



**Itron**

2022

# ESG REPORT



environmental social governance



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# A Message from Our CEO, Tom Deitrich

## To All of Our Valued Stakeholders,

Protecting the world's energy and water resources is essential to sustaining society and our planet. The impacts of climate disruption and water scarcity were evident around the globe in 2022 as natural disasters increased in frequency and strength, which challenged the ability to provide resilient delivery of critical energy and water services. Today, utility infrastructure is aging and ill-equipped to handle increased, variable load from electric vehicles and distributed energy resources (DERs). Mandates to reduce greenhouse gas emissions around the world are driving the transition to clean energy. And through it all, consumers are demanding higher reliability, deeper insights and more secure access to data from their service providers than ever before.

The call for action is clear—and the time to act is now. **At Itron, we are steadfast in our commitment to protecting tomorrow's water and power supply** by enabling utilities and cities to better manage these resources. By operating with integrity, we do the right thing for our business, our customers and our planet—this is how we create a more resourceful world.

Itron's solutions and services already play a major part in solving these crises. During 2022, we estimate **our solutions helped customers cumulatively avoid at least 4.9 million metric tons of greenhouse gas emissions**. Around the world, our customers continue to rely on Itron's innovation to address complex demands such as transportation electrification, integration of renewable energy sources like wind and solar, conservation and energy efficiency programs, environmental pressures, water scarcity and mandates for carbon reduction. We have only just begun and are confident these benefits will expand and accelerate moving forward.

Alongside product portfolio innovation, we also made important commitments in 2022 to help address climate disruption by **reducing our own carbon emissions by at least 50% by 2028**—and ultimately achieve net zero emissions by 2050. To meet these goals and improve our environmental impact across our value chain, we collaborate with key partners and rely on the dedication and expertise of our people.

Our people are our most vital resource. We are deeply invested in fostering an engaged, inclusive and diverse workforce. Our development and well-being initiatives continue to emphasize professional and personal growth while making Itron a great place to work. Beyond our offices and facilities, Itron employees contribute their talents and expertise to create more resourceful communities in which we live and work.

This report highlights our environmental, social and governance (ESG) strategy in action. Every day, Itron is fueled by the opportunity to address the industry's pressing challenges and help protect our planet's precious resources. We strive to do the right thing for our employees, customers, shareholders and communities as we endeavor to **create a more resourceful world**.

Sincerely,



**Tom Deitrich**

President and CEO  
Itron, Inc.





# About Itron

Founded in 1977 and headquartered in Liberty Lake, Washington, Itron, Inc. (NASDAQ: ITRI) is a proven global leader in energy, water, smart city, industrial IoT (IIoT) and intelligent infrastructure. For utilities, cities and humanity today and in the future, we build innovative solutions that create new efficiencies, enable the clean energy transition, drive down costs, improve reliability, connect communities, and increase and promote resourcefulness. By safeguarding our invaluable natural resources, we improve the quality of life for people around the world.

Our portfolio of smart networks, software, services, devices and sensors enables utilities and cities to deliver critical infrastructure solutions safely, securely and reliably. Once these solutions are in place, **we provide our customers with the intelligence they need**—at the edge and all the way through the system—to unlock new possibilities for

better resource management and deliver a better consumer experience. This is especially important in today's world as we bring together policy makers, communities and citizens as we collaborate to reduce greenhouse gas emissions, address aging infrastructure and integrate new, distributed energy resources (DERs).





# Our Purpose

At Itron, **we create a more resourceful world** to protect tomorrow's water and power, today. We are dedicated to making the most of the resources we have and to ensuring they are managed in the best way possible. Through our lens of resourcefulness, we seek out and develop creative, innovative and determined ways to solve the challenges facing our industry with a fresh perspective. Itron's commitment to creating a more resourceful world is both foundational to our success and the driving force behind the dedication of our global workforce.





# Itron by the Numbers



5,000+

People Across the Globe



8,000

Customers in 100 Countries



250+

Partners

200M+

Communicating  
Endpoints

90M+

Endpoints Under  
Management

5.8M+

Distributed Intelligence  
Enabled Endpoints

4M+

Streetlights Under  
Management

\*Numbers as of Dec. 31, 2022. Employee number included full-time employees and contingent/contract workers.



# Our Business Units

**Device Solutions** primarily includes hardware products used for measurement, control or sensing that do not have communications capability embedded for use with our broader Itron systems, i.e., hardware-based products not necessarily part of a complete end-to-end solution.

**Networked Solutions** primarily includes a combination of communicating devices (e.g., smart meters, modules, endpoints and sensors), network infrastructure and associated application software designed and sold as a complete solution for acquiring and transporting robust application-specific data.

**Outcomes** primarily includes our value-added, enhanced software and services in which we manage, organize, analyze and interpret data to improve decision making, maximize operational profitability, drive resource efficiency, improve grid analytics and deliver results for consumers, utilities and smart cities.

# Itron Certifications & Recognition

Itron is committed to continuous improvement across our organization and meets or exceeds a variety of industry standards for quality, delivery, environmental and information management, services and more.

Learn more at [www.itron.com/na/resources-page/certifications](http://www.itron.com/na/resources-page/certifications)

Itron was recently recognized as one of Newsweek’s *Greatest Workplaces 2023 for Diversity* as well as one of *America’s Most Responsible Companies 2023*. Here are some additional recent accolades.



Demand Response-  
Leadership at the Edge



100 Most Sustainable  
Companies - 2021



Public Safety  
Innovation of the Year –  
Wastewater Monitoring



Visionary – Gartner Magic  
Quadrant for Managed IoT  
Connectivity Services



Gold Stevie® for Public  
Safety Innovation – American  
Business Awards®



Smart Streetlights Leader-  
Navigant Research  
Leaderboard



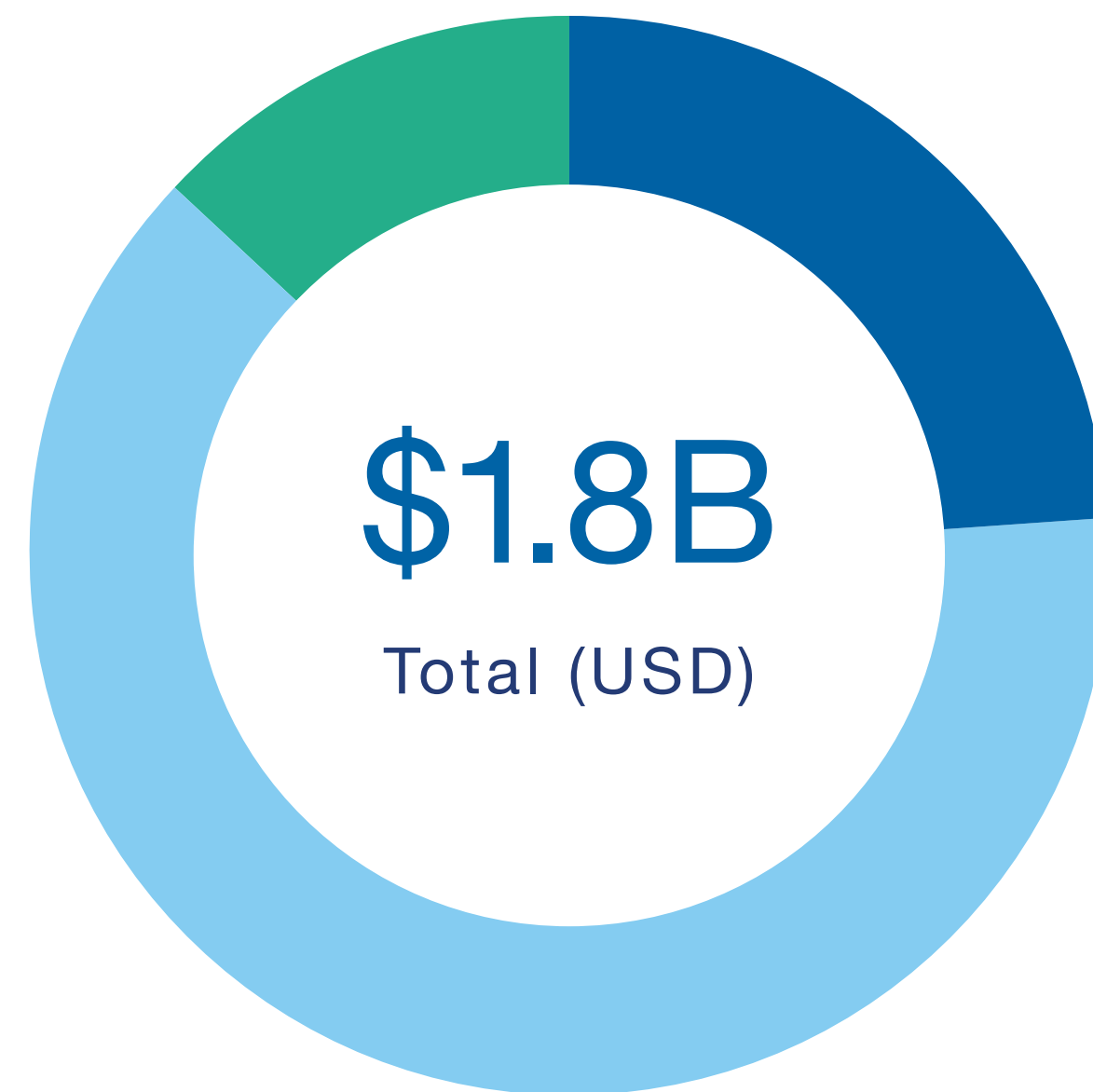
#1 U.S. Smart Lighting  
Projects



GovTech Top 100 – 6th  
Consecutive Year



## 2022 Revenue by Business Unit



25%

Device Solutions

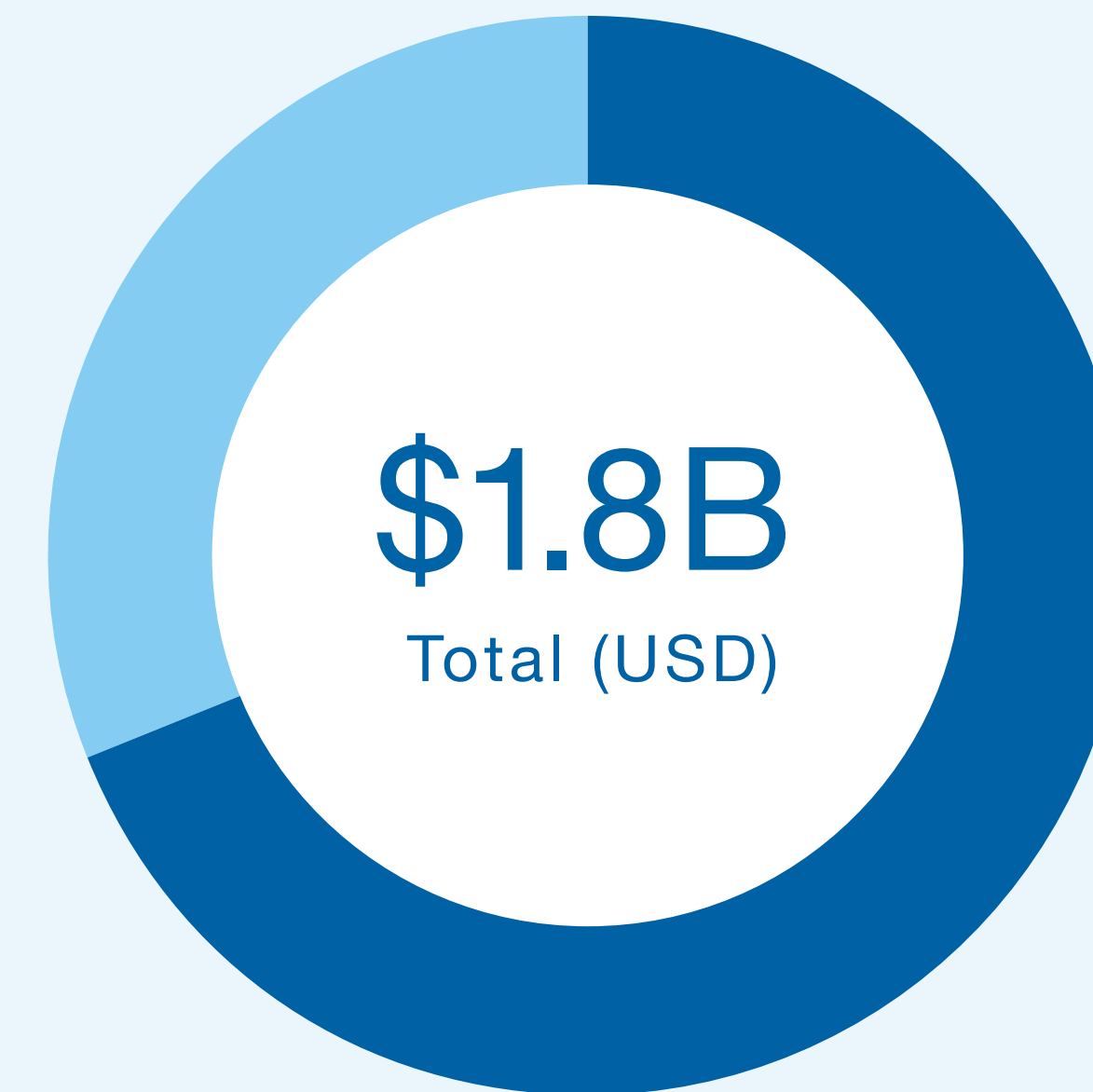
62%

Networked Solutions

13%

Outcomes

## 2022 Revenue by Resource



69%

Energy

31%

Water



# 2022 ESG Highlights

## Providing Sustainable Solutions:

At least **4.9M+** metric tons of customer GHG emissions avoided 

In one year, this is equivalent to\*:



**1.1M** gasoline powered cars



**+12** natural gas-fired power plants



**953k** homes' electricity use

## Improving Our Environmental Impact:

### Set targets to:

- Reduce Scope 1 and Scope 2 GHG emissions **>50%** reduction by 2028
- Make operations carbon neutral by 2035
- Achieve net zero emissions by 2050

**28%**

**reduction** in total GHG emissions vs. 2021

**88%**

of manufacturing facilities **certified to ISO 14001**

## Supporting Our People and Communities:

**90%**

**of employees** see a clear connection between their work and Itron's purpose

**60,000+**

**hours** of professional training and development logged by employees

**\$1.1M**

**in corporate philanthropy** and community (or educational program) investments

**375** 

**causes** supported through Itron Gives corporate and employee giving and volunteer program

## Operating with Integrity:

Our Board of Directors is **88%** **independent**

**38%** 

**female** Board of Directors representation

Signatory to the **United Nations Global Compact**

**"Leader"** category by MSCI & **"Low risk"** profile by Sustainalytics

\*Examples based on 4.9M metric tons and data generated [here](#).





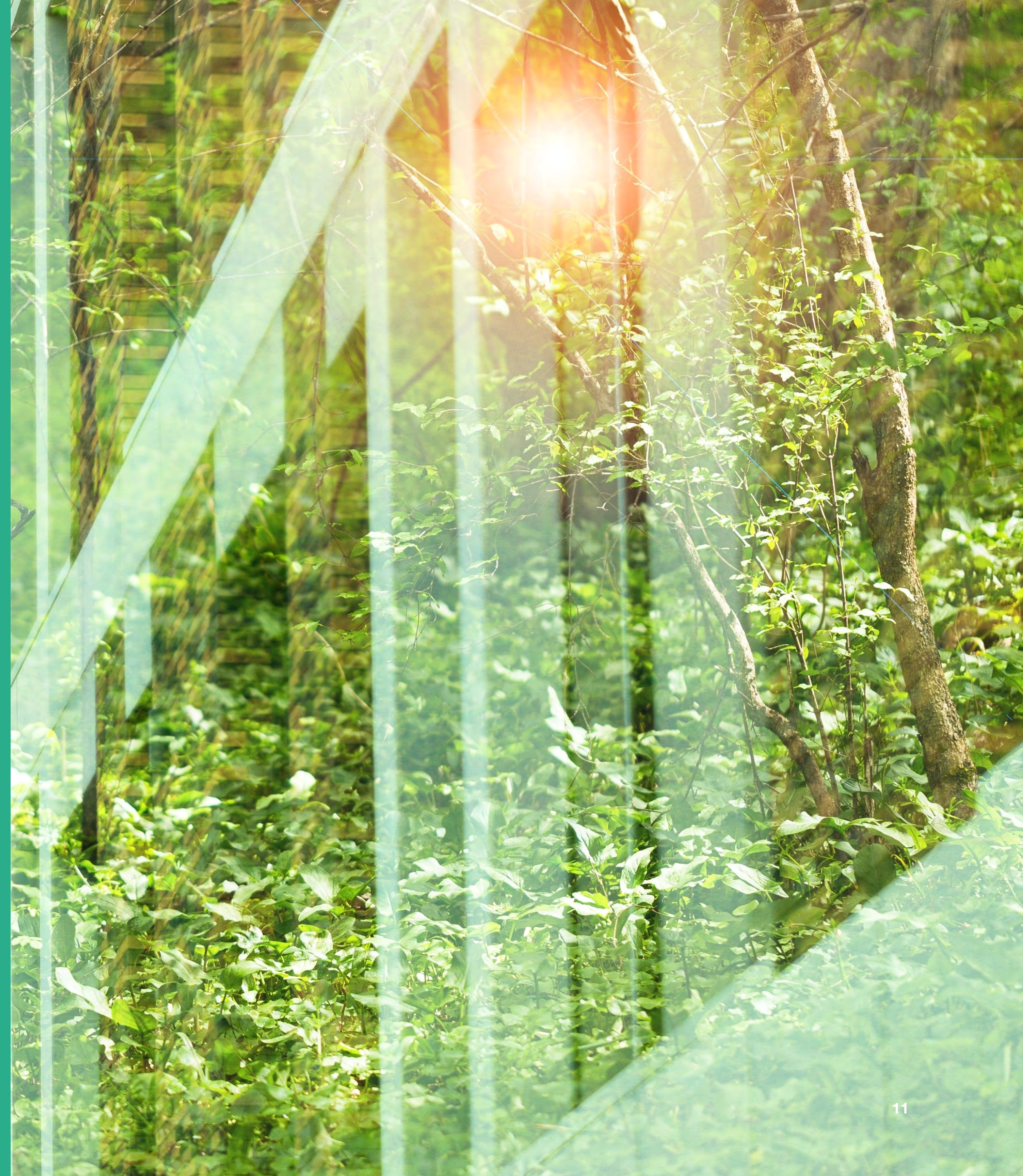
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**Itron's success  
relies on our  
commitment to  
operate predictably,  
profitably and with  
integrity.**



# Our Approach to ESG

Itron is a purpose-driven company and has been since its inception. Our commitment to sustainability and environmental, social and governance (ESG) practices is core to how we create a more resourceful world. It is intrinsic to our strategy and allows us to address the evolving expectations of our customers, shareholders, employees, communities, regulators and other stakeholders. Simply stated, we strive to uphold these practices because it's the right thing to do.





# Our Strategic Pillars

Our ESG strategy is centered around four key pillars. These encompass topics our leadership has determined are strategic priorities within the environmental, social and governance dimensions:

- **Operating with Integrity** – How we strive to do the right thing. Always.
- **Providing Sustainable Solutions** – How we help our customers succeed, including helping them achieve their environmental goals and business objectives.
- **Improving Our Environmental Impact** – How we run our company with an eye toward sustainability.
- **Supporting Our People & Communities** – How we uphold our commitment to employees and communities across the globe.

These pillars allow us to focus on and execute Itron's ESG strategy across a diverse and ever-changing landscape of opportunities, both internally and externally. Collectively, they help us achieve our goals and commitments to our stakeholders.



## Operating with Integrity



## Providing Sustainable Solutions



## Improving Our Environmental Impact



## Supporting Our People & Communities

### WE SUPPORT



As of May 2022, Itron is proud to be a signatory to the United Nations Global Compact, the world's largest corporate sustainability initiative that encourages businesses to support responsible principles on human rights, labor, environment and anti-corruption, and advance implementation of the UN's Sustainable Development Goals (SDGs).

We remain committed to responsibly managing our business and operations to further advance the SDGs. We have identified the following **five goals where we have opportunity to make the greatest impact** given the nature of our business:

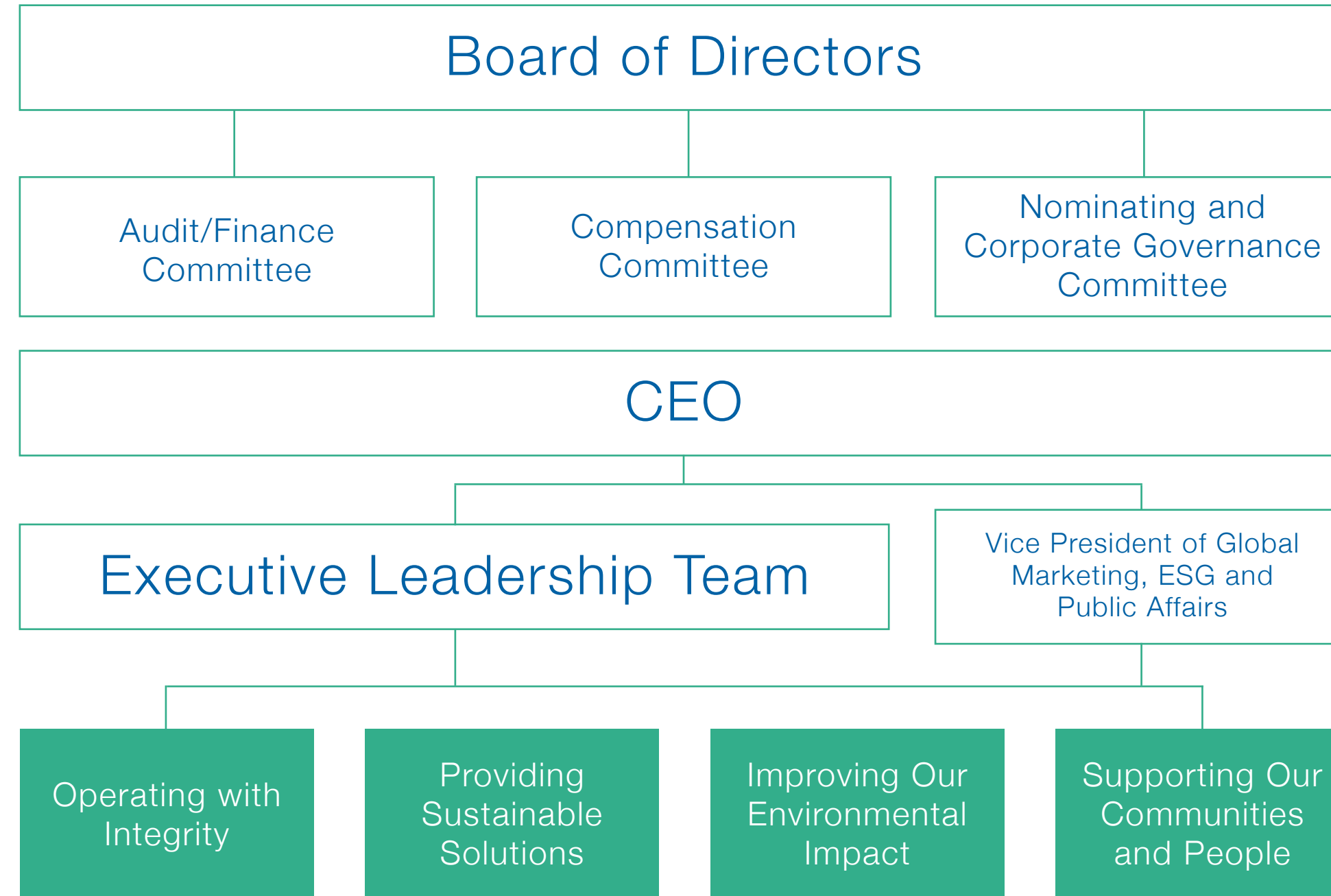




# ESG Governance

Itron's ESG governance starts at the top, with oversight of our efforts from our Board of Directors. The Board is comprised of individuals with wide-ranging experience in governance, manufacturing, supply chain and risk management topics. The Board and its committees receive regular updates from management on environmental and social topics.

Each strategic pillar is sponsored by a member of Itron's executive leadership team, and our Vice President of Global Marketing, ESG and Public Affairs oversees our ESG strategy and disclosures. Ultimately, responsibility and accountability extend down to the grass-roots level, where **ESG is embedded into our operations, our employees' day-to-day activities and our culture.**



# Topic Prioritization & Stakeholder Engagement

Itron periodically examines its priority ESG objectives to account for changes to our business, the regulatory environment and stakeholder expectations. We review peer disclosures, ESG ratings (e.g., ISS, MSCI and Sustainalytics), investor stewardship priorities, ESG standards and frameworks (e.g., SASB, TCFD, UNGC and the SDGs), and the perspectives of our leadership and other internal stakeholders. We use the results of this assessment to inform our strategy, pillars and disclosures.

We also conduct **ongoing engagement with customers, employees, shareholders and community stakeholders** to discuss our ESG priorities.



# Operating with Integrity

Itron's success relies on our commitment to operate predictably, profitably and with integrity. Everything we do is grounded in a strong foundation of ethical conduct as well as responsible, accountable and transparent business practices. As a signatory of the UN Global Compact, and as an organization committed to stakeholder engagement, we strive to build trust through all that we do.

**Pillar Oversight:** Itron's Board of Directors oversees and monitors important governance issues, including risk management, Board composition and renewal, executive and Board compensation, ethics issues and ESG matters. Our ethics, compliance and global privacy programs are led by our Senior Vice President, General

Counsel & Chief Compliance Officer, who provides regular reports and updates to the Board of Directors. Information security matters are overseen by our Director of Information Security, who reports to our Vice President, Information Technology, and provides regular updates to the Board.



## Itron Policies and Standards

- [Code of Conduct](#) ↗
- [Anti-Bribery and Corruption Policy](#) ↗
- [Supplier Code of Conduct](#) ↗
- [Global Human Rights Policy](#) ↗
- [Equal Employment Opportunity Policy](#) ↗
- [Conflict Minerals Policy Statement](#) ↗
- [Global Privacy Notice](#) ↗





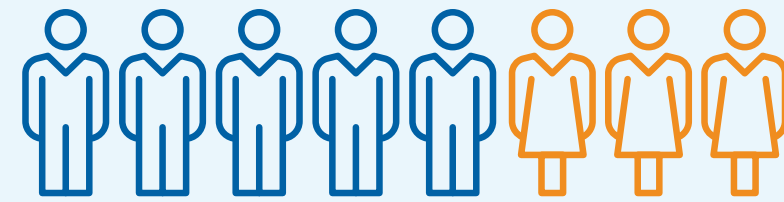
# Corporate Governance

Itron's corporate governance practices help promote long-term value and strong Board and management accountability to our stakeholders. We **regularly monitor our corporate governance policies and practices** to confirm we meet or exceed the requirements of applicable laws and the Nasdaq's listing standards. The independent Directors of Itron's Board sit on or chair three committees that preside over aspects of our business operations: *Audit/Finance, Compensation and Nominating and Corporate Governance*.



Average Director Tenure: 5.75 years

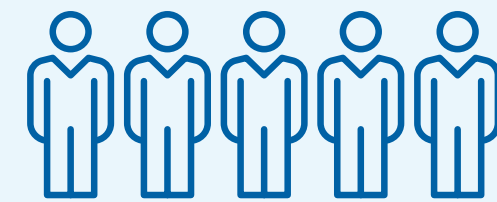
Average Director Age: 61 years



Number of directors or nominees: 8



Number of independent directors: 7



Number of men: 5



Number of women: 3



Number of people of color: 1

# Ethics and Compliance

**We are committed to upholding the highest legal and ethical standards.** To that end, we have adopted specific policies, procedures and standards to help us maintain our commitment.

## Code of Conduct

The Code of Conduct serves as an important resource to ensure our business interactions, inside and outside the company, are conducted with integrity. The Code applies to everyone at Itron, including directors, officers, all employees of the company and its subsidiaries and affiliates, contractors, temporary workers and consultants. All representatives of Itron are required to understand and fully comply with the Code.

## Supplier Code of Conduct

Our Supplier Code of Conduct defines our commitment to conducting business in an ethical, legal and socially responsible manner within our global supply chain. The Supplier Code of Conduct communicates expectations for responsible operations in support of Itron's business. If a supplier is found to be in violation of the Supplier Code of Conduct or any other, it may result in the termination of the relationship.

## Global Human Rights Policy

We are committed to maintaining and improving systems and processes to avoid complicity in human rights violations related to our own operations, our supply chain and our products. This policy covers several main principles, including: diversity and non-discrimination; harassment prohibition; workplace safety; prevention of human trafficking, forced labor and child labor; working hours and minimum wage standards; freedom of association/collective bargaining; product responsibility; privacy; environmental stewardship; and supplier responsibility.

\*Director numbers as of June 1, 2023.



### Equal Employment Opportunity Policy

Itron affords equal opportunity for employment to all individuals regardless of race, color, religion, sex, gender identity, age, national origin, citizenship, sexual orientation, marital status, pregnancy, medical condition, veteran status, disability, genetic information and to prohibit gender identity, ancestry, discrimination and harassment based on any of these factors. Itron, Inc. also observes the fair employment laws in each respective jurisdiction in which we operate. We are strongly bound to this policy.

### Ethics and Compliance Training

Itron has high ethical standards for how we conduct our business. The standards described in the Code of Conduct reflect company policy as well as the laws that we all must follow—employees, officers and directors alike—and serve as a guide for making ethical business decisions. To help ensure our employees conduct business in the most ethical manner possible, we regularly assign training modules on a variety of topics, including ethics, human trafficking, antitrust and more. For our assigned trainings launched in 2022, we had extremely high completion levels for these critical subjects.

## Training completion metrics:

100%  
Global Code of Conduct

99.3%  
Anti-bribery and Corruption

99.8%  
Antitrust / Competition

99.9%  
Combatting Modern Slavery

### Ethics Reporting (Whistleblower)

Itron has an open-door policy and recommends that employees share their questions, concerns, suggestions or complaints with someone who can address them properly, including an employee’s supervisor, the Legal Department, Human Resources Department, or anyone in management whom employees are comfortable approaching. Employees may also report to Itron’s EthicsPoint hotline, operated by an independent third party, available in many languages and available 24/7.

Supervisors and managers are required to report complaints or concerns made to them regarding suspected violations of company policy or the Code of Conduct to Itron’s Chief Compliance Officer who will investigate all reported violations. Neither the Company nor any of its employees may retaliate or discriminate against any employee who: (a) submits a report of a suspected violation; (b) lawfully provides information regarding any conduct which the employee reasonably believes violates Company policy or the Code; or (c) participates in or otherwise assists with an investigation.

## Data Privacy and Security

The protection and integrity of data is foundational to driving our operational excellence, improving our customer experience and ensuring our continued growth and success. Our Board of Directors receives regular updates about Itron’s global information security strategy. Our cybersecurity strategy and programs are overseen by our Director of Information who chairs an executive-level steering committee, the Information Security Steering Committee, and reports directly to the Vice President, Information Technology. Together with the global privacy team, these teams work to safeguard company and customer data. We also have a dedicated organization focused on security and data privacy in Itron’s solutions and services.

**Itron maintains a written information security program with global policies and standards.** These policies and standards are reviewed and updated annually. All employees and contractors are required to adhere to these policies and must read and explicitly acknowledge their understanding of policies and standards relevant to their role with each revision. Itron’s security program is risk-based and technical, organizational and administrative controls are implemented based on the evaluation of risk.



Itron follows both the International Organization for Standardization (ISO) and National Institute of Standards and Technology (NIST) cybersecurity standards. To date, we have received ISO 27001 certification across all our Global Managed Services sites, as well as several key manufacturing and R&D sites. In addition, all our North American Global Managed Services operations maintain a SOC 1 Type 2 and SOC 2 Type 2 attestations. We also maintain additional SOC attestations in non-North American managed services based on customer requirements. We regularly test our technical defenses with internal and external trained professionals seeking to probe the company's cybersecurity defenses and have a Security Incident Response team in place to respond to potential threats.

Our Global Privacy Notice outlines how Itron collects, uses and safeguards personal data, periodically reviews security measures and ensures that we are compliant with the data privacy laws and regulations of the jurisdictions in which we operate.

All Itron employees and contractors receive quarterly training on privacy and cybersecurity practices, as well as exposure to regular phishing tests and awareness initiatives.



## Enterprise Risk Management

Annually, as part of our enterprise risk management (ERM) update process, our ERM risk register is evaluated by senior management using a top-down approach. We also evaluate emerging risks to our business through a bottom-up approach to ensure we are considering new and emerging risks that could pose opportunities and threats to our business.

The most significant ERM risks are identified, and risk owners are assigned to ensure risks are appropriately monitored and/or mitigated. The ERM team then evaluates each of the risks with the risk owners to understand the key risk drivers within our organization; risk mitigation action plans are identified with ownership and due dates; and risk indicators (metrics and KPIs) are identified to ensure our risk mitigation action plans are being measured and monitored.

We also go through a quantitative and qualitative risk assessment process each year to assess the inherent risk score calculated based on the likelihood and impact of each risk occurring within the organization. We then score the internal controls and risk mitigation effectiveness to determine the residual risk, which is then used to evaluate the nature and extent of the additional internal controls or risk mitigation activities that need to be implemented.

Climate disruption is just one of the many risks considered when determining which significant ERM risks are monitored within the program—and as one of the top tier risks being actively managed within the ERM program, it encompasses physical risks and transition risks related to climate disruption as well as the related regulatory reporting landscape inclusive of ESG.



# Providing Sustainable Solutions

The way the world manages energy and water will be one of the defining actions of this century. At Itron, we are committed to creating a more resourceful world—one where energy, water and city resources are managed safely, securely and reliably to improve day-to-day life and promote the well-being of people around the world.

**Pillar Oversight:** Our portfolio of sustainable solutions is developed and deployed by a variety of cross-functional teams, led by our

Head of Market Intelligence & Business Value Analysis and our Senior Vice President, Customer and Market Experience, with regular oversight from business unit and executive leadership.

#### **Itron Policies and Standards:**

- [Global Privacy Notice \(GDPR,CCPA, data protection laws\)](#) ↗
- [Anti-Bribery and Corruption Policy \(U.S. FCPA\)](#) ↗
- Regular audits of our partners' compliance programs
- Careful analysis of customer credit risk and other factors





# Impacts of Products and Services

We invent new ways for cities and utilities to work together so they can use data captured by our intelligent endpoints, sensors and systems to cost-effectively leverage their infrastructure to deliver multiple services and applications on a reliable, intelligent platform capable of serving all their customers.

**Itron helps our customers adapt to a rapidly changing world** and to address a variety of sustainable development challenges, including:



## Infrastructure:

- Aging utility infrastructure
- Grid security and safety
- Asset monitoring and management
- Incorporating the proliferation of distributed energy resources, such as EVs, renewable energy and storage, into the grid



## Environmental:

- Extreme weather
- Resource scarcity
- Demand for sustainability and decarbonization



## Social:

- Enhanced customer experience
- Critical needs of consumers
- Privacy
- Urbanization
- Population increase
- Management of “big data”
- Incorporating IIoT technology into existing operations

We also seek to minimize potential negative impacts of the development or delivery of our products and services, wherever possible. Our procedures and processes strive for compliance with several European Union directives—including WEEE, RoHS and REACH—across our products.

# Cleaner Energy Economy

**We are helping our industry accelerate the transition to a more decarbonized economy.** Our innovative solutions enable utilities and cities around the globe to enhance their sustainability efforts by enabling renewables, supporting a revolution in electrified mobility and reducing losses in the use of precious natural resources—all while increasing service resiliency, reliability, security and accessibility for all.

For example, Itron’s solutions with distributed (or edge) intelligence and data analytics can detect when new distributed loads (such as EVs) or energy sources (such as photovoltaic solar panels) are connected to the grid—easing the integration of these distributed energy resources (DERs) into the delivery system and prolonging asset life. Combined with our suite of Optimizer solutions (for EVs, DERs and grid-edge management) and our portfolio of Distributed Energy Management solutions for demand response, Itron provides utilities and municipalities with the tools and capabilities to monitor demand and communicate with their customers to reduce the overall load and impact to the grid. To help with the transition to cleaner energy sources, our latest-generation Intelis gas meter allows the incorporation of hydrogen in the natural gas mix, without sacrificing safety or accurate measurement.



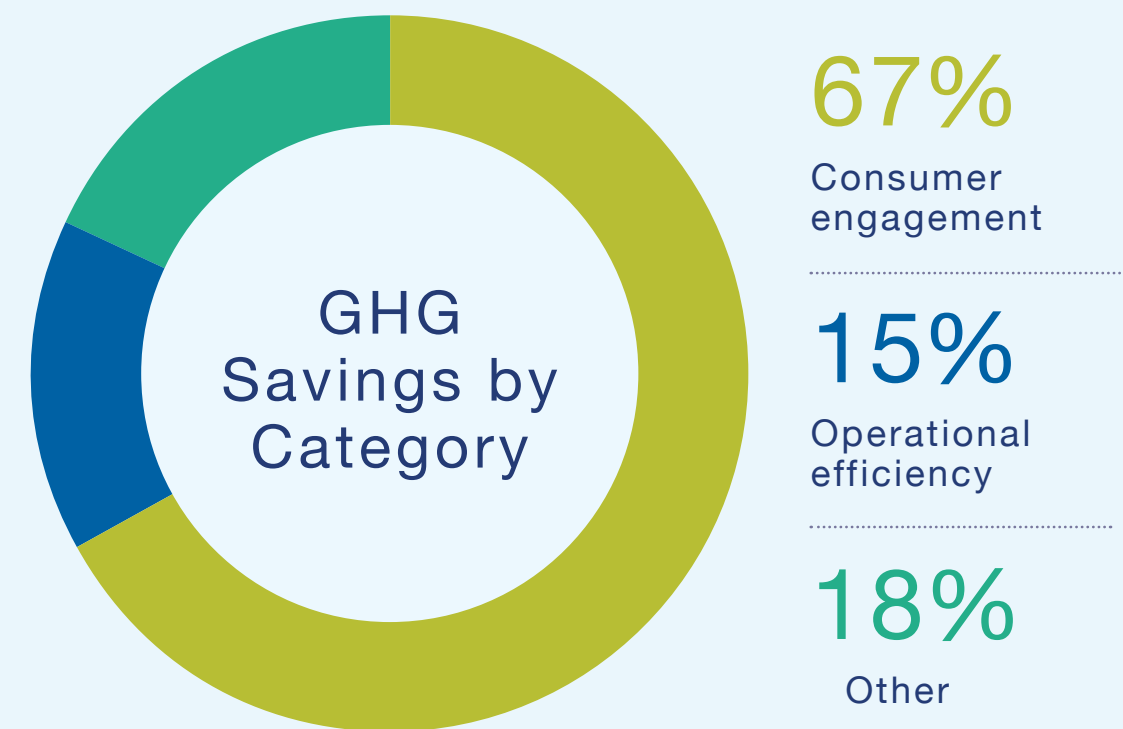
The breadth of Itron's portfolio of offerings—including advanced metering infrastructure (AMI), distribution automation (DA), asset management (such as distribution transformer monitoring, or DTM), demand response (DR) programs—combined with our growing experience in renewable energy integration and managing EVs uniquely positions Itron to help drive this transformation. Equally important as the work our customers do is what they can do with their customers—the end consumers of energy and water. In 2022 alone, Itron estimates that our solutions already **enabled customers cumulatively to avoid at least 4.9 million metric tons of greenhouse gas (GHG) emissions**. This estimate is based on only a portion of our installed base of solutions including gas and water AMI endpoints in the U.S. and Canada; electricity AMI endpoints globally; and our AMR, prepayment and demand response solutions.

**At least**  
**4.9M**  
**Metric tons of customer GHG emissions avoided**

These avoided emissions come from two main areas that our utility and smart city solutions directly impact:

**Consumer engagement:** Providing online access to consumer energy portals; and leveraging demand response programs with time-varying (or time-of-use, TOU) rates to incentivize consumers to use energy at off-peak times for better pricing and conserve energy.

**Operational efficiency:** Reducing truck rolls for basic utility operations; quickly identifying and mitigating water loss in the distribution system, which ensures clean, treated water is properly used—water that takes energy to distribute; utilizing AMI data to reduce or eliminate theft; and conservation voltage reduction (CVR) efforts, enhanced by an AMI system, where each endpoint can serve as a voltage measurement point.



## Customer Success Stories



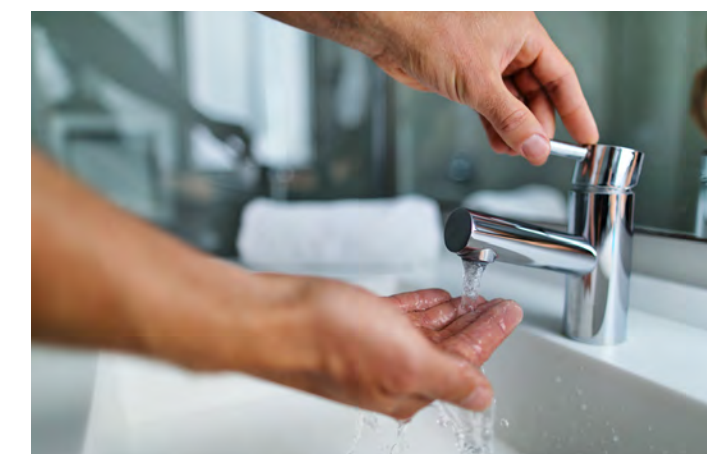
### [Delivering a Managed EV Charging Program](#)

Duke Energy Florida, which supplies electrical services to 1.9 million customers throughout Florida, and Itron are collaborating to deploy our newly-developed DER Optimizer solution. DER Optimizer is a suite of modules that enables utilities to monitor residential electric vehicle (EV) charging and manage holistic residential EV charging programs at scale. Duke Energy Florida will use the Itron application to collect permissible EV charging session data in near-real time and gain insights into residential EV charging behavior.



### [Reducing Carbon Emissions by Unlocking Utility Energy Analytics](#)

Itron and SmartThings are working together to provide an integrated energy experience by integrating Itron's industrial IoT (IIoT) network solution with SmartThings' services and solutions. By combining these industry-leading IoT platforms, we will enable utilities to unlock the user experience and rapidly enhance value to both the consumer and the utility through improved distributed energy management, accelerated carbon reduction and enhanced consumer engagement.



### [Achieving Water Conservation Goals with Shared Infrastructure](#)

PUB, Singapore's national water agency, is leveraging SP Group's existing Itron industrial IoT network canopy for smart water metering. The smart water metering rollout will connect some 300,000 Itron residential and C&I smart water meters to the existing network to help PUB achieve its water conservation goals.



# Improving Our Environmental Impact

Resourcefulness is at the heart of everything we do. We are committed to the responsible management of energy and water and to combating risks posed by climate disruption. Alongside the sustainable impact Itron has with our customers and their consumers, we seek to make a difference in our own operations by improving the environmental impact of our facilities, offices and supply chain.



**Pillar Oversight:** Our efforts to improve our environmental impact are overseen by a dedicated team, led by our Senior Vice President, Global Operations, and our Vice President of Quality & Sustainability. This team is responsible for developing and implementing strategies to achieve our ambitions related to Itron's environmental management systems, climate strategy and supplier environmental performance. This team works in close collaboration with our Board of Directors, business leaders and ESG advocates from across the organization.

## **Itron Policies and Standards:**

- [Health, Safety and Environmental Policy](#) ↗
- [Supplier Code of Conduct](#) ↗
- [ISO 14001 Certifications](#) ↗





# Environmental Management

Itron's Health, Safety and Environmental (HSE) Policy and Supplier Code of Conduct formalize **our commitment to excellence in operational and environmental stewardship**, extending beyond our operations to our suppliers and contractors. All Itron employees are required to complete HSE training.

In 2022, 88% of our manufacturing facilities had achieved International Organization for Standardization (ISO) 14001 – Environmental Management Systems certification. ISO 14001 standards allow us to define and maintain robust governance on our facilities, supporting continuous improvement in energy, water and waste reduction efforts. These sites are audited periodically by third parties and our internal audit team. Environmental liabilities are managed at a regional level to ensure that local expertise, regulatory knowledge and cultural awareness are applied.

Itron's leadership team convenes quarterly at our Executive Integrated Management Review meetings to share best practices and discuss local and regional performance on environmental topics, including metrics and targets, and adherence to standards and regulations.

**88%** of manufacturing facilities certified to ISO 14001

# Waste Management

At Itron, responsible waste management is a baseline expectation, and we comply with all local regulations for wastewater and hazardous material disposal. While not a major producer of solid or hazardous waste, we strive to reduce the amount of waste we dispose of in landfills each year. We work to reduce waste in our manufacturing facilities and offices through initiatives such as:

- ISO 14001 standards
- Applying lifecycle thinking and management to our products and processes
- Thoughtful design of our spaces
- Reducing single-use items and plastics and by engaging employees through education and awareness
- Engaging with our service providers

		2020	2021	2022
<b>Solid Waste, Non-recycled (Landfill &amp; Industrial Landfill)</b>	lbs	1,495,625	1,156,782	981,822
<b>Solid Waste, Recycled</b>	lbs	23,359,420	4,694,519	3,991,048
<b>Hazardous Waste, Non-recycled</b>	lbs	2,503	6,125	3,916
<b>Hazardous Waste, Recycled</b>	lbs	169,776	259,933	126,932

# Water Use

We help our customers ensure water resources are efficiently and effectively managed and look to do the same in our own operations. Currently, **our facilities use minimal amounts of water, do not discharge to any bodies of water and are not located in water-stressed areas**. We continually monitor our water consumption in our manufacturing facilities and offices, repair water leaks and deploy water-saving technologies, where appropriate.

		2020	2021	2022
<b>Water Use / Withdrawal</b>	Gallons	21,773,570	27,200,317	19,787,561



# Climate & Emissions

We recognize that climate disruption poses potential risks and opportunities for Itron’s business, customers and communities. We take pride in the solutions we deliver that enable our customers to increase energy efficiency, reduce reliance on fossil fuels and ultimately their own GHG emissions. We are committed to continuous efforts to reduce GHG emissions in our own operations and value chain, and to transparently report climate-related information to our stakeholders through frameworks such as the Task Force on Climate-Related Financial Disclosure (TCFD) and CDP.

In 2022, Itron joined the **Business Ambition for 1.5°C campaign by committing to achieve net-zero emissions by 2050**. In addition, we have committed to a 50% reduction in Scope 1 and 2 emissions by 2028 (compared to 2019 baseline), and carbon neutrality by 2035. As we seek approval of these targets from the Science Based Targets initiative (SBTi), we are identifying and implementing a variety of initiatives to reduce our energy consumption and emissions such as:

- Increasing energy efficiency (e.g., lighting and equipment) to reduce emissions within our manufacturing facilities and offices
- Increasing the use of natural sun light in our manufacturing operations
- Utilizing renewable electricity sources
- Optimizing fuel consumption in our facilities and fleet
- Partnering with suppliers to reduce their emissions
- Expanding our Scope 3 accounting tools and methodology

For more information on Itron’s approach to climate risks and opportunities, see our latest TCFD disclosure on page 34.

		2020	2021	2022
<b>ENERGY USE</b>				
<b>Direct</b>	Natural Gas (Therms)	488,839	629,396	386,331
	Fuel Oil (Gallons)	12,053	9,612	15,210
	Propane (Gallons)	16,914	13,590	13,929
<b>Indirect</b>	Electricity (kWh)	47,094,956	46,864,008	41,275,282
<b>Electricity Use (kWh)</b>	Per \$1,000 USD Revenue	21.67	23.64	22.99
<b>GHG EMISSIONS (METRIC TONS)</b>				
<b>Scope 1 (CO2) (metric tons)</b>	Carbon Dioxide	5,533.8	6,362.1	5,006.0
<b>Scope 2, CO2 (Metric Tons)</b>		11,818.9	10,455.9	8,779.0
<b>Scope 3, CO2 (Metric Tons)</b>		23,715.4	18,721.0	11,933.0
<b>TOTAL (Carbon Equivalent)</b>		<b>41,068.1</b>	<b>35,539.0</b>	<b>25,718.0</b>

Itron GHG reduction targets:

Achieve a **>50% Reduction** in Scope 1 and Scope 2 GHG emissions by 2028 (over 2019 baseline)

Operations will be **Carbon Neutral** by 2035

Achieve **Net Zero Emissions** by 2050



# Supplier Engagement

Itron collaborates with our suppliers to deliver innovative solutions to our customers around the world. We celebrate diversity and are committed to creating an inclusive environment within our supply chain. This means we expect all third-party suppliers, vendors and service providers to uphold the values of our organization. Our suppliers and contract manufacturers (CMs) are **governed by our Supplier Code of Conduct**, which is a required part of the onboarding and contracting process.

We view the relationships we build with our suppliers over the long-term as a key indicator to the strength and resiliency of our business. In 2022, we continued to streamline our supplier ecosystem with the goal of improving our ability to secure material and meet customer demand as well as benefiting the planet. To ensure we are partnering with like-minded companies who share our objectives, we have tightened the requirements for our supplier contracts and our preferred supplier list. In 2023, we plan to create a comprehensive roadmap for our supplier audits.

Our preferred suppliers must:

- Approve and align to our Supplier Code of Conduct
- Agree to be audited on E, S and G practices including ethics, labor practices, environmental compliance and conflict minerals

To align with our environmental objectives, we have added ESG expectations to supplier contracts to reduce overall greenhouse gas (GHG) emissions not just in our operations, but our suppliers' businesses as well. We ask our suppliers to report on their GHG emissions and identify ongoing reductions targets. **It's vital to us that**

**our suppliers align with our environmental improvement plans and work closely with us** so we can learn from one another and leverage our combined knowledge to move with agility and efficiency. We recognize that through our collaboration comes the opportunity for continued education. When applicable, we have worked with and trained our suppliers on our environmental initiatives.

By trimming the ranks of our Electronics Manufacturing Service (EMS) partners, as well as the total number of suppliers we use, Itron is reducing the overall freight activity and impact between suppliers, our facilities and our customers. This reduces carbon emissions, fossil fuel consumption and other related environmental costs.

Similar benefits are emerging from our lifecycle management program. New efficiencies mean fewer pilots, fewer shipments of goods from suppliers and fewer shipments to our customers for requalification. As part of our evaluation process for both CMs and suppliers, we assess where our partners are located with the goal of creating more efficient and less environmentally impactful transportation routes. We are currently in the process of developing a regionalization plan to best localize our supply chain. These are efficiencies that benefit both our business and the planet.

In 2022, we also continued to grow our Supplier Diversity Program. For more information, see page 28 of this PDF.





# Supporting Our People & Communities

At Itron, our people are our most vital resource. We foster a culture of engagement and inclusivity where all employees can contribute to the success of the company and our impact on global communities. We encourage curiosity and invest in the professional and personal growth of our workforce. With diverse perspectives, we work together—and with our stakeholders—to problem solve, innovate and succeed.

**Pillar Oversight:** Employee-related matters are the responsibility of all members of Executive Leadership and functional heads. Dedicated teams within our Human Resources function—headed by our Senior Vice President, Human Resources—lead efforts on engagement, inclusion and diversity, talent attraction and recruitment, learning and development, performance management, compensation, safety and well-being initiatives.

Community-related activities and programs are managed by our Principal of Corporate Social Responsibility and overseen by our Vice President of Corporate Marketing, ESG and Public Affairs, as well

as our Senior Vice President, Customer and Market Experience. These include Itron's corporate giving and philanthropy, employee giving and volunteer programs and educational outreach initiatives.

## **Itron Policies and Standards:**

- [Code of Conduct](#) ↗
- [Equal Employment Opportunity Policy](#) ↗
- [Global Human Rights Policy](#) ↗
- [Health, Safety and Environmental Policy](#) ↗
- [Supplier Code of Conduct](#) ↗





# Employee Engagement & Development

## Engagement

An engaged workforce is essential for team and company growth. Itron continuously **monitors the health, perspectives and concerns of our global employee population** through ongoing listening initiatives. These practices are increasingly critical in Itron’s hybrid work environment. We conduct regular company-wide and “pulse” surveys to measure employee alignment to Itron’s purpose, strategic journey and ongoing transformation as a company. Employee exit interviews also serve to inform our engagement and retention strategies. In 2022, the key findings from these surveys revealed an employee emphasis on continuation and increase of learning and development opportunities.

Our CEO also makes it a priority to regularly engage with employee focus groups and roundtables. With both in-person and virtual sessions,

employees are given ample opportunities to interact directly with leadership. Sessions are typically limited to 10-12 people to create a flexible and open dialogue.

## Talent Attraction & Recruitment

Itron’s ability to meet its business objectives relies on successful attraction and retention of skilled and diverse talent. We believe a workplace culture that is inclusive and diverse will attract and retain the industry’s most talented people.

In 2022, we continued to evolve our recruitment strategy to expand and broaden our engagement efforts to reach larger audiences. By doing this, **we are emphasizing inclusion—which in turn leads to a more diverse talent pool**. This expanded recruitment strategy extends to

Itron’s University Program, which aims to build an inclusive and diverse early-career workforce pipeline that is both predictable and sustainable. Our interns and early-career professionals directly support Itron’s growth strategy and workforce succession.

To support this strategy, Itron attended several diversity-focused events in 2022, such as:

- TigerPro Night: Diversity Powers Business Event in partnership with Clemson University
- Black Excellence in Energy Event in partnership with Bowie State University and Baltimore Gas & Electric
- DivHersity Conclave 2022 in Bangalore, India

90%

Employee intent to stay

90%

“I can see a clear connection between my work and Itron’s purpose”

Attending two large, U.S.-based conferences in 2023: National Society for Black Engineers (NSBE) and the Society for Women Engineers (SWE)



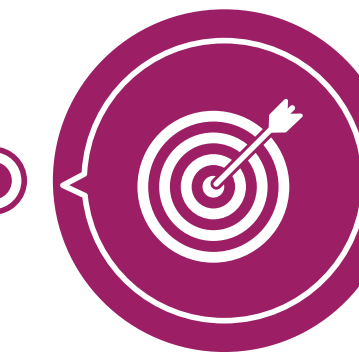
Added WayUp candidate database to support diversity hiring in the United States



**MAJOR INITIATIVES**  
Implemented new tools & recruiting processes to attract a wider, diverse audience of skilled talent:



Launched Diversity Duos Program to ensure consistency in our diversity recruitment processes



Added Calyxpod, a campus-agnostic recruitment platform to increase candidate diversity around education, gender and location for early-career hiring efforts in India



Evaluated and selected a vendor, Jobs4Her, to support diversity hiring in India in 2023



**Itron also invests in partnerships with diverse candidate databases** such as Diversity Jobs and Way Up for North America. The Circa platform, which includes access to Diversity Jobs, includes a diverse candidate database reaching over 100M individuals through targeted outreach based on open positions. Additionally, Itron’s expanded partnership with Yello, to include Way Up, allows us to reach around 6 million early talent users, with 71% diverse candidates. For our India sites, we added a partnership with Calypod, a campus-agnostic recruitment platform to increase early-career candidate diversity around education, gender and location. In conjunction with the use of these new platforms, we launched an internal accountability program for the talent acquisition team to promote and govern diversity hiring processes. Our Diversity Duos program helps govern best-practice diversity hiring processes such as diverse candidate slates, inclusive language in job postings and diverse interview panels.

**Development**

The continued growth and development of our employees are instrumental to our success. In 2022, Itron **employees logged over 60,000 hours of professional training and development.** This training includes topics spanning technical training, leadership development, business acumen and soft-skills training.

Itron’s Leadership Development Program was a major success in 2022 as the 13-week program expanded to 135 Itron leaders, from managers to vice presidents. Participants attended workshops and received assessment and coaching sessions to apply new learnings and skills with their teams. We are continuing to scale the program to ensure all our leaders have common language and management models. We believe our small-cohort training model is best suited to allow Itron’s leaders to share common connections and learnings regarding best management practices.

Itron’s iGrow program continues to yield positive results for our employee development strategy. These workshops—totaling 15,000 hours in 2022—provide employees with a framework, important skills and necessary tools used to **build actionable, long-term career development plans**, as well as an opportunity to discuss them with their manager. Managers gain important knowledge and skills for conducting effective development dialogues and for supporting their employees in their development journey. As Itron continues to improve the iGrow program, this year we also conducted polls after program participation.

**75%** of iGrow participants feel prepared to create a career development plan

**90%** of professional employees logged 3-4 hours of development planning

## Inclusion & Diversity

**Diversity celebrates differences, and inclusion brings us together.** A world-class organization needs both.

Itron’s inclusion and diversity (I&D) efforts are driven by the I&D Business Council, led by our Director of Inclusion and Diversity. The Business Council continues to provide a platform for Itron’s leaders—across functional areas—to identify and implement best practices for I&D in our supply chain, workplace, workforce, community and marketplace.





**Workforce**

Creating an inclusive and diverse culture starts with educating our workforce. We have created **a training program that establishes a common foundation covering the importance of I&D and creating a standard language** to equip our employees with basic terms and concepts. In 2022, we delivered nearly 8,000 hours of basic inclusion training to our workforce and provided leadership with an additional 150 hours of specialized training focused on inclusion and diversity accountability.

At Itron, we also focus on and celebrate the diversity present within our workforce. **Employees came together throughout the year to honor and participate in inclusive celebrations.** This year, we held an inclusive leadership speaker series, supported by curated inclusive one-pagers which are meant to provide employees with a fundamental understanding of inclusive celebrations across the world—as well as to commemorate celebrations that connect directly to our purpose as a company and ESG initiatives. We have seen an increase in participation in our programming and aim to continue this growth in future years.

In 2023, we will launch Itron’s modern employee resource group (ERG) concept, helping employees co-create their own communities based on inclusivity needs.

**Workforce Self-Reported Diversity Metrics**

	Female	Male	Not disclosed	Total
<b>All Employees</b>	1,424	3,396	2	4,822
<b>APAC</b>	191	728		919
<b>EMEA</b>	512	940	2	1,454
<b>AMER</b>	721	1,728		2,449

**Suppliers**

Our focus on I&D extends throughout our supply chain. Itron’s Supplier Diversity Program uses an automated supplier diversity tool and allows us to track our vendor sourcing decisions. We invested in a technology solution to provide visibility into our diverse spend categories across North America.

As a corporate member of the Southwest Minority Supplier Development Council (SMSDC), **Itron is also able to recruit more diverse suppliers.** In 2022, Itron attended premiere events with SMSDC to continue engaging with minority business enterprises, allowing us to foster relationships and certify new suppliers to add to our growing number of partnerships.

# Employee Safety & Well-Being

The safety and well-being of our employees is of utmost importance to Itron. We address this through our comprehensive Health & Safety Policy and our extensive well-being and benefits programs.

**Safety**

**Ensuring employee health and safety are critical focus areas for Itron.** We empower our workers to prevent incidents of all kinds and promote a safe workplace for all. In 2022, we revamped our programs to continue bolstering our workplace health and safety:

- Rolled out a global standard, ensuring all plants are operating and assessed in the same manner

- Started the process of moving employee safety training to Itron’s learning management system (LMS) to ensure more complete tracking of training
- Launched a brand-new R&D Lab Safety program to standardize health and safety across our global R&D labs
- Improved our data tracking of performance metrics by separating functions into manufacturing, service and delivery and R&D
- Conducted monthly and quarterly data reviews

**Employee Safety Metrics**

Employee Safety (US data only)	2020	2021	2022
<b>Average # of U.S. employees</b>	3,367	2,919	2,771
<b>Lost Time Incident Rate (LTIR)</b>	0.07	0.11	0.24
<b>Recordable Incident Rate (RIR)</b>	0.41	0.46	0.32
<b>Fatalities</b>	1	0	0

**Well-Being**

Itron provides competitive compensation packages and comprehensive benefits to all employees in every region where we operate. These benefits are structured to provide a comprehensive level of healthcare, income protection and retirement benefits based on market-competitive practices.

**We believe in creating work/life balance for our employees.** Itron provides all employees with vacation and other time off programs—such





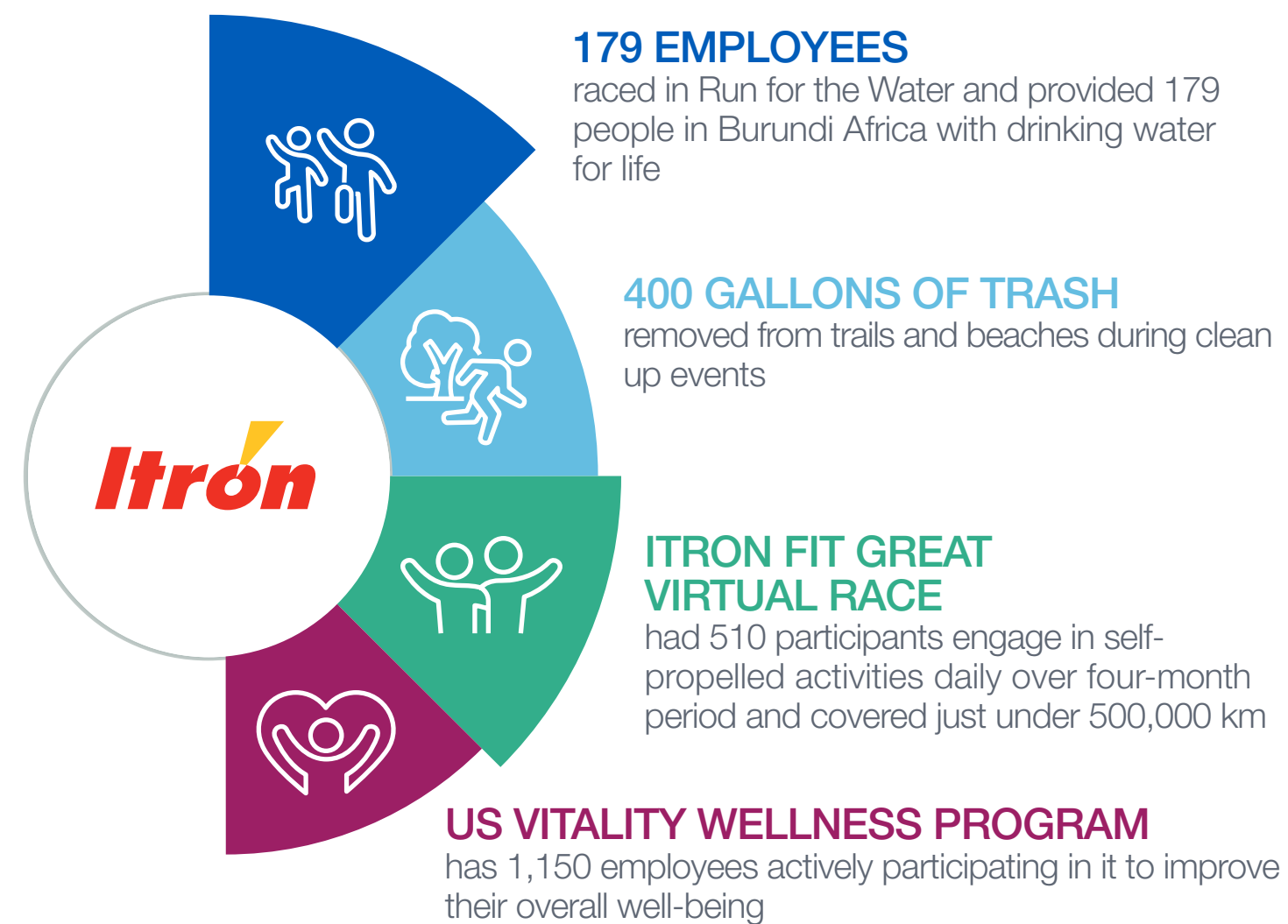
as maternity and parental leave—that are in line with best practices from a local/regional, regulatory and competitive perspective. Managers are trained to have conversations with employees about work/life balance and structuring work in a flexible manner that best supports employees. Through Itron’s iFlex program, **we allow employees additional flexibility by placing ownership on our employees and their managers to determine a mix of in-office collaboration time along with remote work**, creating a hybrid schedule that offers a blend of flexibility and productivity. Our goal is to find the right balance within each function at Itron.

This year, our Itron Fit program has taken on a new direction to align with the mission and vision of our company. The program now mirrors many of the company-wide values by focusing on ways to stay active while promoting a more resourceful and sustainable future. For instance, our employees participated in the Run for the Water race which provided a lifetime’s supply of water to 179 people in Burundi, East Africa and several trail clean-up activities near our facilities to better our own communities.

We continue to provide resources intended to assist our employees in their journey to overall well-being by focusing on emotional, financial, social and physical health:

- **Emotional:** Itron offers an Employee Assistance Program and medical plans with access to counselors and mental healthcare practitioners.
- **Financial:** Itron provides competitive retirement savings benefits to supplement retirement benefits available through local social security programs.

- **Social:** We focus on employee connectedness and have hosted in-office events, as well as regular town halls and one-on-one check-ins. We also offer an intranet platform (myltron) and networking site (Microsoft’s Viva Engage platform, formerly Yammer) to provide more avenues for employees to connect.
- **Physical:** Itron Fit supports employee fitness by providing opportunities to connect with fellow employees in activities that promote physical activity and wellness.



## Our Commitment to Community

Itron’s community programs are aligned with our company purpose and specifically aim to create more resourceful communities where we live, work and play. Around the world, Itron is actively **engaging with communities to improve energy-water literacy, encourage conservation and inspire future innovators** to create a more resourceful world. Our corporate social responsibility strategy has three key focus areas: corporate philanthropy, employee giving and volunteerism and educational outreach initiatives.

**Community engagement** is driven by our individual employees’ contributions, as well as from the top-down support from the board and members of the executive team. Our CEO has been directly involved in programming decisions, and the Board receives quarterly updates on Itron’s community engagement activities and positive social impact.



### Corporate Philanthropy

Our corporate philanthropic contributions reflect and emphasize our goals as a company. **We support local and global nonprofit organizations that focus on water, energy, sustainability, disaster response and STEM education.** Through Itron Gives, our corporate-led employee giving program, we offer corporate matching to employee giving of up to \$1,000 USD per employee per year for all full-time employees based in North America and India. We strategically align with community partners, projects and programs that invest in our local communities and that share our vision for a more resourceful world.

### Employee Giving and Volunteerism

Through Itron Gives, **all full-time employees based in North America and India are eligible to receive 32 paid volunteer hours per year** to serve their communities with organizations of their choice. We have site leaders on a local level who are actively working to establish longstanding relationships with key community partners where we operate. This allows us to ensure we are serving and supporting local needs to the best of our ability. In 2022, **our employees logged over 1,000 volunteer hours and supported over 375 community organizations** around the globe, ranging from student mentorship, serving local food banks, and providing disaster relief and response to communities in need. Throughout the year, we also host more specific volunteer and giving opportunities that are directly aligned to our company purpose of resourcefulness around energy, water, and sustainability. For instance, we celebrate World Water Day and Earth Day with specific educational activities and communications that empower our key sites and employees to create a positive impact individually and collectively in their communities.

### Creating Resourceful Communities

At Itron, we know that education plays a critical role in raising awareness and inspiring next-generation innovation for a more resourceful world. We have invested in several educational partnerships and initiatives, including Discovery Education, Power Over Energy and Smart Energy Education to power our purpose of resourcefulness forward and provide inclusive, interactive, and engaging resources made available to students and consumers worldwide. To learn more about these resources and programs, visit: [www.itron.com/csr](http://www.itron.com/csr).

Every year, around Itron Inspire, we host a “Week of Resourcefulness” in partnership with [Discovery Education](http://Discovery Education), and create global engagement opportunities, including student-focused activities and community volunteer experiences, for our employees and event attendees.

### Engaging in Educational Outreach



**2.3M STUDENTS**  
through Conservation Station  
with Discovery Education



**88K VISITORS**  
to Resourcefulness Curriculum  
(resourcefulness.org)



**232M CONSUMERS**  
educated through Power  
Over Energy



**\$1M IN COMMUNITY  
GRANTS & SPONSORSHIPS**  
for Smart Energy Education

Another key highlight has been our partnership and collaboration with Itron customer, CPS Energy, to create and develop the [Smart Energy Education](#) initiative focused on educating students and consumers about energy use, conservation, the energy-water nexus, and more. Smart Energy Education is composed of several robust STEM programs, including student scholarship opportunities and community events, that strive to power positive social impact in the San Antonio community and beyond. Through this collaborative community effort, **we provide educational programs and eLearning resources that that can be accessed locally and shared globally;** as well as provide student scholarship opportunities for students based in San Antonio, Texas, that are interested in pursuing STEM education and careers. Through all of our educational programs and partnerships, we are proud to have directly reached millions of students, educators, and citizens worldwide.





# ESG Data & Performance





SASB Index

The Value Reporting Foundation’s Sustainability Accounting Standards Board (SASB) framework enables businesses to identify, manage and communicate financially material sustainability information to investors. The index below maps our current disclosures for key sustainability topics from the Electrical & Electronic Equipment industry standards.

TOPIC	ACCOUNTING METRIC	SASB CODE	ITRON FY 2022 RESPONSE/DISCLOSURE LOCATION
Energy Management	1) Total energy consumed,	RT-EE-130a.1	(1) 148,591 GJ
	(2) percentage grid electricity, (3)		(2) 100% grid electricity
	percentage renewabl		(3) 27% renewable energy
Hazardous Waste Management	Amount of hazardous waste generated, percentage recycled	RT-EE-150a.1	59.36 metric tons generated, 97% recycled
	Number and aggregate quantity of reportable spills, quantity recovered	RT-EE-150a.2	Itron has not identified any reportable spill.
Product Safety	Number of recalls issued, total units recalled	RT-EE-150a.2	Information is not publicly available.
	Total amount of monetary losses as a result of legal proceedings associated with product safety	RT-EE-250a.2	No losses have occurred due to product safety issues.
Product Lifecycle Management	Percentage of products by revenue that contain IEC 62474 declarable substances	RT-EE-410a.1	IEC 62474 is deployed through Itron Supplier Code of Conduct. On the Code of Conduct, we also referenced “Itron requirements and guidelines on substances regulation” where we detail our management of IEC 62474 declarable substances to our suppliers. Itron has deployed an IT Tool to facilitate the monitoring of IEC 62474 declarable substances. The monitoring of percentage of products by revenue that contain IEC 62474 declarable substances will be considered next year.
Materials Sourcing	Description of the management of risks	RT-EE-440a.1	<p>Itron has implemented BOM reviews for our new products as well as our 20 top revenue products for sustaining. We are proactively reviewing our BOMS to identify BOMs that have risk. Component lifecycle, ability to multi-source materials, availability in the market, environmental factors and geo-political risks are 5 main criteria we use to manage risk in our products. Itron actively identifies those materials that have risk associated with them and work with R&amp;D teams to mitigate risk.</p> <p>Itron’s PCN process is another strategic approach in managing risk in our products. This process includes evaluating, planning, qualifying, approving and notifying appropriate stakeholders of electronic component supplier part changes (process changes or other part changes) that could impact an Itron product manufactured at an Itron manufacturing center or contracted manufacturer.</p> <p>Itron uses the following 5 criteria points to calculate and ultimately manage risk associated with ongoing operations: component lifecycle (years of remaining life for materials), the ability to multisource material, availability of material in the market, geo-political risks and environmental impacts. Through Itron’s PCN process, we proactively secure supply of the material to support our product lifecycle requirements, qualify alternate materials and request a product redesign to design them out.</p> <p>Critical components are identified during a risk analysis (BOM reviews/PCN process). When we are looking for multi-sourced material options, geo-political and tariff mitigation is a dual source material strategy to de-risk supply chain. We are proactively looking to reduce customized parts, moving to standard materials (off-the-shelf parts) to mitigate risk.</p>



SASB Index (continued)

TOPIC	ACCOUNTING METRIC	SASB CODE	ITRON FY 2022 RESPONSE/DISCLOSURE LOCATION
Business Ethics	Description of policies and practices for prevention of: (1) corruption and bribery and (2) anti-competitive behavior	RT-EE-510a.1	The core of our practices for prevention of corruption, bribery and anti-competitive behavior lies in our codes of conduct. We have a code of conduct for Itron, a code of conduct to which we expect our suppliers to abide and a global human rights policy. The Code of Conduct serves as an important resource to ensure our business interactions, inside and outside the company, are conducted with integrity. The Code applies to everyone at Itron, including directors, officers and all employees of the company and its subsidiaries and affiliates. For our suppliers, it is a condition of doing business with Itron that suppliers, vendors, contractors, service providers, consultants and subcontractors are required to comply with laws and regulations applicable to their business and basic principles of business ethics as encompassed in Itron Supplier Code of Conduct. Our human rights policy formalizes Itron’s commitment to respect human rights and embodies common principles reflected in the United Nations (UN) Global Compact, the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, core International Labor Organization Conventions, the Organization for Economic Co-operation and Development Guidelines for Multinational Enterprises, and the laws of the countries in which the company operates.
	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	RT-EE-510a.1	Any monetary losses associated with these types of events is currently de minimis, if any.
	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	RT-EE-510a.1	Any monetary losses associated with these types of events is currently de minimis, if any.





TCFD Disclosure

The following table details our alignment to the Task Force on Climate-Related Financial Disclosures (TCFD). TCFD recommendations are organized into four pillars that allow for a consistent, standardized approach to analyzing climate-related risks and opportunities: (1) Governance, (2) Strategy, (3) Risk Management, and (4) Metrics and Targets. For more information, see Itron’s 2022 GDP Climate Change response.

RECOMMENDED DISCLOSURE	ITRON FY 2022 RESPONSE/DISCLOSURE LOCATION
<p><b>Governance:</b> Disclose the organization’s governance around climate-related risks and opportunities.</p>	<p>Itron’s commitment to sustainability and responsible corporate practice begins with our board of directors. Led by Chair of the Board Diana Tremblay and Itron President and Chief Executive Officer Tom Deitrich, the Itron board includes seven independent directors as well as three committees that preside over specific business operations: Audit/Finance, Compensation, and Nominating and Corporate Governance.</p> <p>To ensure we meet our ESG and climate goals, we have established a dedicated team, led by our vice president of Sustainability, who has oversight of our operational emissions data collection, analysis and reporting—as well as ownership of our carbon model. This team’s input is critical in developing and rolling out Itron’s sustainability plans and strategies, in close collaboration with our Board of Directors, business leaders and ESG advocates from across the organization.</p>
<p><b>Strategy:</b> Disclose the actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning where such information is material.</p>	<p>We are committed to protecting the environment and to mitigating climate impact in everything we do—from the solutions and services we provide to our customers to the way we develop and manufacture our products around the world. This commitment includes looking at the entire lifecycle for our products, from design and development to deployment and end-of-life. In short, we develop environmentally sustainable products with two key objectives in mind:</p> <ul style="list-style-type: none"> <li>• Design products and services that help our customers better manage energy and water resources, promote sustainability and conservation, and enable more efficient, effective operations.</li> <li>• Reduce Itron’s environmental impact by operating more efficiently—both within the office and facilities where we perform our jobs, and in the manufacturing facilities where our products are developed and distributed.</li> </ul> <p>Overall lifecycle thinking is a key principle of our approach to reducing environmental impact and improving material and energy/water efficiency across our own operations and through to our suppliers. We employ ISO 9001, ISO 14001 and OHSAS 18001 standards as the basis for our operations and assessments, as well as ISO 27001 for information security management. Our procedures and processes also strive for compliance with a number of European Union directives—including WEEE, RoHS and REACH—across our products.</p> <p>Itron is updating its global sustainability strategy to govern all our facilities worldwide, including recently acquired operations. This strategy was completed in 2020 and is being implemented.</p> <ul style="list-style-type: none"> <li>• Due to the variances in regulations and laws where we operate, individual national facilities are governed by unique local environmental regulations.</li> <li>• We have enhanced our global reporting process with quarterly Executive Integrated Management Review meetings, where we report out across functions the progress on all local and regional operational KPIs, standards and regulations.</li> <li>• The measurements provided in this report cover Itron’s internal production operations and processes over which Itron has direct control and influence.</li> <li>• Itron partners with contract manufacturers and suppliers whose adherence to standards, best practices and processes mirror our own.</li> <li>• Itron’s suppliers and contract manufacturers are governed by a Code of Conduct, which is supplied to them as a part of the onboarding and contracting process.</li> <li>• Major Itron facilities are ISO 14001 certified and are audited by third parties for compliance (see page 14 for a full list). As a part of this ISO 14001 standard, energy, water and waste reductions and other and other environmental targets are managed at the individual facility level in accordance with ISO 14001 standards.</li> </ul> <p>Itron’s business strategy has contemplated climate related risks and opportunities. At Itron, we believe that the way energy and water are managed will define this century. This belief drives us to create a more resourceful world—one that uses precious energy and water resources more efficiently and effectively, and one that is committed to sustainability. Resourcefulness ties our actions together, and by working with our customers to ensure their success, we can improve the quality of life, ensure the safety and promote the well-being of people around the globe.</p>
<p><b>Metrics:</b> Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.</p>	<p>Itron tracks metrics related to energy (e.g., electricity, gas, fuels) used at Itron-owned and leased sites and wastes (hazardous and nonhazardous) that are all transformed/converted and included in the total carbon equivalent for the enterprise. These metrics are tracked on an annual basis and the trends are evaluated at the macro level as well as site level.</p> <p>We now have measurable and ambitious targets for us to work towards, culminating in a 50% reduction in Scope 1 and 2 GHG emissions by 2028 (compared to our 2019 baseline), carbon neutrality by 2035 and a net-neutral goal by 2050 or sooner. As we get closer to achieving these goals, we will continue to enhance, refine and develop relevant key performance indicators to measure and communicate our ESG progress.</p> <p>For more information, see <a href="#">Climate &amp; Emissions</a>.</p>



Metrics & Measurements

TOPIC	FY 2020	FY 2021	FY 2022
<b>REVENUE (thousands)</b>	2,173,350	1,981,572	1,795,564
<b>ADJUSTED EBITDA<sup>1</sup> (thousands)</b>	178,399	115,211	95,071
<b>ENERGY USE</b>			
<b>Direct</b>			
Natural gas (therms)	488,839	629,396	386,331
Fuel oil (gallons)	12,053	9,612	15,210
Propane (gallons)	16,914	13,590	13,929
<b>Indirect</b>			
Electricity (kWh)	47,094,956	46,864,008	41,275,282
<b>GHG EMISSIONS: METRIC TONS</b>			
<b>Scope 1</b> (CO2 metric tons)	5,533.8	6,362.1	5,006.0
<b>Scope 2</b> (CO2 metric tons)	11,818.9	10,455.9	8,779.0
<b>Scope 3</b> (CO2 metric tons)	23,715.4	18,721.0	11,933.0
<b>TOTAL (Carbon Equivalent)</b> (Scope 1, Scope 2 and Scope 3)	<b>41,068.1</b>	<b>35,539.0</b>	<b>25,718.0</b>
<b>GHG Emissions Total</b>			
<b>Carbon Equivalent</b>			
Per \$1,000 USD revenue	18.90	17.93	14.32

<sup>1</sup> Please see reconciliation for Non-GAAP metrics in the respective earnings press release available at itron.com. Methodology for GHG calculations available upon request.



Metrics & Measurements (continued)

TOPIC	FY 2020	FY 2021	FY 2022
<b>ENERGY CONSUMPTION (KWH)</b>			
<b>By Region</b>			
NAM	26,913,755	26,660,432	25,810,944
APAC	2,364,117	2,439,610	2,049,479
EMEA	17,817,084	17,763,966	13,414,859
<b>By Owned &amp; Leased Properties</b>			
Owned	41,660,542	41,762,289	36,491,936
Leased	5,434,414	5,101,719	4,783,346
<b>Scope 1 (CO2 metric tons) by region</b>			
NAM	3,442	3,460	3,186
APAC	113	83	94
EMEA	1,979	2,819	1,726
<b>Scope 2 (CO2 metric tons) by region</b>			
NAM	7,887	6,534	6,279
APAC	1,764	1,827	1,538
EMEA	2,168	2,095	962
<b>Scope 2 (CO2 metric tons) owned and leased</b>			
Owned	10,164	8,942	7,416
Leased	1,655	1,514	1,363
<b>Scope 3 (CO2) (metric tons) By Category</b>			
Purchased goods & services	6,085	6,794	3,391
Supply Transportation & Distribution	6,914	4,682	3,463
Business travel (car, train, air mileage)	2,180	698	1,566
Product Transportation & Distribution	8,536	6,547	3,513

TOPIC	FY 2020	FY 2021	FY 2022
<b>WATER USE / WITHDRAWAL (GALLONS)</b>			
Manufacturing and HQ	12,694,346	13,680,965	11,530,389
Irrigation	9,079,224	13,519,352	8,257,172
<b>TOTAL</b>	<b>21,773,570</b>	<b>27,200,317</b>	<b>19,787,561</b>
Per \$1,000 USD revenue	10.78	13.72	11.02
<b>SOLID WASTE: NON-RECYCLED (LBS) LANDFILL &amp; INDUSTRIAL LANDFILL</b>			
<b>TOTAL</b>	<b>1,495,625</b>	<b>1,156,782</b>	<b>981,822</b>
Per \$1,000 USD revenue	0.69	0.58	0.55
<b>SOLID WASTE - RECYCLED (LBS)</b>			
<b>TOTAL</b>	<b>23,359,420</b>	<b>4,694,519</b>	<b>3,991,048</b>
Per \$1,000 USD revenue	10.75	2.37	2.22
<b>HAZARDOUS WASTE - NON-RECYCLED (LBS)</b>			
<b>TOTAL</b>	<b>2,503</b>	<b>6,125</b>	<b>3,916</b>
Per \$1,000 USD revenue	0.00	0.00	0.00
<b>HAZARDOUS WASTE - RECYCLED (LBS)</b>			
<b>TOTAL</b>	<b>169,776</b>	<b>259,933</b>	<b>126,932</b>
Per \$1,000 USD revenue	0.08	0.13	0.07

<b>ENERGY SOURCES FOR ITRON FY 2022</b>				
	NUCLEAR	RENEWABLE	OTHER NON-RENEWABLE	TOTAL kWh
Totals (kWh)	16,352,523	11,047,788	13,874,971	41,275,282
% of Total	40.0	27.0	33.0	

Notes: Renewable energy is energy produced from sources that do not deplete or can be replenished within a human's life time. The most common examples include wind, solar, geothermal, and hydropower. Non-renewable energy comes from sources that will run out or will not be replenished in our lifetimes. Most non-renewable energy sources are fossil fuels: coal, petroleum, and natural gas.



2022 REPORT



environmental social governance



**CORPORATE HEADQUARTERS**

2111 N Molter Road | Liberty Lake, WA 99019, USA

**Phone:** 1.800.635.5461 | **Fax:** 1.509.891.3355

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