

ITRON, INC.
VALUE ENHANCEMENT COMMITTEE CHARTER
AS OF DECEMBER 9, 2015

Purpose

The purpose of the Value Enhancement Committee (the “Committee”) of Itron, Inc. (the “Company”) is to review, study and develop potential initiatives (including transactions) designed to create durable, sustainable long-term shareholder value. The Committee will make recommendations to the Board of Directors (the “Board”) regarding actions to be considered in furtherance of the Committee’s purpose. The Board will have the right to review and approve or reject any recommendations made by the Committee.

Membership and Committee Structure

Subject to the terms of the Cooperation Agreement, dated as of December 9, 2015, by and among the Company, the persons and entities listed on Annex A thereto, and the New Nominees as defined therein (the “Cooperation Agreement”), the Committee will be comprised of no more than five directors as recommended by the Corporate Governance Committee and approved annually by the Board; provided, the New Nominees (or their replacements, as applicable) will serve on the Committee for so long as such persons serve as directors during the existence of the Committee. Each director will meet the independence requirements established by the Board, NASDAQ, applicable federal and state securities laws, and any other rules or regulations applicable to the Company from time to time.

Authorities and Resources

The Committee will have the authority to gather appropriate information (including access to Company resources as described below) so that the Committee is able to make informed assessments, including recommendations to the Board. The Committee will have reasonable, direct access to Company resources, including the right to (i) request services (including research, analysis and presentations) from the Company’s financial advisors, strategic and managerial consultants, legal advisors and other outside Company advisors (collectively, the “Company Professional Advisors”) and members of the Company’s senior management, (ii) work directly with any Company Professional Advisor(s) on all matters regarding which the Committee has requested such Company Professional Advisor’s services, (iii) receive the professional, expert views of the Company Professional Advisors based on their consideration of the matters addressed (which may take into account the views of senior management, but will represent the considered professional view of the involved Company Professional Advisor) and (iv) receive the views of senior management representing what they believe in good faith to be in the best interest of the Company and its shareholders.

The Committee will be authorized to access such internal and external resources described in the immediately preceding paragraph, at the Company’s expense, as the Committee deems necessary or appropriate to fulfill its role and responsibilities. The costs of such resources, together with other reasonable expenditures that the Committee deems necessary or appropriate in the performance of its duties, will be promptly paid by the Company.

Individual Committee members, in consultation with the Chairperson of the Committee, will have reasonable access to speak and consult with senior management and the Company Professional Advisors on topics being considered by the Committee.

In connection with pursuing its purpose, the Committee will have the specific authority, subject to the provisions of this Charter, including the next paragraph, and ultimate authority of the Board, to: (i) review the Company's long-term strategic plans and business objectives; (ii) make recommendations to the Board regarding such long-term strategic plans and business objectives; (iii) review with the Chief Executive Officer, and other senior management of the Company, material changes to the strategic direction of the Company, including changes to the Company's allocation of resources and expenses, changes involving acquisitions, joint ventures or dispositions of businesses and capital assets and the financing of such transactions and (iv) make recommendations to the Board for approval of such material changes to the strategic direction of the Company.

In connection with the Committee pursuing its purpose, it is expected that the Company's senior management will be an active participant in the effort to develop and assess potential courses of action. For the avoidance of doubt, the Committee is not intended to, and will not be used to, replace the role of the Company's senior management or modify or disrupt the current reporting structure of such management. It being understood, however, that responding to reasonable Committee requests (including if made by individual Committee members as provided above) of members of senior management to meet with the Committee (or such members) and discuss matters within the purview of senior management is contemplated as reasonable access to the Company's senior management, *i.e.*, members of senior management will be a directly accessible resource for the Committee.

Appointment and Removal of Members

The members of the Committee will be recommended by the Corporate Governance Committee and appointed annually by the Board. The Board may remove, by the affirmative vote of a majority of the directors then in office, any member from the Committee at any time, with or without cause; provided, the New Nominees (or their replacements, as applicable) will continue to serve on the Committee for so long as such persons serve as directors during the existence of the Committee. The Corporate Governance Committee will recommend the Chairperson of the Committee, with such person to be approved annually by the Board. In the absence of a member designated by the Board to serve as the Chairperson of the Committee, the members of the Committee may appoint from among their number a person to preside at Committee meetings. Vacancies on the Committee may be filled through appointment by the Board at any time. The foregoing is subject to the terms of the Cooperation Agreement.

Meetings

The Committee will establish a meeting calendar annually, which will include at least four quarterly meetings for the year. The Committee may hold such other meetings as are necessary or appropriate in order for the Committee to fulfill its responsibilities. A secretary will be designated to record meeting minutes.

Any four members of the Committee will be sufficient to constitute a quorum, and a majority of a quorum will be sufficient to adopt any resolution or take any action. Meetings may be called by the Chairperson of the Committee or by any three Committee members and may be held telephonically or in person or by other communications equipment by which all persons participating can hear each other.

Non-Member Meeting Attendees

Consistent with the Company's current practice regarding committees of the Board, any director who is not a member of the Committee may, if any director so chooses, attend all or part of any of the Committee's meetings, but shall not have a vote; provided, that the Chairperson of the Committee may hold executive sessions of the Committee members without any guests. For the avoidance of doubt, non-members of the Committee who attend its meetings will, as is normal practice with respect to all committees of the Board, not pre-empt or interfere with the role of Committee members. All Board members will be given reasonable advance notice of the Committee's meetings and will have the right to receive copies of materials provided to the Committee (including by accessing such materials through the Board's Diligent website).

The Committee may invite other individuals, including external advisors, whether officers/employees of the Company or not, to attend Committee meetings and provide information, analysis, and advice as it deems appropriate. Such invited individuals will not have a vote.

Guidelines

The Committee may carry out additional functions and adopt additional policies and procedures that have been approved by the Board to fulfill its primary role and responsibilities in light of changing business, legislative, regulatory or other conditions.

Term

The Committee shall remain in effect during the Standstill Period (as such term is defined in the Cooperation Agreement) and, if determined by the Board, thereafter.

No Additional Liability

While the Committee members have the duties and responsibilities set forth in this Charter, nothing contained in this Charter is intended to create, or should be construed as creating, any responsibility or liability of the Committee members, except to the extent otherwise provided under applicable federal or state law.