

**Charter of the Finance and Strategy Committee of the Board of
Directors of Iteris, Inc.**

**Adopted as of June 5, 2017
Amended as of May 15, 2018**

1. Purpose.

The primary purpose of the Finance and Strategy Committee (the “*Committee*”) of the Board of Directors (the “*Board*”) of Iteris, Inc. (the “*Company*”) is to consider and make recommendations to the Board regarding issues impacting the financial structure and strategic direction of the Company, including, but not limited to, revisions to the Company’s capital structure, mergers, acquisition and divestiture activities as well as changes to the scope and mix of business. Nothing in this Charter should in anyway be deemed to limit or prevent discussions of any of the Company’s strategic or financial matters with the full Board.

2. Composition.

(a) At Least Two Members. 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 Committee members present at a meeting.

(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 or such other national securities exchange on which the Company’s securities are then listed, if any, 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 Company’s Bylaws, the Board shall appoint Committee members at the first meeting of the Board following the Annual Meeting of Stockholders. Members of the Committee shall serve for one year terms and until their successors are appointed and qualified, or until their earlier resignation or removal. The Board may remove any member of the Committee, with or without cause, at any time. The Board may also fill any vacancies on the Committee.

3. Meetings, Procedures, Reports and Resources.

(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 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.

(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 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.

(c) Reports. The Committee shall report its actions and recommendations to the Board after each Committee meeting and the report shall contain all topics considered by the Committee, so that the full Board has visibility to the Committee’s deliberations and the full Board retains the ability to reconsider topics that are deemed worthy of debate by the full Board. Additionally, at least annually, the Committee shall evaluate its own performance and the adequacy of this Charter and shall report to the Board the results of such evaluation.

(d) 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 outside counsel and other advisors 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. However, the Committee Chairman will advise the Chief Executive Officer of the retention and termination of such counsel and any other advisors.

4. Duties and Responsibilities. In furtherance of its purpose, the Committee shall have the following duties and responsibilities.

- (a) Review management's overall strategic and financial plans of the Company, including capital expenditure plans, to ensure that such plans are complete;
- (b) Review and make recommendations to the Board regarding the Company's scope and mix of business, divestitures, acquisition and merger activities and the purchase of sale of business assets;
- (c) Review the scope, cost, and basic terms of the Company's insured risk management programs, including general liability, D&O, property, and other insurance policies;
- (d) Review the Company's tax planning strategy and initiatives;
- (e) Consider and make recommendations to the Board regarding stock sales, repurchases, or splits, as appropriate, and any change in dividend policy;
- (f) Review periodically this Committee Charter and make recommendations to the Board regarding changes thereto; and
- (g) Perform other activities within the scope of the Finance and Strategy Committee's purpose and authority as the Board may request from time to time.

The duties and responsibilities set forth above are meant to serve as guidelines, with the understanding that the Committee may diverge from the specific enumerate duties as necessary or appropriate to the circumstances. In carrying out its duties and responsibilities, the Committee's policies and procedures should remain flexible, so that it is in a position to best react or respond to changing circumstances or conditions.