



## SMART GLOBAL HOLDINGS, INC. RELATED PERSON TRANSACTION POLICY

### Introduction

This Related Person Transaction Policy (this “**Policy**”) has been adopted by the Board of Directors (the “**Board**”) of SMART Global Holdings, Inc. (the “**Company**”) to ensure that:

- all Interested Person Transactions (as defined below) are subject to review and approval or ratification; and
- all disclosures required by the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, and their related rules are timely made.

This Policy is intended to comply with Item 404 of Regulation S-K and supplement, and not to supersede, our other policies that may be applicable to Interested Person Transactions (as defined below). Notwithstanding anything herein to the contrary, this Policy shall be interpreted only in such a manner as to comply with Item 404 of Regulation S-K. In the event of any conflict between this Policy and the Company’s Second Amended and Restated Memorandum and Articles of Association (as may be hereafter amended, the “**Articles**”), the provisions set forth in the Articles shall control.

### Definitions

For purposes of this Policy, the following definitions apply:

“**Immediate Family Member**” means a person’s child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, or any person sharing the person’s household (other than a tenant or employee).

“**Related Person**” means any of the following:

- (i) any person who is or was (since the beginning of the last fiscal year for which the Company has filed an Annual Report on Form 10-K and proxy statement, even if such person does not presently serve in that role) an executive officer, director or nominee for director of the Company;

- (ii) a beneficial owner of 5% or more of any class of voting securities of the Company; or
- (iii) an Immediate Family Member of any of the foregoing persons.

**"Interested Person Transaction"** means any transaction, arrangement or relationship, or any series of similar transactions, arrangements or relationships, in which:

- (i) the aggregate amount involved will or may be expected to exceed \$120,000 since the beginning of the prior fiscal year;
- (ii) the Company or any of its consolidated subsidiaries was, is or will be a participant; and
- (iii) a Related Person had, has or will have a direct or indirect interest (including any indebtedness or guarantee of indebtedness), but excluding the transactions described in the "Exceptions" section of this Policy. This also includes any amendment or modification to an existing Interested Person Transaction.

### **Policy & Procedures**

Each Interested Person Transaction must be reviewed and approved in advance (i) by the Audit Committee of the Board (the "**Committee**"); (ii) by the Chair of the Committee, if he or she determines it is impractical or undesirable for the full Committee to consider the transaction, provided that he or she is not a party thereto and subject to ratification at the Committee's next regularly scheduled meeting; or (iii) if the Committee determines that such Interested Person Transaction should be considered by all of the disinterested, independent members of the Board, by the disinterested, independent members of the Board by the vote of a majority thereof. If advance approval of an Interested Person Transaction is not feasible, then the Interested Person Transaction shall be considered by the Committee and, if the Committee determines it to be appropriate, ratified at the Committee's next regularly scheduled meeting. If the Committee does not deem ratification to be appropriate, the Company shall make all reasonable efforts to cancel or annul such transaction.

The reviewing director(s) (the "**Reviewing Directors**") may approve or ratify the Interested Person Transaction only if they determine in good faith that, based on all of the relevant information available to them, the transaction is in the best interests of the Company and its shareholders. In determining whether to approve or ratify an

Interested Person Transaction, the Committee will take into account, among other factors it deems appropriate, whether the Interested Person Transaction is on terms comparable to terms generally available in arm's length dealings with an unaffiliated third-party under the same or similar circumstances and the extent of the Related Person's interest in the transaction, taking into account the conflicts of interest and corporate opportunities provisions of the Company's Code of Business Conduct and Ethics.

If the Company enters into a transaction that it subsequently determines may be an Interested Person Transaction or that subsequently becomes a Interested Person Transaction, then the Interested Person Transaction shall be presented to the Committee for approval or ratification at the Committee's next regularly scheduled meeting.

No director shall participate in any discussion or approval of an Interested Person Transaction for which he or she (or an Immediate Family Member) is a Related Person, except that the director shall provide all material information concerning the Interested Person Transaction to the Committee.

If an Interested Person Transaction will be ongoing, the Committee may establish guidelines for the Company's management to follow in its ongoing dealings with the Related Person. Thereafter, the Committee, on at least an annual basis, shall review and assess ongoing relationships with the Related Person to see that they are in compliance with the Committee's guidelines and that the Interested Person Transaction remains appropriate.

### **Exceptions**

The Board has determined that each of the following transactions is not an Interested Person Transactions for purposes of this Policy and will not be reviewed, nor require approval or ratification, under this Policy:

- Amounts due from the Related Person for purchases of goods and services subject to usual trade terms, for ordinary business travel and expense payments, and for other transactions in the ordinary course of business.
- Any transaction where the Related Person's interest derives solely from his or her service as a director of another corporation or organization that is a party to the transaction.

- Any transaction where the Related Person's interest derives solely from his or her direct or indirect ownership (together with the ownership of any other Related Person) of less than a 10% equity interest in another entity's (other than a partnership) outstanding equity which is a party to the transaction.
- Any transaction where the Related Person's interest derives solely from (a) his or her service as a director of another corporation or organization and (b) his or her direct or indirect ownership (together with the ownership of any other Related Person) of less than a 10% equity interest in another entity's (other than a partnership) outstanding equity which is a party to the transaction.
- Any transaction where the Related Person's interest derives solely from his or her position as a limited partner in a partnership in which the Related Person and all other Related Persons, in the aggregate, have an interest of less than 10%, and the Related Person is not a general partner of and does not hold another position in the partnership.
- Any transaction that is in the Company's ordinary course of business and in which the interest of the Related Person arises solely from the ownership of a class of equity securities of the Company and all holders of that class of equity securities of the Company receive the same benefit on a pro rata basis.
- Any charitable contribution by the Company to an organization in which the Related Person's only relationship with that organization is as a director and the aggregate amount of the contribution, within any such organization's given fiscal year, involved does not exceed the lesser of \$1,000,000 or 2% of the charitable organization's total annual receipts.
- Any employment relationship or transaction involving an executive officer if (a) the related compensation is reported pursuant to Item 402 of Regulation S-K or (b) the executive officer is not an Immediate Family Member of another executive officer or director of the Company and the related compensation would have been required to be reported under Item 402 of Regulation S-K if the executive officer was a "named executive officer," and in each case, the Compensation Committee of the Board (the "**Compensation Committee**") approved (or recommended that the Board approve) such compensation.

- Any compensation (including equity awards) paid to a director of the Company if the compensation is reported pursuant to Item 402 of Regulation S-K and the Compensation Committee of the Board approved (or recommended that the Board approve) such compensation.
- Any transaction in which the rates or charges involved in connection therewith are determined by competitive bids.
- Any transaction with a Related Person involving the rendering of services as a common or contract carrier, or public utility, at rates or charges fixed in conformity with law or governmental authority.
- Indemnification and advancement of expenses made pursuant to the Articles.

### **Disclosure**

The Company will disclose any transactions required to be disclosed in the Company's applicable filings as required by the Securities Act and the Exchange Act and related rules. Furthermore, any such transaction shall be disclosed to the full Board.

### **Amendment**

The Committee may amend or otherwise modify this Policy from time to time with the approval of a majority of the members of the Committee.