minutes of its meetings and shall deliver a copy of such minutes to the Board and to the Corporate Secretary of the Company for inclusion in the Company’s minute books. The Committee may meet separately with other directors, the Chief Executive Officer and other Company employees, agents or representatives invited by the Committee.

(b) Procedures. The Committee may establish its own procedures, including the formation and delegation of authority to subcommittees, in a manner not inconsistent with this Charter, the Bylaws, applicable laws or regulations, or the listing standards. The Chairperson of the Committee or a majority of the Committee members may call meetings of the Committee. A majority of the authorized number of Committee members shall constitute a quorum for the transaction of Committee business, and the vote of a majority of the Committee members present at the meeting at which a quorum is present shall be the act of the Committee, unless in either case a greater number is required by this Charter, the Bylaws, applicable laws or regulations, or the listing standards. The Committee may

form and delegate any of its responsibilities to a subcommittee so long as such subcommittee consists solely of independent members of the Committee.

(c) Reports. The Committee shall report its actions and recommendations to the Board after each Committee meeting, director nominees for the Annual Meeting of Stockholders at an appropriate time prior to preparation of the Company's proxy statement for the Annual Meeting of Stockholders. The Committee shall disclose to the Board information regarding the category or categories of persons or entities that recommended, and persons or entities that caused to be recommended, each director nominee (for instance, security holder, non-management director, Chief Executive Officer, other executive officer, third-party search firm, or other, specified source), specifically noting those instances where a nominee was recommended by the Chief Executive Officer of the Company. The Committee also shall disclose to the Board whether any third parties received compensation related to identifying and evaluating candidates.

(d) Annual Self-Evaluation. At least annually, the Committee shall evaluate its own performance through surveys or other appropriate methods and the adequacy of this Charter, and shall report to the Board the results of such evaluation and submit any recommended changes to the Board for its consideration.

(e) Committee Access and Resources. Subject to the "Board Operating Guidelines" adopted by the Board on May 15, 2018, the Committee is at all times authorized to have direct, independent and confidential access to the Company's other directors, management and personnel, as well as to the Company's books, records and facilities, to carry out the Committee's purposes. The Committee shall have the sole authority, to the extent it deems necessary or appropriate, to retain and terminate at the Company's expense any search firm to assist in identifying director candidates, and any independent counsel or other advisers selected by the Committee for matters related to the Committee's purposes. The Committee shall have sole authority to approve related fees and retention terms.

#### **4. Authority and Responsibilities.**

In furtherance of its purposes, the Committee shall have the following authority and responsibilities:

(a) Assist the Board in establishing the minimum qualifications for a director nominee, including the qualities and skills that Board members are expected to possess; to lead the search for and identify individuals qualified to become Board members, consistent with criteria approved by the Board; and to select, or to recommend that the Board select, the director nominees to be presented for stockholder approval at the next Annual Meeting of Stockholders, and one or more director nominees for each vacancy on the Board that occurs between Annual Meetings of Stockholders, subject to legal rights, if any, of third parties to nominate or appoint directors. The Committee shall select or recommend individuals as director nominees who meet the minimum qualifications approved by the Board and who shall have high personal and professional integrity, who shall have financial literacy or other professional or business experience relevant to an understanding of the Company and its business, who shall have demonstrated an ability to think and act independently and with sound judgment and who shall be effective, in conjunction with the other nominees to the Board, in collectively serving the long-term interests of the Company and its stockholders.

(b) Review and recommend to the Board a determination with respect to each director's "independence" under the listing standards, the rules and regulations of the SEC and any other laws applicable to the Company.

(c) Receive, review and respond to director nominations submitted in writing by the Company's stockholders.

(d) Review and evaluate the Board's committee structure. To recommend to the Board for its approval qualified directors to serve as members of each committee, giving consideration to the criteria for service on each committee as set forth in the charter for such committee. The Committee shall review and recommend committee slates annually and shall recommend additional committee members to fill vacancies as needed.

- (e) Consider and recommend changes in the size or composition of the Board and matters relating to the retirement of Board members.
- (f) Determine the reasons for the resignation of any director.
- (g) Perform any other activities, consistent with this Charter, the Company's Bylaws and applicable listing standards and laws, as the Committee or the Board deems necessary or appropriate.
- (h) Consider corporate governance issues that arise from time to time, and develop appropriate recommendations for the Board.
- (i) Review and address conflicts of interest of directors, the Chief Executive Officer and other senior officers.
- (j) Develop, assess annually, and make recommendations to the Board concerning, appropriate corporate governance policies, including the Company's Code of Ethics and Conduct. To regularly review issues and developments related to matters of corporate governance. To monitor compliance with the Company's Code of Ethics and Conduct and corporate governance guidelines.
- (k) To review the effectiveness of all Board committees, including the Committee, and make recommendations for improvements and to develop and recommend to the Board of Directors for its approval an annual self-evaluation process of the Board and its committees. The Committee shall oversee the annual self-evaluation process and may make recommendations to the Board for any improvements that the Committee may deem appropriate in its sole discretion; and
- (l) To review and update the Company's web site, Bylaws and Certificate of Incorporation for compliance with the listing standards and the Sarbanes-Oxley Act, as that same may be amended from time to time, and the rules and regulations promulgated thereunder.

## **5. Procedures Regarding Director Nominations by Stockholders.**

The Committee will consider nominees for the Board recommended by stockholders who meet the eligibility requirements for submitting stockholder proposals for inclusion in the Company's next proxy statement. If an eligible stockholder wishes to recommend a nominee, he or she should submit such recommendation in writing to the Chair, Nominating and Governance Committee, care of the Corporate Secretary of the Company, by the deadline for stockholder proposals set forth in the Company's last proxy statement, specifying the following information: (a) the name and address of the nominee, (b) the name and address of the stockholder making the nomination, (c) a representation that the nominating stockholder is a stockholder of record of the Company's stock entitled to vote at the next annual meeting and intends to appear in person or by proxy at such meeting to nominate the person specified in the notice, (d) the nominee's qualifications for membership on the Board, (e) all of the information that would be required in a proxy statement soliciting proxies for the election of the nominee as a director, (f) a description of all direct or indirect arrangements or understandings between the nominating stockholder and the nominee and any other person or persons (naming such person or persons) pursuant to whose request the nomination is being made by the stockholder, (g) all other companies to which the nominee is being recommended as a nominee for director, and (h) a signed consent of the nominee to cooperate with reasonable background checks and personal interviews, and to serve as a director of the Company, if elected. All such recommendations will be brought to the attention of the Committee, and the Committee shall evaluate such director nominees in accordance with the same criteria set forth in this Charter or as otherwise approved by the Committee or the Board.