



SMART Global Holdings, Inc.
Anti-Corruption Policy
(this, or the “Policy”)

1. Policy

No bribes, kickbacks or other similar payments, or gifts or benefits in any form shall be offered, promised, made or authorized, directly or indirectly, to or for anyone for the purpose of obtaining or retaining business or obtaining any other business advantage for anyone, including for SMART Global Holdings, Inc., and its subsidiaries and affiliates (collectively, “SMART”). Indirect bribes are also prohibited, meaning that no director, officer or employee of SMART may give or promise money or anything of value to a Business Partner if the circumstances indicate that all or part of it may possibly be directly or indirectly passed on to a Government Official to influence official action or obtain an improper advantage; or may be passed on to a private commercial counterparty in consideration for an unfair advantage in a business transaction. SMART officers, directors and employees, and SMART Business Partners that are involved in improper conduct may be subject to termination or other disciplinary action as well as potential civil or criminal liability.

2. Background and Definitions of Government Official and Business Partner

Nearly all countries have adopted criminal laws prohibiting the bribery of Government Officials. The U.S. anti-corruption statute is called the Foreign Corrupt Practices Act or “FCPA”. Not all bribery takes the form of cash payments or commissions. Bribery can involve anything of value. For example, gifts, hospitality, favors, meals, travel and related expenses, honoraria, entertainment, tickets to entertainment or sporting events, and even some charitable donations, may qualify as bribes or improper payments.

In addition, not all Government Officials work for a government. A “**Government Official**,” under certain laws and for purposes of this Policy, means any official or employee of any national, state, provincial or local government or public body or any department, agency, body or instrumentality thereof or of a public international organization, or any person acting for or on behalf of any of the foregoing, or any political party or party official, any political candidate, or any person working for a political party or for a candidate for a political office. Employees of commercial enterprises controlled or partially owned by a government are Government Officials under the FCPA and other anti-corruption laws.

The term “**Business Partner**” includes agents, contractors, partners, joint ventures or similar entities, distributors, manufacturer or sales representatives, consultants, intermediaries, and any other third party acting for or on behalf of SMART anywhere in the world. In certain circumstances, a supplier may be a Business Partner.

Should you have a question concerning whether a person is a Government Official or Business Partner, contact SMART’s Chief Compliance Officer. Communications to SMART’s Chief Compliance Officer can be sent to compliance.legal@smartm.com.

Many countries also have criminal laws prohibiting commercial bribery. Therefore, attempting to obtain an unfair advantage or special favor by making payments or giving items of significant value to anyone, not just Government Officials, is not permitted under this Policy.

3. Rules

A. Interacting with Government Officials and Making Political or Charitable Contributions. No SMART officer, director or employee may make any offer, payment or promise to pay, or authorize any payment or gift or anything of value, directly or indirectly, or provide any form of entertainment to a Government Official in order to influence the decision of the Government Official to benefit SMART or anyone else.

In all situations, before (1) offering any gift, entertainment or anything of value to a Government Official, or (2) making a political or charitable contribution on SMART's behalf, or (3) meeting with a Government Official on SMART's behalf (which includes all visits to a SMART site by a Government Official), SMART employees must:

- (i) complete the appropriate form,
- (ii) have the form approved and signed by a senior local management person,
- (iii) submit the form to SMART's Chief Compliance Officer at compliance.legal@smartm.com, and
- (iv) obtain prior written approval from one of the CEO, CFO or Chief Compliance Officer.

In lieu of using Form A, Form B or Form C described below, an employee may make the respective request by sending an email to SMART's Chief Compliance Officer with the material information requested in the respective form being certain to have on copy, a senior local management person. Prior written approval by email from one of the CEO, CFO or Chief Compliance Officer shall suffice to confirm compliance.

-- For **gifts or entertainment for Government Officials**, fill out **Compliance Policy Form A**. Items with SMART's logo valued at less than \$20, and an inexpensive meal (such as coffee and simple sandwiches, or the equivalents under local regulations and culture) do not require approval.

-- For **political or charitable contributions** using SMART funds or resources (including allowing SMART facilities to be used by Government Officials), or on behalf of SMART, fill out **Compliance Policy Form B**. All political or charitable contributions must be transparent which means, among other things, that the recipient's identity and planned use must be clear and the reason and

purpose for the contribution must be justifiable and documented. This restriction includes campaign appearances on SMART premises by candidates for office. Charitable contributions made in lieu of tax payments and in compliance with government regulations will not require Compliance Policy Form B provided that appropriate documentation is provided from the governmental authorities.

-- For **in-person meetings with Government Officials on SMART's behalf or visits from Government Officials to a SMART site**, fill out **Compliance Policy Form C**. More than one SMART representative is required to be present at each in-person meeting with Government Officials unless a prior written exception has been received. After all in-person meetings with Government Officials employees must prepare minutes explaining in reasonable detail what transpired in the meeting and submit a copy of the minutes to SMART's Chief Compliance Officer. In certain situations of recurring, routine interactions with Government Officials, employees can request a written exception to the requirement to have more than one SMART representative present and to the requirement to prepare minutes.

-- If a situation arises where the entertainment, meeting and/or visit occurs when prior written approval was not feasible, employees must fill out and submit to the Chief Compliance Officer, the appropriate Compliance Policy Form as soon as reasonably practical and include an explanation as to why prior written approval was not obtained.

Business Partners in connection with their work for or on behalf of SMART are prohibited from giving any form of gift or entertainment to a Government Official, regardless of the value, and may not make political or charitable contributions of any nature on behalf of SMART.

B. Interacting with Non-Government Officials. Occasional business gifts to and entertainment of people who are not Government Officials in connection with business discussions or the development of business relationships are generally deemed appropriate in the conduct of SMART's business. However, these gifts and/or entertainment should be infrequent, their value should be modest, and they should not be given if the recipient is not permitted to accept them under applicable laws, policies, rules or standards. Gifts or entertainment in any form that would likely result in a feeling or expectation of personal obligation should not be extended or accepted.

C. Business Partners - Choosing Others to Act for or on Behalf of SMART. Indirect bribes are also prohibited, meaning that no director, officer or employee of SMART may give or promise money or anything of value to a Business Partner if the circumstances indicate that all or part of it may possibly be directly or indirectly passed on to a Government Official to influence official action or obtain an improper advantage; or may be passed on to a private commercial counterparty in consideration for an unfair advantage in a business transaction. For this reason, employees responsible for engaging Business Partners must (i) evaluate the qualifications and reputation of Business Partners, including their government ties, (ii) take steps to ensure that the

Business Partners understand and agree to abide by this Policy, and (iii) include appropriate provisions in agreements with Business Partners designed to protect SMART from violations of this Policy. No Business Partner may be retained or partnered with unless research into the reputation, qualifications and government ties of the Business Partner has been completed and the prior written approval of the Chief Compliance Officer has been obtained. The Chief Compliance Officer or the Legal Department will provide appropriate contractual provisions and may provide training and monitoring procedures where deemed appropriate. Before engaging with any Business Partner, SMART employees must complete and submit to the Chief Compliance Officer, **Compliance Policy Form D – Business Partner Checklist**, and must have the Business Partner fill out and sign **Compliance Policy Form E - Business Partner Certification and Compliance Checklist**.

Examples of warning signs, or “Red Flags” that a Business Partner may make improper payments or otherwise violate this Policy include:

- The Business Partner will work in a country known for corruption.
- The Business Partner is or has a close relative who is a Government Official in a position to influence decisions or business in favor of SMART.
- The Business Partner does not have in-country support services.
- The Business Partner was recommended by a Government Official.
- The Business Partner refuses to provide sufficient documentation or explanation of activities and expenses.
- The Business Partner requests cash or payments to offshore accounts or to third parties.
- The Business Partner makes suspicious assurances such as “things will be taken care of”.
- The Business Partner refuses to sign SMART’s Compliance Policy Form E or other documents requested by SMART.

See “Examples of Business Partner Red Flags” at smartm.com for more examples of warning signs to be cautious of.

D. Accounting Controls. No payment shall be made, or other transaction entered into, for or on behalf of SMART without proper approval consistent with SMART’s policies and procedures. Likewise, SMART funds, assets or services may not be used for any purpose that is unlawful under the laws of any applicable jurisdiction. Complete and accurate records (including expense reports) must be maintained of all transactions, including transactions that directly or indirectly relate to Government Officials and Business Partners. Additionally, no undisclosed or



unrecorded funds or assets of SMART shall be established, and no false or artificial entries shall be made in SMART's books or records.

E. Reporting Obligations. Any SMART employee or Business Partner having information or knowledge of any unrecorded fund or asset transfer, or any act prohibited by this Policy, is expected to report that matter promptly to SMART's Chief Compliance Officer, Legal Department or Corporate HR Department. No retaliatory action will be taken against any person who, in good faith, reports any suspected violation of this Policy or participates in any investigation of the matter. If an employee believes that he/she has been subject to any such retaliation, such employee should immediately make a report to the Chief Compliance Officer, the Legal Department or the Corporate HR Department. Reports of violations or retaliation will be immediately investigated, and appropriate remedial action will be taken.

4. Additional Information

Questions and further guidance with respect to this Policy should be directed to SMART's Chief Compliance Officer. Communications to SMART's Chief Compliance Officer can be sent to compliance.legal@smartm.com.

5. Examples of Conduct Prohibited by this Policy Examples of conduct prohibited by this Policy include:

- Offering money or anything of value to a Government Official, whether or not accepted by the Government Official, in order to "get the business" or to get favorable treatment.
- Inducing a Government Official to use influence to obtain or retain special tax treatment for SMART.
- Engaging a Business Partner when you have reason to believe that the Business Partner might attempt to provide something of value to a Government Official in order to obtain or retain business for SMART or to obtain favorable treatment for SMART.
- Making a donation to a charity at the request of a Government Official who is in a position to decide to award business or a tax incentive in SMART's favor.
- Paying expenses of the spouse, other family member or friend of a Government Official.
- Giving a \$30 festival or holiday gift to a Government Official without pre-approval.
- Offering at no charge, the services of a SMART employee to a Government Official or a family member of a Government Official.



- Paying higher than normal commissions or fees to a Business Partner, knowing that a portion of the money will be used for expensive dinners for an executive of a state-controlled company.
- Arranging an internship for the daughter of a Government Official who regulates SMART's activities.
- Falsifying books and/or records in any way, such as recording the payment of a political contribution as a charitable contribution or other expense.
- Failing to keep accurate records by lumping payments together on an expense report which may lead to a misrepresentation of the payments.
- Paying local agents in cash. Such a payment might also facilitate evasion of home country taxes or other reporting regulations.
- Taking Government Officials to dinner, and then recording the expense as a meal for yourself and business associates.
- Holding a meeting with a Government Official at a resort and paying expenses for persons not participating in the meeting, such as family members.
- Making a contribution to a charity at the request of a Government Official when you have reason to believe that the money may be used for political instead of charitable purposes