



**DIRECTOR AND OFFICER
SHARE OWNERSHIP RETENTION POLICY
REVISED SEPTEMBER 2021**

The Board of Directors (the “**Board**”) of SMART Global Holdings, Inc. (“**SGH**”) has adopted guidelines requiring the SGH’s directors and executive officers to acquire and retain long-term ownership of SGH equity in order to further align their personal financial interests with the long-term interests of the SGH’s shareholders. To further this goal, the Board has adopted this Director and Officer Share Ownership Retention Policy (the “**Policy**”).

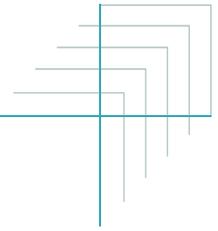
I. APPLICATION

- A. Covered Individuals.** This Policy applies to each (i) independent director who participants in SGH’s non-employee director compensation program (each, a “Covered Director”) and (ii) each person who is an executive officer subject to Section 16 of the Securities Exchange Act of 1934, as amended, as from time to time determined by SGH (each, a “Covered Executive” and, together with the Covered Directors, “Covered Individuals”).
- B. Covered Awards.** This Policy applies to all awards of equity compensation granted under any of SGH’s equity incentive plans to a Covered Individual, including all awards that are outstanding as of the date hereof and any awards granted hereafter.

II. MINIMUM OWNERSHIP GUIDELINE

- A. Minimum Ownership.** Within the later of March 31, 2024 and five (5) years after becoming a Covered Individual, each Covered Individual is required to hold ordinary shares of SGH (or ordinary share equivalents, as determined in accordance with this Policy) having an aggregate value of at least the applicable multiple of his or her annual base salary or annual cash retainer (exclusive of any committee service fees) as set forth in the following table:

Title	Share Ownership Guideline
Chief Executive Officer or President	3 times annual base salary
Other Covered Executives	1 times annual base salary
Covered Directors	3 times annual cash retainer



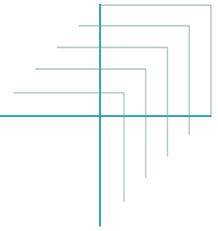
These represent minimum ownership guidelines – covered executives and covered directors are encouraged to own ordinary shares beyond these levels.

- B. Valuation Methodology.** For purposes of measuring whether ownership goals are achieved, all calculations will be performed after the end of SGH’s fiscal year (the “**Measurement Date**”) with annual base salary and director cash retainers to be based on the annual amount in effect as of the last month of such fiscal year. The value of each Covered Individual’s share ownership is based on the weighted average closing price of a share of SGH’s ordinary shares as reported on Nasdaq during the last 20 trading days of each fiscal year multiplied by the number of shares attributable to the Covered Individual. Once a covered executive or covered director has achieved the applicable ownership guideline, such person will be considered in compliance until the next Measurement Date.
- C. Eligible Equity.** For purposes of determining whether a Covered Individual has satisfied the share ownership requirements of this Policy, eligible equity shall include:
1. Shares owned outright by the Covered Executive or Covered Director or any of such person’s immediate family members residing in the same household;
 2. Shares held in trust for the benefit of the covered executive or covered director or such person’s family;
 3. Shares held in SGH’s employee benefit plans;
 4. Shares obtained through stock option exercise;
 5. After-tax value of shares of nonvested time-based restricted stock*; and
 6. After-tax value of nonvested time-based restricted stock units*.

*Includes performance-based restricted stock and restricted stock units if the underlying performance condition has been achieved.

The following shares will not count toward achievement of the share ownership guidelines:

1. Unexercised stock options and nonvested stock options;



2. Shares of nonvested performance-based restricted stock; and
 3. Nonvested performance-based restricted stock units.
- D. Share Retention Requirement.** As of the Effective Date, until a Covered Individual has satisfied his or her applicable salary multiple threshold, the Covered Individual is required to retain at least 20% of net profit shares. “Net profit shares” are those shares that remain after deducting the applicable tax withholdings and the payment of any exercise or purchase price (if applicable) upon the vesting or settlement of equity awards or the exercise of stock options.

III. ADMINISTRATION:

The Board reserves the right to modify or amend this Policy at any time. The Board will evaluate whether exceptions should be made for any Covered Individual on whom the applicable guideline would impose a severe financial hardship.