



Supplier Declaration on Principles and Code of Business Conduct and Ethics

Concluded by and between

SMART Modular Technologies, Inc. (its subsidiaries and affiliates collectively “SMART”)

and

_____ (“Supplier”)

I. Human Rights

- A. Forced or Involuntary Labor** – Supplier will not use forced or involuntary labor of any type (e.g. forced, bonded, indentured or involuntary prison labor); employment is voluntary.
- B. Child Labor** - Supplier will not use child labor. The term “child” refers to any person employed under the age of 15 (or 14 where the law of the country permits), or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is greatest. We support the use of legitimate workplace apprenticeship programs which comply with all laws and regulations applicable to such apprenticeship programs.
- C. Wages and Benefits** - Supplier will, at a minimum, comply with all applicable wage and hour laws and regulations, including those relating to minimum wages, overtime hours, piece rates and other elements of compensation, and provide legally mandated benefits.
- D. Working Hours** - Supplier will not exceed prevailing local work hours and will appropriately compensate overtime. Supplier shall not require Supplier’s employees to work more than 60 hours per week, including overtime, except in extraordinary business circumstances with their consent. In countries where the maximum work week is less, that standard shall apply. Supplier’s employees should be allowed at least one day off per seven-day week.
- E. Nondiscrimination** - Supplier will not discriminate in hiring and employment practices on grounds of race, religion, age, nationality, social or ethnic origin, sexual orientation, gender, gender identity or expression, marital status, pregnancy, political affiliation, or disability.
- F. Respect and Dignity** - Supplier will treat all their employees with respect and will not use corporal punishment, threats of violence or other forms of physical coercion or harassment.
- G. Freedom of Association** - Supplier shall respect the legal rights of employees to join or to refrain from joining worker organizations, including trade unions. Supplier has the right to establish favorable employment conditions and to maintain effective employee communications programs as a means of promoting positive employee relations that make employees view third-party representation as unnecessary.
- H. Health and Safety** – Supplier will provide Supplier’s employees with a safe and healthy workplace in compliance with all applicable laws and regulations. Consistent with these obligations, Supplier must have and implement effective programs that encompass life safety, incident investigation, chemical safety, ergonomics, etc., and provide the same standard of health and safety in any housing that is provided for employees. Supplier should strive to implement management systems to meet these requirements.

- I. Conflict Metals** – Supplier will proactively undertake due diligence to avoid procurement of Conflict Metals (Eastern DRC or Central Africa). The metals of interest are: gold (Au), tantalum (Ta), tungsten (W) and tin (Sn). SMART is not considering an outright ban or embargo as this will unfairly impact legitimate mining operations in the region. However, we do believe our suppliers should have a clear understanding of our position on conflict minerals and be held accountable for the selection of materials sold to SMART or being used to produce products being sold to SMART.

For more information on Conflict metals issue please see below links:

<http://www.responsiblebusiness.org/initiatives/rmi/>
<http://www.enoughproject.org>

- J. Responsible Business Alliance (RBA)** – SMART is an RBA member and is required to pass RBA requirements onto its Suppliers. Supplier hereby confirms that either it is an RBA member in good standing or Supplier and suppliers in Supplier's supply chain are compliant with the requirements of the RBA Code of Conduct.

For more information on the RBA and its Code of Conduct please see links below:

<http://www.responsiblebusiness.org/>
<http://www.responsiblebusiness.org/standards/code-of-conduct/>

II. Environment

- A. Protection of the Environment** - Supplier will operate in a manner that is protective of the environment. At a minimum, Supplier must comply with all applicable environmental laws, regulations and standards, such as requirements regarding chemical and waste management and disposal, recycling, industrial wastewater treatment and discharge, air emissions controls, environmental permits and environmental reporting. Supplier must also comply with any additional environmental requirements specific to the products or services Supplier is providing to SMART as called for in design specifications and contract documents. Supplier should strive to implement management systems to meet these requirements.
- B. Laws, Including Regulations and Other Legal Requirements** - Supplier will comply with all applicable laws and regulations in all locations where Supplier conducts business.

III. Anti-Corruption

- A. No Bribery of SMART Employees** - Supplier, its employees, or agents will not directly or indirectly bribe in any way any officer, director, manager, employee, representative or agent of SMART, its subsidiaries or affiliates, or any other entity, including without limitation, by offering or giving kickbacks or by offering or giving gifts of more than nominal value or greater than normal culturally and socially accepted standards. While accepting inexpensive advertising novelties, gifts of nominal value, or reasonable business meals and entertainment at the other party's expense is not strictly prohibited, SMART employees should exercise sound business judgment in these situations. 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.
- B. No Bribery on Behalf of SMART** - 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. 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. The term "Business Partner" includes all 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.

- C. FCPA** - 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 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 Code, 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 political office. Employees of commercial enterprises controlled or partially owned by a government are Government Officials under the FCPA and other anti-bribery laws. Many countries also have criminal laws prohibiting commercial bribery. Therefore, attempting to obtain special favors by making payments to or giving items of significant value to anyone, not just Government Officials, is not permitted under this Code. No SMART Business Partner 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 on behalf of SMART or in connection with any matters involving SMART. Business Partners in connection with their work for or on behalf of SMART are prohibited from giving any gift or entertainment to a Government Official, regardless of the value, and may not make political or charitable contributions.

IV. Conflicts of Interests

Supplier must immediately report to SMART Management any "conflict of Interest" of which they become aware. A "conflict of interest" is any circumstance, transaction, or relationship, direct or indirect in which the private interest of any officer, director or employee of SMART improperly interferes, or in any way appears to interfere, with the interests of SMART.

V. Inspection

Supplier will allow SMART employees or representatives to visit Supplier's facilities. SMART may request to visit the Supplier's subcontractor's facilities. SMART shall give Supplier reasonable advance notice of each visit and will make best efforts to not unreasonably disrupt the manufacturing capability of Supplier or Supplier's subcontractors or violate any safety procedure.

VI. Miscellaneous

Breach by Supplier -The breach of one of the rules of this declaration would have serious impact on the relationship between the Supplier and SMART. SMART reserves the right to terminate or cancel the business relationship with the Supplier upon getting knowledge about any breach of this declaration.

Supplier's Supply Chain– Supplier acknowledges that the principles herein apply to Supplier's direct and indirect suppliers and agents at every level of the supply chain engaged in the production of goods and services for SMART. Supplier confirms that Supplier is not aware that any of its suppliers are currently not complying with these principles.



Incorporation by Reference - These principles and obligations are agreed to and hereby incorporated by reference into each agreement that SMART has with Supplier under which SMART procures or can procure products or services from Supplier. Supplier certifies that Supplier has read and agrees to comply with SMART's Code of Business Conduct and Ethics available on SMART's website at www.smartm.com.

For SMART Whistleblower Hotline please see link below:

<https://ir.smartm.com/governance/whistleblower-hotline-eng>

Individual's Name: _____

Date: _____

Signature: _____

Title: _____

Address: _____

email address: _____