SGH™

2020
ESG Report

TABLE OF CONTENTS

SGH™

REPORTING SCOPE, BOUNDARIES AND ALIGNMENT

This 2020 Environmental, Social and Governance (ESG) report serves as a summary of relevant activities and performance at SMART Global Holdings, Inc., now known as SGH, from January 1, 2020, to December 31, 2020, unless otherwise noted. It covers all of our operating sites, with the exception of Cree LED, an established global technology leader in the LED lighting market that was acquired by SGH in 2021.

This report is written in alignment with the Sustainable Accounting Standards Board (SASB) standards for Semiconductors and Hardware industries and is guided by the Global Reporting Initiaitive (GRI). Topic boundaries are detailed in the GRI Index, found on page 45, and an SASB Index is provided on page 41. We welcome questions or comments about this report and our sustainability initiatives at sustainability@SGHCorp.com.

A MESSAGE FROM OUR CEO

I joined SGH in late August 2020 at the height of the global COVID-19 pandemic. During these unprecedented times, we remained focused on our commitment to creating a sustainable future and making a difference in the world we all share.

At SGH, we continue to prioritize the health and safety of our employees and the communities where we work. We have adopted a variety of new operational practices to maintain safe environments within our global factories, which produce essential technologies that help enable our connected world. With these operational changes in place, the dedication of our amazing team and the discipline of our business lines we have kept our factories operating with little to no disruptions. In a time of great uncertainty and unprecedented challenges, our businesses have proven they can be agile while continuously executing to meet customer demand. I couldn't be prouder of their performance.

We also recognize the critical threat of climate change, and we are committed to reducing our environmental footprint through clean energy sourcing and emissions-reduction activities. As an example, we are proud that our manufacturing facility in Atibaia, Brazil now uses electricity powered from 100% renewable sources.

While I am excited about the improvements we have made this year on our ESG initiatives, I know we can do more. As part of our investment and focus in ESG, we have established an ESG steering committee. This committee will guide and set our corporate impact goals, our activities and investments on environmental and social programs, and our standards for suppliers, partners and customers. At SGH, we never stop seeking a better way. Because when better never ends, we build a world that's always advancing.

To continue our progress, we have established the following goals:

Climate Action:

Achieve a total of 75% renewable energy at our global operations by 2025 compared to our current level which is greater than 60%.

Diversity and Inclusion:

Implement and fund activities and programs to drive recruitment, career support, and community building for underrepresented groups.

Governance:

Commit to transparently reporting on our ESG program and engage with stakeholders to integrate feedback and seek continuous improvement on our ESG performance.

Thank you for following us on our journey as we work towards building a more inclusive, equitable and sustainable world.

Mark W. Adams

Mark Adams
Chief Executive Officer

ABOUT SGH

OUR PROFILE

At SGH, we power long-term growth by continually investing in our people, innovation and new opportunities. Our family of businesses designs and delivers technologies that support and advance the world through products and solutions that range from high-performance computing to wireless and embedded technologies and memory.

Whether developing leading-edge and extended-life memory applications in our Memory Solutions group or creating custom high-performance computing solutions and services across the edge, core and cloud continuum in our Intelligent Platform Solutions group, we're united by a drive to raise the bar, execute with discipline and focus on what's next.

Backed by a proven leadership team and through a holding-company model, we support our businesses so they operate with excellence and are empowered to consistently and efficiently deliver for our customers, while unlocking new avenues of growth for our company and industry.

SGH NASDAQ	**1988** YEAR FOUNDED
~1,800 FISCAL YEAR 2020 GLOBAL EMPLOYEES	**$1.1B** FISCAL YEAR 2020 REVENUE

SGH™

OUR GLOBAL FOOTPRINT

Manufacturing locations in the USA, Brazil, and Malaysia, along with sales, design, research and development, and logistics operations in other countries, provide the agility and resilience needed to deliver purposeful solutions that are built to last.

+ Factory/Office

+ Office

OUR VALUES

Our company values guide our decision-making, nurture a positive environment, power growth and expand possibilities.

Put people first

Respect, include and support one another

Seek diverse perspectives

Listen to understand

Act with purpose

Solve for the customer

Flex to every challenge

Aim for impact

Drive progress

Be curious about what's possible

Think outside the box

Care for the world we live in

Deliver results

Take action and ownership

Reflect, learn and grow

Raise the bar every day

SGH™

COVID-19 RESPONSE AND ACTIONS

The global COVID-19 pandemic brought about many changes to the way we worked and the way we delivered results to our customers and stakeholders. Throughout this crisis, starting in March 2020, SGH has responded in the best way possible: prioritizing employee safety while continuing to meet our customers' needs.

SGH was deemed an essential business due to the impact of the products we supply; from our memory solutions built at SMART Modular Technologies to our high-performance computing (HPC) systems built at Penguin Computing, our businesses enable our connected world. It became more vital than ever for our teams to act quickly and deliver products to our customers when they need them, on time and with outstanding quality.

While maintaining the importance of meeting our customer commitments, our top priority throughout our planning process has been and continues to be maintaining the health, safety and well-being of everyone at SGH. To support the major shift to telecommuting in our operations, our global IT department was able to increase our infrastructure capability quickly and securely so our teams around the world were able to operate out of their homes just as if they were in the office. We kept our manufacturing employees safe by minimizing contact from visitors, practicing social

distancing, providing and requiring the use of personal protective equipment (PPE), conducting regular COVID-19 testing at multiple sites, and by implementing rapid contact tracing whenever an issue arose.

To evaluate the effectiveness of our safety program and to communicate updates and implement changes, we established a COVID-19 task force in 2020. This team, which includes members of Human Resources, Legal, Operations, and Marketing and Communications,

continues to meet regularly to discuss and plan for the future as the public health environments change in each geography.

Reflecting our culture, which values acting with purpose and driving progress, our Penguin Computing team leveraged their capabilities in partnership with leading semiconductor companies to build HPC systems for COVID-19 research for a number of universities around the world, available on-prem and through the cloud.

SGH™

CORPORATE RESPONSIBILITY AT SGH

Doing the right thing is a part of who we are. For more than 20 years, our operations have been certified to International Organization for Standardization (ISO): ISO 9001 (Quality), ISO 14001 (Environmental) and ISO 45001 (Health and Safety), ensuring we uphold the highest standards of quality, environmental management and health and safety measures. 100% of our factories are certified to the ISO standards.

In 2012, we proudly became a member of the Responsible Business Alliance (RBA), committing to the industry-standard Code of Conduct that ensures safe and ethical working conditions across multiple industries in every geography. The RBA Code, which covers topics including labor, health and safety, environmental practices, ethics and management systems, is aligned to SGH's operating systems and principles of business conduct and requires for us to assure that our suppliers comply with the principles.

We also participate in the RBA's Validated Assessment Program (VAP), in which our factories are audited every other year through an independent third-party against the RBA standards. We are proud that our facilities demonstrate consistent compliance and performance, and that in 2020, our site in Penang obtained the VAP Gold Star Rating and our site in Brazil was awarded the VAP Silver Star Rating.

Through the adoption of the RBA Code and through our own Code of Business Conduct and Ethics, we align our efforts to the United Nations (UN) Guiding Principles on Business and Human Rights, the UN Universal Declaration of Human Rights, the UN Global Compact, the International Labor Organization's (ILO) International Labor Standards, and the Office of Economic Cooperation and Development's (OECD) Guidelines for Multinational Enterprises and we are committed to the highest standards of ethics and business conduct.

SGH OPERATING SYSTEM

- Quality
- Supply Chain Excellence
- Global Manufacturing Scale/Efficiency
- Customer Relationship Management
- Capital-Efficient Model
- Corporate Culture/Human Capital

SGH™

OUR ALIGNMENT TO THE UNITED NATIONS GLOBAL COMPACT

The United Nations Global Compact provides a principle-based framework for companies around the world to adopt and integrate sustainable policies and practices. As a responsible corporate citizen, we embrace the ten principles that support human rights, labor rights, environment and anti-corruption.

UNITED NATIONS GLOBAL COMPACT PRINCIPLES INDEX

Principle	Our Alignment – Report Section
Human Rights	
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.	Corporate Responsibility at SGH Human Rights
Principle 2: Businesses should make sure that they are not complicit in human rights abuses.	Corporate Responsibility at SGH Supply Chain Strategy Human Rights
Labor Rights	
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Human Rights
Principle 4: Businesses should support the elimination of all forms of forced and compulsory labor.	Supply Chain Strategy Human Rights
Principle 5: Businesses should support the effective abolition of child labor.	Supply Chain Strategy Human Rights
Principle 6: Businesses should support the elimination of discrimination in respect of employment and occupation.	Diversity and Inclusion

SGH™

OUR ALIGNMENT TO THE UNITED NATIONS GLOBAL COMPACT

UNITED NATIONS GLOBAL COMPACT PRINCIPLES INDEX (continued)

Principle	Our Alignment – Report Section
Environment	
Principle 7: Businesses should support a precautionary approach to environmental challenges.	Environment
Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.	Our Environmental Stewardship Energy Management Waste Management
Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.	Energy Management Waste Management
Anti-Corruption	
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	Ethics and Compliance

SGH™

OUR ESG GOALS

In 2020, we had a number of achievements related to improved safety in our operations, enhanced protection of our employees, and expanded sourcing of clean energy.

In 2021, we established a set of goals that we continue to make progress on, and we expanded our efforts to boost our renewable energy sourcing, advance the leadership of our female and minority employees, and improve our public disclosures. In the tables below, we share our 2020 achievements and our future ESG goals.

| 2020 Achievements |
| --- |
| All manufacturing sites maintained ISO 9001 Quality certification (or equivalent) |
| All manufacturing sites maintained ISO 14001 Environmental certification |
| All manufacturing sites maintained ISO 45001 Health & Safety certification |
| All manufacturing sites maintained Low Risk in RBA SAQ (annual process) |
| All manufacturing sites, except Penguin Computing, maintained active RBA VAP (every 2 year process) |
| All key suppliers agreed to SGH Supplier Code of Conduct or confirmed adherence to a substantial code of their own |
| 100% supplier response to Conflict Minerals information requests |
| Total reportable incident rate below 2.0 globally |
| › 50% energy from renewable sources |

Short-Term and Long-Term Goals	Timeframe
All manufacturing sites to maintain ISO 9001 Quality certification (or equivalent)	2021
All manufacturing sites to maintain ISO 14001 Environmental certification	2021
All manufacturing sites to maintain ISO 45001 Health & Safety certification	2021
All manufacturing sites to maintain Low Risk in RBA SAQ (annual process)	2021
All manufacturing sites to maintain active RBA VAP (audit required every other year)	2021
All new key suppliers to agree to SGH Supplier Code of Conduct	2021
100% supplier response to Conflict Minerals information requests	2021
Total reportable incident rate below 1.0 globally	2021
Commit to transparently reporting on our ESG program and engage with stakeholders to integrate feedback and seek continuous improvement on our ESG performance	2021
Implement and fund activities and programs to drive recruitment, career support, and community building for underrepresented groups.	2022
Achieve 75% renewable energy use at our global operations by 2025	2025

SGH™

GOVERNANCE
& ETHICS
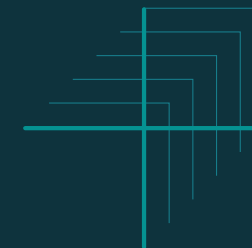
ESG MANAGEMENT

SGH's Environmental, Social and Governance (ESG) steering committee meets monthly to develop and implement strategies for creating a sustainable world where our people, communities and the environment can thrive. The steering committee is made up of senior executives in Finance, Legal, Human Resources, Operations, and Marketing and Communications, and is led by our Quality department. Our ESG steering committee reviews our policies, evaluates and sets long-term objectives, and approves public disclosures regarding corporate social responsibility. The Board of Directors is updated regarding the company's ESG efforts on a regular basis.

We are committed to business practices that are as environmentally sustainable as they are beneficial to our stakeholders and the community.

ETHICS AND COMPLIANCE

Ethical business practices are paramount, and we believe that long-term business relationships are built on trust, honesty, openness and fairness in order to reduce risk and maintain integrity. Our commitment to ethics is demonstrated by our Code of Business Conduct and Ethics, our Supplier Code of Conduct and our membership in the RBA, which align with the UN Guiding Principles.

These policies apply to SGH employees, contractors and suppliers across the globe, and they are reinforced through consistent communications in town hall meetings, emails and online training which is required upon the start of employment and refreshed every other year for employees. 100% of regular full-time employees have completed their online training.

REPORTING CONCERNS

Employees, customers, partners and suppliers are encouraged to report concerns of unethical or illegal behavior through SGH's whistleblower hotline. The hotline is offered in several languages and accepts anonymous reports online, at smartm.alertline.com, or by making a toll-free call from any of the locations where SGH or one of its subsidiaries has a presence. The hotline information is posted in all of our offices and factories around the globe and can also be found on our internal and external websites. The SGH Chief Compliance Officer also hosts quarterly meetings with representatives of each site, globally, to proactively discuss the company's compliance efforts and to encourage the reporting of any concerns regarding misconduct. As communicated in our Board-approved Whistleblower Policy, reports of misconduct are communicated to the General Counsel, the Chief Financial Officer, the Chairperson of the Audit Committee, and/or the Audit Committee, depending on the nature of the report.

Furthermore, SGH has a strict policy prohibiting retaliation against any employee for reporting concerns or participating in investigations regarding misconduct, which is set forth in our Code of Business Conduct and Ethics and our Whistleblower Policy.

SGH and all operating companies act in accordance with the highest ethical and professional standards of business ethics and observe all applicable laws and regulations while conducting business. In 2020, we had no monetary losses as a result of legal proceedings associated with anti-competitive behavior.

PRIVACY AND DATA SECURITY

As our world becomes more digital, data security and privacy play significant roles in protecting our proprietary and confidential information, as well as that of our customers and partners. Our Cybersecurity Risk Management Committee, established in 2021, a subcommittee of our Board of Directors, oversees information technology (IT) use and data security, including enterprise cybersecurity, data collection and protection, and compliance with information security and data protection laws in accordance with our ongoing

SGH™

implementation of our Information Security Risk Management (ISRM) framework build on National Institute of Standards and Technology (NIST) and International Organization for Standardization (ISO) standards.

During 2020, as global shelter-in-place mandates required many of our employees to work remotely, we took steps to exercise caution in privacy and security. Our internal audit team releases monthly newsletters to help employees remain vigilant, maintain good security practices, and ultimately keep our network safe. These newsletters are made available to our employees around the globe, in multiple languages, and cover topics such as social engineering, phishing, confidential information protection and other security hygiene best practices. Employees are also trained regularly on best practices for cybersecurity.

PRODUCT SAFETY AND COMPLIANCE

We are focused on sustainable innovation, including protecting human health and the environment through the responsible management of chemical substances.

RoHS and REACH Compliance

We work diligently with our suppliers to ensure that the components we use are lead-free and compliant with the most current version of the European Union's (E.U.) Restriction of Hazardous Substances (RoHS) directive. To execute the material declaration process, SGH has adopted a comprehensive third-party tool used to compile, manage and validate the substances present in our supply chain.

SGH also complies with the E.U.'s Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) regulations to manage and mitigate the risks from chemical exposure to our employees, our community and the environment. Our company-wide goal is to minimize negative impact, and to support this we actively encourage our suppliers to find innovative ways to eliminate the use of any substances that may put our environment at risk.

SGH™

Proposition 65 Compliance

Under California regulation Proposition 65, SGH is required to inform individuals in the State of California about possible exposure to chemicals identified to pose the risk of causing cancer or reproductive toxicity. A Proposition 65 warning does not necessarily mean a product is in violation of any product-safety standards or requirements.

While we do not sell directly to consumers, our goods are incorporated in end products that are sold to consumers. As a component manufacturer, we have concluded that most of our products contain at least one substance included in the **Proposition 65 List**. This information is communicated to our customers through product declarations as well as to all employees with signage at all entrances to our facilities.

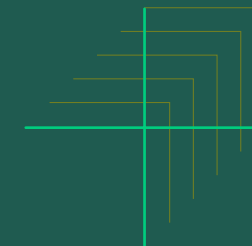### QUALITY, ENVIRONMENTAL, HEALTH AND SAFETY MANAGEMENT SYSTEMS

We deliver purposeful solutions that are built to last, and we do so while fulfilling our compliance obligations and satisfying other requirements related to quality, the environment, health and safety (QEHS). SGH has established a QEHS management system, which is aligned to the principles of ISO and defines elements by which SGH conducts its global business and the protection of its employees and stakeholders,

the public and the environment. It provides the framework to develop, implement, monitor and improve QEHS objectives, targets and performance standards to mitigate our exposure to risks. We conduct internal and external audits annually to maintain our standards of operation and maintain our ISO certification. The QEHS Management System applies to all SGH's business locations, business units and functions, as well as all aspects of our global business processes.

For more than two decades, SGH has been certified in all of our manufacturing facilities to the ISO 9001, ISO 14001, and ISO 45001 standards as a part of our commitment to ensuring Quality, Environmental, Health and Safety, business practices to help minimize the environmental impact of our operations. We also partner closely with our suppliers to encourage their adoption of all the ISO principles, and expect our critical suppliers to be ISO 14001 certified or submit a plan to become certified. Please visit our **website** to learn more about our ISO 9001, ISO 14001, and ISO 45001 certifications.

> We conduct internal and external audits annually to maintain our standards of operation and maintain our ISO certifications.

SGH™

ENVIRONMENT

OUR ENVIRONMENTAL STEWARDSHIP

As a global technology holding company, we are building a world that's always advancing, and we understand our ability to make a positive impact on our environment and our community. We believe it is our responsibility to ensure that we are deploying environmentally sustainable business practices to help minimize the effect of our operations and value chain.

Our environmental sustainability strategy and programs are managed by the Quality team, which sets goals, tracks progress and ensures compliance to legal requirements. The team meets regularly to seek out, identify and address negative impacts that can be reduced or eliminated in order to foster a cleaner and healthier environment.

SGH™

ENERGY MANAGEMENT

With approximately 80% of our operational greenhouse gas (GHG) emissions attributed to our electricity procurement, we focus on our energy management as a part of our broader climate strategy. We take actions to measure, reduce and report on our climate impact and proactively invest in projects that support conservation and renewable energy.

For over a decade, we have implemented numerous energy conservation initiatives at our sites around the world – from energy-saving appliances to efficient lighting and smart temperature controllers. In the last five years, we have implemented multiple lighting initiatives to reduce our energy consumption, including introducing motion sensors and LED upgrades. Our continued efforts have been recognized by government agencies and business forums alike, winning our site in Penang, Malaysia multiple awards in efficient energy practices.
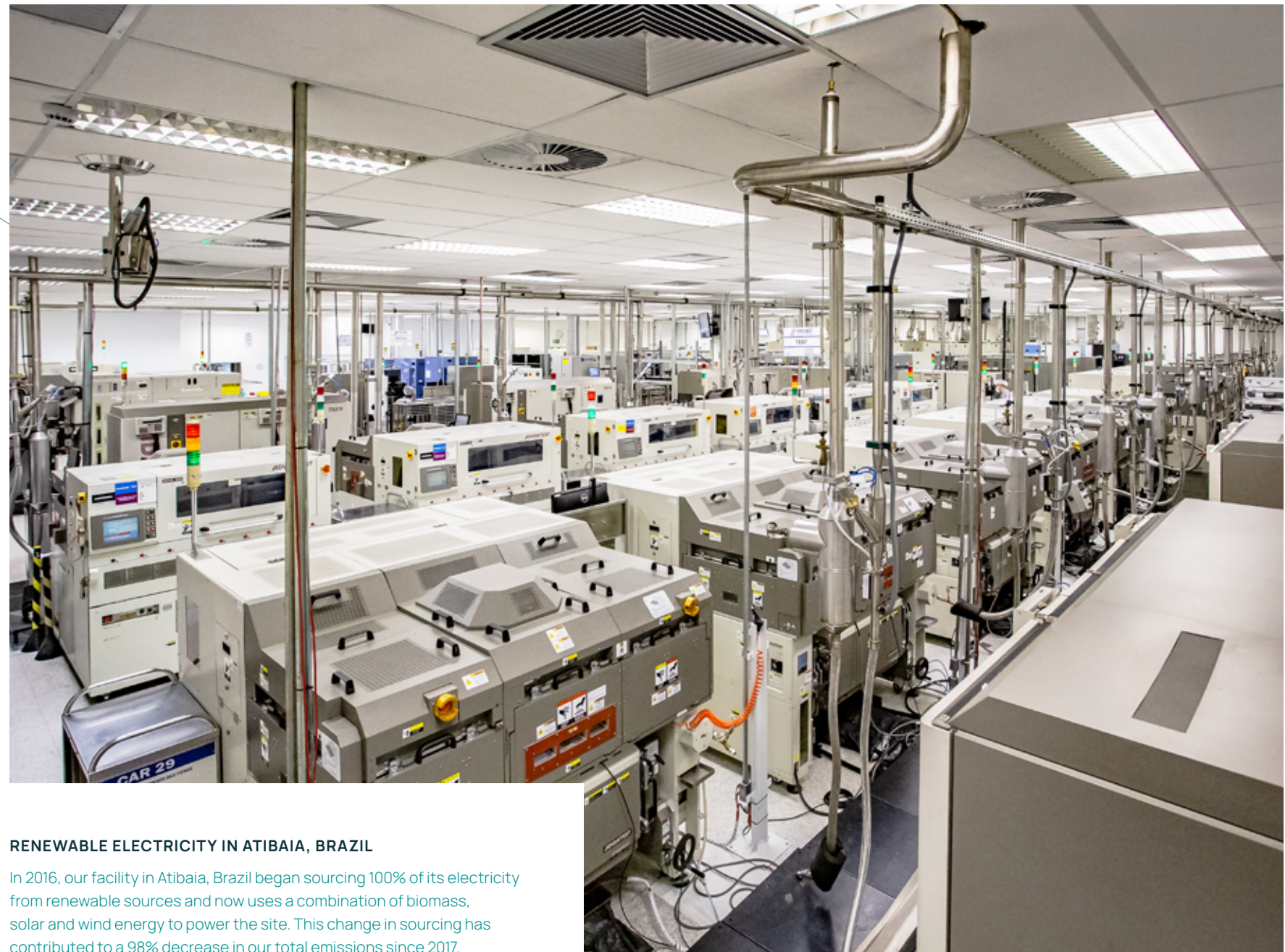
RENEWABLE ELECTRICITY IN ATIBAIA, BRAZIL

In 2016, our facility in Atibaia, Brazil began sourcing 100% of its electricity from renewable sources and now uses a combination of biomass, solar and wind energy to power the site. This change in sourcing has contributed to a 98% decrease in our total emissions since 2017.

SGH™

In an effort to maintain our downward trend of GHG emissions, in 2021, we have committed to achieving a total of 75% renewable energy use at our global operations by 2025.

GREENHOUSE GAS EMISSIONS

We recognize that climate change is a critical threat, and we're committed to raising the bar on our sustainability initiatives to deliver better products, more efficient operations, better working environments and added value for our customers. As we continue to grow our businesses – and with it our operational footprint – we implement scalable programs that address our energy consumption and procurement. We have made strides in reducing our energy use and using renewable sources at our most energy-intensive facility in Brazil.

Through numerous energy-saving programs implemented between 2010 and 2019, SGH has managed to limit GHG emissions, even with increasing business volume. Over the last few years, we have proudly achieved many of the goals we set to reduce our emissions.

Our Emissions Data

Since 2009, SGH has measured the GHGs we produce during production and manufacturing. We focus our GHG reduction reporting efforts on the Scope 1 and Scope 2 emissions from our all our manufacturing sites. Our Brazil location has had the biggest opportunity for improvement and has benefited from access to renewable electricity. This has allowed SGH to obtain greater than 60% of electricity from renewable sources.

Between 2019 and 2020, our Scope 1 emissions greatly increased due to the opening of our new Embedded Computing Facility in Tempe, Arizona, US and Wireless sites in Bangalore and Kochi, India.

CO2e Emissions*	2020	2019	2018
Scope 1	1669	176	231
Scope 2	7379	9664	6408
Total	9048	9840	6639

*Measured in metric tons of CO2-equivalent

For the most current and detailed information on our climate performance, please see our annual disclosure to CDP.

CDP Reporting

We value openness, and in order to maintain transparent communication with the public and with our stakeholders, we submit an annual report to CDP, the global environmental impact disclosure provider, detailing our greenhouse gas emissions, energy management and water consumption. The report also outlines our goals and targets related to climate change and environmental impact. We have successfully improved our score year over year, as we refine our methods of tracking and reducing our emissions and become more mature in the management of climate related risks and opportunities.

SGH™

WATER MANAGEMENT

SGH recognizes water as both a critical global resource and an essential aspect of our business operations. We diligently monitor our water management and consistently look for opportunities to reduce our water withdrawal and consumption.

Water Reuse

For example, in our Atibaia, Brazil facility, we have implemented closed-loop processes that reuse resources as much as possible. We use liquid cooling systems, in which the chillers recycle and reuse water, allowing the site to recycle approximately 60% of the water it withdraws, an improvement of nearly 50% since 2018. In the figure below, we demonstrate a steady year-over-year increase in water reuse improvement at our factory in Brazil. We plan to continue this improvement in 2021.

We have also expanded our storage capabilities for wastewater treatment, reducing the amount that needs to be transported to a final destination. Outside of our Brazil facility, the majority of our water usage is in office environments, where we minimize water usage by utilizing low-flow bathrooms and water-efficient landscaping.

WATER REUSE IMPROVEMENT

42% (2018)
54% (2019)
61% (2020)
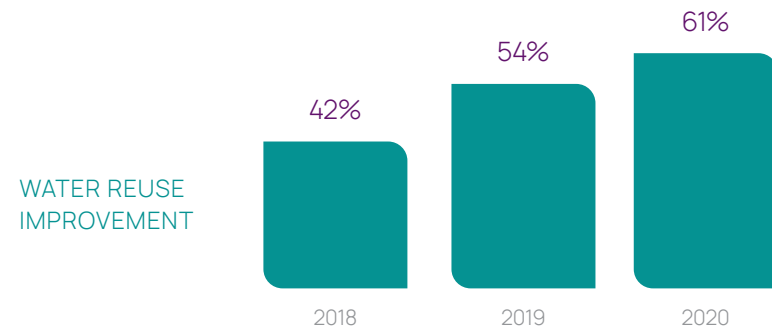
Water Consumption and Treatment

At all SGH sites, water withdrawals are metered and recorded by local government. In our Penang, Malaysia and Newark and Fremont California, US sites, water is discharged to a third-party destination, which is also managed by local agencies. In Brazil, the sanitary wastewater is sent to a treatment station before being discharged into a fresh surface water source.

In 2020, our water consumption increased due to added SGH locations in Tempe, Arizona and Kochi, India. We strive to reduce our water consumption through increased efficiency and reuse.

Water Consumption*	2020	2019	2018
Total	99	90	98

*Measured in megaliters per year

We also see our water management strategy as an innovative opportunity to reduce our GHG emissions. By using hydropower generation from the Kuala Muda River in Malaysia, we have been able to decrease our GHG emissions from what might otherwise be a less green energy source.

Water Stress

We are conscious of the water stress levels of the areas from which we withdraw water. Using the **World Resources Institute's** Water Risk Atlas tool, we've determined that none of our factories withdraw from high-stress areas. Our site in Atibaia, Brazil is the largest consumer of water, which has a local water stress level of "Low-Medium", whereas our office in Kochi, India has a water stress level of "High".

SGH Location	Facility Type	WRI - Water Risk Atlas 3.0
Newark, CA, U.S.	Factory/Office	Low
Fremont, CA, U.S.	Factory/Office	Low
Irvine, CA, U.S.	Office	Extremely High
Tempe, AZ, U.S.	Factory/Office	Medium-High
Tewksbury, MA, U.S.	Office	Low-Medium
Atibaia, Brazil	Factory/Office	Low-Medium
East Kilbride, Scotland	Office	Low
New Taipei City, Taiwan	Office	Low-Medium
Gyeonggi, Korea	Office	Low-Medium
Penang, Malaysia	Factory/Office	Low-Medium
Bangalore, India	Office	Extremely High
Kochi, India	Office	High

SGH™

WASTE MANAGEMENT

As a part of our broader strategy to reduce our resource use, we consistently look for opportunities to consume fewer resources, produce less waste and recycle and reuse as much as possible.

Over the last few years, SGH has made strides in creating more environmentally friendly packaging by minimizing and eliminating harmful and wasteful substances, reducing the use of foam and leveraging recyclable materials such as corrugated cardboard.

Hazardous Waste

Considering our manufacturing operations, effective waste management is an essential focus to meet our sustainability goals. We recognize the unique challenges of complex manufacturing and hazardous waste management and make every effort to reduce the creation of hazardous waste,

when possible. For waste that we cannot avoid, we take diligent measures to safely dispose of it in compliance with local laws.

We also think outside the box, constantly seeking out innovative solutions to reducing our hazardous waste by partnering with third parties to repurpose materials. At our facility in Atibaia, Brazil, silicon

waste is produced from grinding wafers, and to repurpose this waste, we are looking into opportunities to partner with a local developer to make use of it in construction projects.

The figures below show the amount of hazardous waste generated and landfilled at each of SGH's facilities. We are proud that our waste-to-landfill is negligible each year, and we continue to make progress in the amount of waste we are able to recycle. This success is due to innovative and effective solutions, and we look forward to making future improvements in this area.

HAZARDOUS WASTE, GENERATED AND LANDFILLED*

SGH Sites	2020		2019		2018	
	Generated	Landfilled	Generated	Landfilled	Generated	Landfilled
Newark, CA, U.S.	2.07	0	4.61	0	3.53	0
Fremont, CA, U.S.	0	0	0	0	0	0
Irvine, CA, U.S	0	0	0	0	0	0
Tempe, AZ, U.S.	0.03	0.03	0	0	N/A	N/A
Tewksbury, MA, U.S.	0	0	0	0	0	0
Atibaia, Brazil	22.31	0	14.18	0	16.23	0
East Kilbride, Scotland	0	0	0	0	0	0
New Taipei City, Taiwan	0	0	0	0	0	0
Gyeonggi, Korea	0	0	0	0	0	0
Penang, Malaysia	13.97	0	13.83	0	14.98	0
Bangalore, India	0	0	N/A	N/A	N/A	N/A
Kochi, India	0	0	N/A	N/A	N/A	N/A
Totals	38.38	0.03	32.62	0.00	34.74	0.00

*Measured in metric tons

Recycling

Our operating philosophy inspires our teams to think creatively to divert waste from landfills. For example, our waste reduction initiatives, such as reducing paper consumption and reuse of packaging material at our Newark, CA, U.S. facility have won us a STOPWASTE award for business efficiency and waste reduction.

PEOPLE

EMPLOYEE ENGAGEMENT

We put people first, nurturing a culture that supercharges creativity and growth. Our employees are our most valued asset, and we understand the importance of investing in their development and advancement. We believe the best workplaces make employees feel inspired, engaged, valued and included. It is important to maintain open communication between leadership and employees, and we leverage all-employee meetings to share information, gain employee feedback and hear ideas on a quarterly basis.

SGH YOUTH PROGRAM

The SGH Youth Program aims for the development of skills in young people to promote strong values and work ethic. In this program, youth from the surrounding community are invited to become "SGH apprentices," and they meet regularly with SGH leaders to build skills in organization, communication, responsibility and empathy. The apprentices are responsible for leading the meetings in which they engage with mentors and present on their projects.

We believe in a bottoms-up approach to improving our programs, in which employees are empowered to provide feedback to improve their working experience, and where their voices are met with openness and humility. Moving forward, we will plan to solicit employee input through surveys to engage and learn directly from our workforce. Using low employee turnover as a proxy for employee engagement, we are proud to report in the past year that our global employee turnover rate was about 3% in comparison to the industry average which is over 15%.

In 2021, we began revamping our corporate strategy to further engage our employees, and have begun standardizing our global performance review process to foster employee growth, recognize achievements, and increase communications. We also support development plans through our tuition reimbursement program and other internal training programs.

EMPLOYEE AND MANAGEMENT DEVELOPMENT

Continuous growth requires continued investment in people, innovation and new opportunities. We are always improving upon our communications between employees and management teams to drive our company goals and enhance the employee experience. We aim to develop capable leadership that can meet the challenges of business growth while instilling a supportive and inclusive company culture.

At all locations, we provide our employees with performance assessments and evaluations. Where applicable, employees also have access to coaching programs, as well as job-specific training.

We also provide our employees with training on workplace culture and enrichment through our learning platform, covering topics such as harassment, creating healthy work environments, inclusion, and global ethics and compliance.

SGH™

DIVERSITY AND INCLUSION

SGH values diversity in all its forms, and we are proud that our employees represent various races, religious beliefs, genders, ages, national origins, sexual orientations, physical and mental abilities, talents and points of view. We know that our diverse teams bring valuable perspectives and backgrounds to our company, helping us consistently raise the bar and drive innovation forward.

We are committed to providing employees with an inclusive and non-discriminatory work environment, which is outlined in our employee handbook. Through this policy, SGH articulates people-oriented and fair treatment principles in the recruitment, promotion, performance evaluation, compensation, training and retirement of all employees.

SGH employees are provided with opportunities to continue to learn about diversity and inclusion to further raise awareness. Our online training platform provides voluntary training modules such as "Diversity: Inclusion in the Modern Workplace," "Managing Bias," and "Equity, Acceptance, and Respect: Global Harassment and Discrimination Prevention."

Diversity by the Numbers

Worldwide Employee Gender Breakdown
- 41% Female
- 59% Male

U.S. Employee Gender Breakdown
- 28% Female
- 72% Male

U.S. Ethnicity
- 43% White
- 41% Asian
- 9% Hispanic or Latino
- 3% Two or More Races
- 3% Black or African American
- 1% American Indian/Alaskan Native
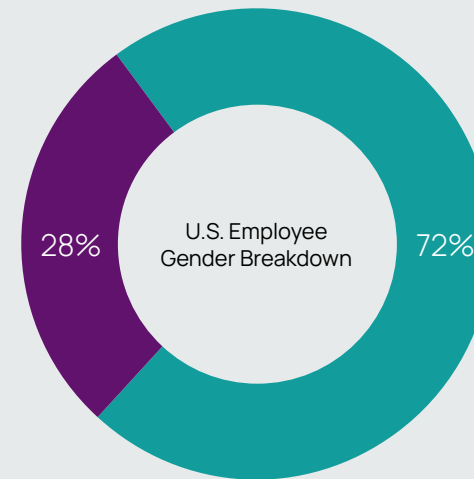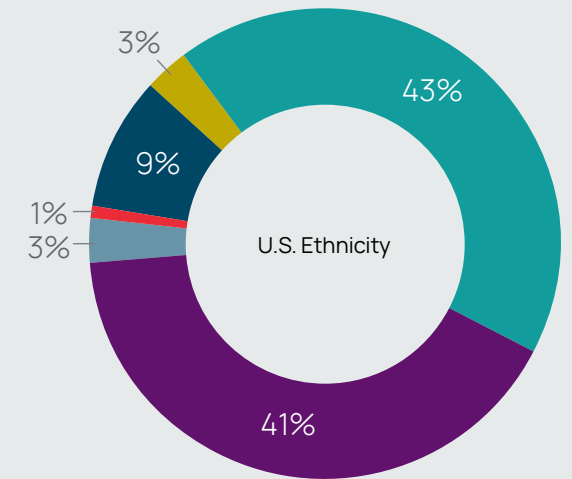
Legend:
- White
- Asian
- American Indian/Alaskan Native
- Hispanic or Latino
- Two or More Races
- Black or African American

SGH is committed to creating a working environment with equal opportunity employment so that workers are treated with fairness and respect.

Celebrating a Diverse Workforce

We continuously strive to foster a culture of equality, diversity and inclusion by recognizing and celebrating our differences. With a team-first mindset, we lift each other up and always seek different perspectives. That's what enables us to grow, think creatively, and deliver purposeful solutions.

This past year, to raise awareness of and to commemorate the emancipation of the last African-American slaves in the United States in 1865, we recognized Juneteenth as a paid holiday for all employees and will continue to celebrate this holiday each year.

We also recognize Pride Month and reflect upon and reinforce our support of the LGBTQ+ community, and our commitment to infusing diversity and inclusion throughout our entire

business operations. We are dedicated to increasing the visibility of important events that support our diverse workforce and encourage everyone to learn more about why these celebrations mean so much to so many.

We lead with openness and aim to foster inclusivity in every aspect of our business. At our manufacturing facility in Brazil, we ensure new mothers are supported and provided with the necessary resources to care for their children. The "Mother's First Steps" and "Welcome Baby" programs aim to promote health, provide guidance on prenatal care and ensure continued education and support through the baby's first year of life.

We also respect the religious holidays of our diverse employees, and celebrate a variety of cultural events, including Hari Raya, Christmas, Chinese New Year and Deepavali.

SGH is committed to creating a working environment with equal opportunity employment so that workers are treated with fairness and respect. In the coming years, we look forward to expanding on our strategy to nurture a diverse and inclusive environment by focusing on initiatives such as employee resource groups and recruiting more diverse leadership.

WELLNESS, HEALTH AND SAFETY

Employee Wellness in the United States

It's our responsibility to provide and maintain a safe work environment, as well as to promote overall wellness among employees. We prioritize employee wellbeing throughout our operations as well as through physical fitness programs by providing employees with gym membership reimbursement. We also support mental health and wellness through our Employee Assistance

Program, which offers free and confidential counseling and support for our employees and members of their households.

Additionally, we consider our employee benefits program to be one of our most important investments. We recognize the value our employees bring to our company and are committed to providing them with comprehensive benefits programs as part of their total compensation. Our primary coverage pertains to medical, dental, vision, life insurance, various forms of accident or disability coverage, and 401k retirement savings plan with immediate vesting of the company match. We also provide proactive support on an outreach basis for condition care specific to chronic illnesses.

SGH™

Health and Safety

Everyone contributes to maintaining a safe and healthy work environment. We believe prevention is the best mitigation measure and implement precautionary practices in all manufacturing and working protocols.

We promote a safe working environment through ensuring compliance to all related Occupational Safety and Health (OSH) Legislation, through the ISO 45001 standard, and to effective OSH procedures and policy implementation. We conduct health and safety programs such as "Crime Prevention", "Fire Prevention", and "CPR Awareness" to promote a healthier, safer workplace.

1 Effective OSH procedures and policies	2 Leadership and commitment to enhance and improve OSH	3 Workers' participation and awareness OSH programs
4 Compliance to legislation	Our Health and Safety strategy is comprised of eight key elements	5 Involvement in risk assessment programs
6 Efficient measures for risk control	7 Competent and trained employees in the workplace	8 Continuous monitoring, reviews and audits

SGH™

Minimizing employee exposure to potential safety hazards is our top priority. Risk assessments and periodic safety inspections performed by the Environmental Health and Safety team have been used to identify areas for improvement in safety and prevention. Through continuous effort from this team, safety related incidents are reduced and kept at low levels.

MANAGING EMPLOYEE HEALTH AND SAFETY DURING COVID-19

In 2020, as the global pandemic impacted every person, we made it a priority to ensure that our employees and their families were safe and healthy. In our U.S. offices in Newark, Fremont and Tempe, we provided free weekly COVID-19 testing to all employees, as well as diligently maintained contact tracing to track and prevent spread. In Penang, automated temperature and facial recognition systems were implemented to ensure that all on-site employees are healthy and protected.

We quickly pivoted employees to working from home where possible and provided them with paid time off under the Families First Coronavirus Response Act (FFCRA) to ensure that they were able to take care of themselves and their loved ones.

For our essential employees who worked on-site at our facilities, we took additional measures to ensure their ongoing health and safety. We distributed and trained users on the correct use of personal protective equipment (PPE) and maintained social distancing, sanitization, and employee awareness and communication. We will continue to take health precautions to ensure that our employees are protected and healthy.

We also encouraged our employees to become vaccinated, and as of September 2021, 99% of our employees in Malaysia are fully vaccinated.

Through continuous effort from the Environmental, Health and Safety team, safety related incidents are reduced and kept at low levels.

SUPPLY CHAIN
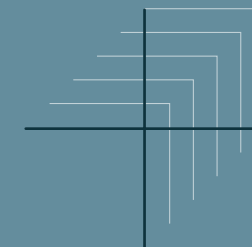
SUPPLY CHAIN STRATEGY

SGH strives to maintain sustainable supply chain practices to ensure we are upholding the highest environmental and social standards throughout our value chain. We want to be trusted supply chain partners by following all applicable laws and hold ourselves accountable against high ethical standards.

We joined the Responsible Business Alliance (RBA) nearly a decade ago and have been committed to upholding their Code of Conduct ever since. We also require that our suppliers adopt the RBA Code and follow the principles and practices outlined therein.

SGH™

Our **Supplier Code of Conduct** details expectations for suppliers to engage in ethical business practices and remain in compliance with applicable laws and regulations. We require all of our suppliers to sign the SGH Code of Conduct prior to conducting business.

CONFLICT MINERALS

Responsible sourcing is integral to ensuring our products are safe and ethically created. Our Conflict Minerals program is created to monitor the sourcing of tin, tantalum, tungsten and gold from the Democratic Republic of Congo (DRC) and adjoining countries, which are at risk of being mined and sold under the control of armed groups to finance conflict. We follow guidance from RBA's Responsible Mining Initiative (RMI) to ensure we are up-to-date with industry best practices to address the responsible sourcing of minerals in our supply chain.

In line with the RMI, and to mitigate sourcing risks, we require all of our suppliers to complete the Conflict Minerals Reporting Template (CMRT) annually. We also provide information about mica and cobalt upon customer request.

HUMAN RIGHTS

SGH upholds human rights in our business practices and understands our responsibility to help people prosper globally through our products, our services, and by ensuring we provide a workplace that promotes meaningful work and growth. We follow the RBA Code of Conduct and do not allow any forms of forced labor, child labor, or bonded labor. In order to ensure human trafficking is not taking place in our supply chain, we work closely in partnership with our suppliers and comply with the UK Modern Slavery Act 2015.

Additionally, we make sure that non-exempt employees do not work over 40 hours without compensation, and we do not employ underage workers. We require all suppliers to sign our Supplier Code of Conduct annually to mitigate human rights violations. We also support the right to freedom of association. The percentage of global employees covered by a collective bargaining agreement was approximately 30% in 2020.

The percentage of global employees covered by a collective bargaining agreement was approximately 30% in 2020.

COMMUNITY
ENGAGEMENT
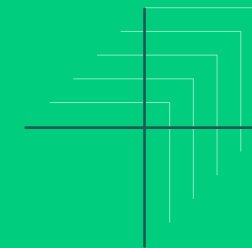
COMMUNITY ENGAGEMENT

Around the world, we engage locally to make a positive impact in our surrounding communities by encouraging employees to volunteer and participate in charitable giving opportunities that matter to them. At our corporate headquarters in Newark, CA, we celebrate charities such as the Leukemia Lymphoma Society, Make A Wish Foundation and Wounded Warrior Project with an annual walk around the campus to raise funding.

SGH™

Support for Our Communities During COVID-19

Our employees around the world stepped up to support communities when the COVID-19 pandemic hit:

- In the U.S., we donated N95 masks, surgical masks and gloves to our local hospitals, fire stations and veteran centers

- In Brazil, we donated medical equipment to help prevent the spread of COVID-19, donating 3,000 masks and 262 packages of surgical aprons

- In Malaysia, we contributed critical medical equipment, including sanitizers, test kits and PPE to the intensive care units of local hospitals

SGH™

CHARITABLE GIVING

Our efforts to enrich the quality of people's lives in our local communities take several forms, including matching employee donations and direct corporate giving. Our employee donation matching program allows employees to select nonprofits for a company match of up to $2,500 per employee in a calendar year. Employees are also able to donate their vacation time, which gets converted to cash donations to charities of their choice.

In 2020, our leadership in the United States opted to donate their company holiday gifts to the Alameda County Food Bank and Second Harvest Food Bank for a total of $13,500.

MAKING AN IMPACT IN BRAZIL

We are proud to share the impact that our team in Brazil continues to make in our Latin American communities. In 2020, our employees donated nearly 6,000 food baskets to vulnerable families in the cities of Atibaia and Bragança Paulista.

In support of education for young people, we donated over 60 professional courses and R$4,849 to support programs at a disabled institute, Apae Atibaia e Bragança. In support of sports and culture in the community, our team donated R$400,000.

EARTH DAY IN BRAZIL

Our responsibility to the environment, the well-being of our employees, and the health of the communities is essential. To celebrate World Environment Day 2020, we hosted an online event for environmental and ecological lectures to take place during the week.

In 2021, the SGH team in Brazil spearheaded a month-long campaign to raise awareness about the impact of food waste on the environment. During this campaign, we also launched a contest to showcase how to reduce food waste by creating recipes with items that are often discarded, such as peels, roots and seeds.

SASB INDEX

SEMICONDUCTOR INDUSTRY

Activity Metric	Code	Disclosure
Total production	TS-SC-000.A	SGH sold approximately 70M units. This includes products across all business lines.
Percentage of production from owned facilities	TS-SC-000.B	>98%

Topic	Accounting Metric	Code	Disclosure
Greenhouse Gas Emissions	(1) Gross global Scope 1 emissions and (2) amount of total emissions from perfluorinated compounds	TS-SC-000.A	(1) 1669 metric tons CO2e (2) Not relevant For additional information see Greenhouse Gas Emissions section.
	Discussion of short/long-term strategy/plan to manage Scope 1 emissions, emission reductions targets, and an analysis of performance against those targets	TC-SC-110a.2	See Greenhouse Gas Emissions section.
Energy Management in Manufacturing	(1) Total energy consumed (2) Percentage grid electricity (3) Percentage renewable	TC-SC-130a.1	(1) 43,359,142 kwH (2) 100% (3) >60%
Water Management	(1) Total water withdrawn (2) Total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	TC-SC-140a.1	None of our five factory locations operate in regions with High or Extremely High Baseline Water Stress. We have three office locations that operate in High or Extremely High Baseline Water Stress, but water consumption in offices is low. For additional information see Water Consumption and Treatment section.
Waste Management	(1) Amount of hazardous waste from manufacturing, percentage recycled	TC-SC-150a.1	(1) 38 metric tons generated (2) >50% recycled For additional information see Hazardous Waste section.

Topic	Accounting Metric	Code	Disclosure
Employee Health & Safety	Description of efforts to assess, monitor, and reduce exposure of employees to human health hazards	TC-SC-320a.1	See Wellness, Health and Safety section.
	Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations	TC-SC-320a.2	None
Recruiting & Managing a Global, Diverse & Skilled Workforce	Percentage of employees that are (1) foreign nationals and (2) located offshore	TC-SC-330a.1	(1) Less than 1% (2) Less than 1%
Product Lifecycle Management	Percentage of products by revenue that contain IEC 62474 declarable substances	TC-SC-410a.1	Less than 5%
	Processor energy efficiency at a system-level for: (1) servers, (2) desktops, and (3) laptops	TC-SC-410a.2	Not relevant
Materials Sourcing	Description of the management of risks associated with the use of critical materials	TC-SC-440a.1	See Conflict Minerals section.
Intellectual Property Protection & Competitive Behavior	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	TC-SC-520a.1	In 2020, we had no monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations.

SASB INDEX

HARDWARE INDUSTRY

Activity Metric	Code	Disclosure
Number of units produced by product category	TC-HW-000.A	SGH sold approximately 70M units. This includes products across all business lines.
Area of manufacturing facilities (square feet)	TC-HW-000.B	406,000
Percentage of production from owned facilities (%)	TC-HW-000.C	>98%

Topic	Accounting Metric	Code	Disclosure
Product and Data Security	Description of approach to identifying and addressing data security risks in products	TC-HW-230a.1	See Privacy and Data Security section.
Diversity & Inclusion	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	TC-HW-330a.1	See Diversity and Inclusion section.
Product Lifecycle Management	Percentage of products by revenue that contain IEC 62474 declarable substances	TC-HW-410a.1	Less than 5%
	Percentage of eligible products, by revenue, meeting the requirements for EPEAT registration or equivalent	TC-HW-410a.2	Not relevant
	Percentage of eligible products, by revenue, meeting ENERGY STAR® criteria	TC-HW-410a.3	Not relevant
	Weight of end-of-life products and e-waste recovered, percentage recycled	TC-HW-410a.4	100% of e-waste is recycled

SGH™

SASB INDEX

Topic	Accounting Metric	Code	Disclosure
Supply Chain Management	Percentage of Tier 1 supplier facilities audited in the RBA Validated Audit Process (VAP) or equivalent, by (a) all facilities and (b) high-risk facilities	TC-HW-430a.1	While we do not presently audit our suppliers in compliance with VAP guidelines, 80% of SGH's annual global supply chain spend is with RBA members whose facilities, in compliance with RBA rules, must be audited by the organization in compliance with VAP procedures.
	Tier 1 suppliers' (1) non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent, and (2) associated corrective action rate for (a) priority non-conformances and (b) other non-conformances	TC-HW-430a.2	While we do not presently audit our suppliers in compliance with VAP guidelines, 80% of SGH's annual global supply chain spend is with RBA members whose facilities, in compliance with RBA rules, must be audited by the organization in compliance with VAP procedures.
Materials Sourcing	Description of the management of risks associated with the use of critical materials	TC-HW-440a.1	See **Conflict Minerals** section.

GRI INDEX

Standard	Topic	Disclosure
General Disclosures		
GRI 102: General Disclosures 2016	02-1 Name of the organization	SMART Global Holdings Corp
	102-2 Activities, brands, products, and services	https://www.sghcorp.com
	102-3 Location of headquarters	https://www.sghcorp.com/about
	102-4 Location of operations 2018	SGH 2020 ESG Report – Our Global Footprint
	102-5 Ownership and legal form	https://ir.sghcorp.com/governance/governance-documents/default.aspx
	102-6 Markets served	https://www.sghcorp.com
	102-7 Scale of the organization 2018	SGH 2020 ESG Report – Our Profile
	102-8 Information on employees and other workers	SGH 2020 ESG Report – People
	102-9 Supply Chain	SGH 2020 ESG Report – Supply Chain
	102-10 Significant changes to the organization and its supply chain	https://www.sghcorp.com
	102-11: Precautionary principle or approach	SGH 2020 ESG Report – Environment
		SGH 2020 ESG Report – Governance and Ethics
		SGH 2020 ESG Report – Supply Chain
	102-12 External initiatives	https://www.sghcorp.com
	102-14 Statement from senior decision maker	SGH 2020 ESG Report – A Message from Our CEO

GRI INDEX

Standard	Topic	Disclosure
General Disclosures (continued)		
GRI 102: General Disclosures 2016 (continued)	102-15 Key impacts, risks, and opportunities	SGH 2020 ESG Report
		Code of Business Conduct and Ethics
	102-16 Values, principles, standards, and norms of behavior	SGH 2020 ESG Report – About SGH
		Code of Business Conduct and Ethics
		https://ir.sghcorp.com/
	102-17 Mechanisms for advice and concerns about ethics	Code of Business Conduct and Ethics
	102-18 Governance structure	https://ir.sghcorp.com/
		https://ir.sghcorp.com/governance/governance-documents/default.aspx
	102-19 Delegating authority	https://ir.sghcorp.com/governance/governance-documents/default.aspx
	102-20 Executive level responsibility for economic, environmental, and social topics	https://www.sghcorp.com/
	102-21 Consulting stakeholders on economic, environmental, and social topics	https://ir.sghcorp.com/
	102-22 Composition of the highest governance body and its committees	https://ir.sghcorp.com/governance/governance-documents/default.aspx
	102-23 Chair of the highest governance body	https://ir.sghcorp.com/governance/governance-documents/default.aspx
	102-24 Nominating and selecting the highest governance body	https://ir.sghcorp.com/governance/governance-documents/default.aspx
	102-25 Conflicts of interest	https://ir.sghcorp.com/
		Code of Business Conduct and Ethics

SGH™

GRI INDEX

Standard	Topic	Disclosure
GRI 102: General Disclosures 2016 (continued)	102-26 Role of highest governance body in setting purpose, values, and strategy	https://ir.smartm.com/governance/governance-documents/default.aspx
	102-27 Collective knowledge of highest governance body	https://ir.smartm.com/governance/governance-documents/default.aspx
	102-28 Evaluating the highest governance body's performance	https://ir.sghcorp.com/
		https://ir.sghcorp.com/governance/governance-documents/default.aspx
	102-29 Identifying and managing economic, environmental, and social impacts	https://ir.sghcorp.com/
		SGH 2020 ESG Report
	102-30 Effectiveness of risk management processes	As member of the Responsible Business Alliance (RBA), SMART has fully adopted the RBA Code of Conduct for our own operations, and we expect our suppliers to abide by the Code and to expect the same of their suppliers.
	102-31 Review of economic, environmental, and social topics	As part of this process and through the years we have implemented robust management systems—embedded in our operations—to identify, manage and mitigate risks in these areas (environmental, social and governance). In addition, our own facilities are subject to audits through RBA's validated audit process. This audit process is one of the mechanisms we use to assess the effectiveness of our risk management processes for social, environmental and governance issues. During FY18, our facilities underwent RBA audits. There were no priority findings. SMART is also certified for ISO9001, ISO14001 & ISO45001.
		https://ir.sghcorp.com/
	102-32 Highest governance body's role in sustainability reporting	https://ir.sghcorp.com/
		SGH 2020 ESG Report – Governance and Ethics
	102-33 Communicating critical concerns	SMART Silent whistle program
	102-34 Nature and total number of critical concerns	SGH Privacy Policy

Standard	Topic	Disclosure
General Disclosures (continued)		
GRI 102: General Disclosures 2016 (continued)	102-35 Remuneration policies	https://ir.sghcorp.com/
	102-36 Process for determining remuneration	https://ir.sghcorp.com/
	102-37 Stakeholders' involvement in remuneration	https://ir.sghcorp.com/
	102-38 Annual total compensation ratio	https://ir.sghcorp.com/
	102-39 Percentage increase in annual total compensation ratio	https://ir.sghcorp.com/
	102-40 List of stakeholder groups	https://ir.sghcorp.com/
	102-41 Collective bargaining agreements	https://ir.sghcorp.com/
	102-42 Identifying and selecting stakeholders	https://ir.sghcorp.com/
	102-43 Approach to stakeholder engagement	https://ir.sghcorp.com/
	102-44 Key topics and concerns raised	https://ir.sghcorp.com/
	102-45 Entities included in the consolidated financial statements	https://ir.sghcorp.com/financials/sec-filings/default.aspx
	102-46 Defining report content and topic boundaries	https://ir.sghcorp.com/
	102-47 List of material topics	SASB Index
		GRI Index
		Annual Report
	102-48 Restatements of information	No major changes

GRI INDEX

Standard	Topic	Disclosure
General Disclosures (continued)		
GRI 102: General Disclosures 2016 (continued)	102-49 Changes in reporting	No major changes
	102-50 Reporting period	January 1, 2020- December 31, 2020, unless otherwise noted
	102-51 Date of most recent report	October 2021
	102-52 Reporting cycle	Annual
	102-53 Contact point for questions regarding the report	sustainability@SGHCorp.com
	102-54 Claims of reporting in accordance with the GRI Standards	GRI Content Index
	102-55 GRI content index	GRI Content Index
	102-56 External assurance	https://ir.sghcorp.com/
Material Topics		
Data Privacy and Security		
GRI 103: Management Approach 2016	103-1 Explanation of the material topics and its boundaries	https://ir.sghcorp.com/
	103-2 The management approach and its components	https://ir.sghcorp.com/
	103-3 Evaluation of the management approach	https://ir.sghcorp.com/
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	SGH Privacy Policy
		SMART takes customer data and privacy very seriously and has strict standards and policies and robust management systems in place.

SGH™

GRI INDEX

Standard	Topic	Disclosure
Material Topics (continued)		
Role of IT in Society		
GRI 103: Management Approach 2016	103-1 Explanation of the material topics and its boundaries	SGH 2020 ESG Report
	103-2 The management approach and its components	SGH 2020 ESG Report
	103-3 Evaluation of the management approach	SGH 2020 ESG Report
Diversity and Inclusion		
GRI 103: Management Approach 2016	103-1 Explanation of the material topics and its boundaries	SGH 2020 ESG Report – Diversity and Inclusion
	103-2 The management approach and its components	SGH 2020 ESG Report
	103-3 Evaluation of the management approach	SGH 2020 ESG Report
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	SGH 2020 ESG Report – Diversity and Inclusion
	405-2 Ratio of basic salary and remuneration of women to men	SGH Privacy Policy
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	SGH Privacy Policy

GRI INDEX

Standard	Topic	Disclosure
Material Topics (continued)		
Flexible Workforce		
GRI 103: Management Approach 2016	103-1 Explanation of the material topics and its boundaries	SGH 2020 ESG Report http://www.sghcorp.com
	103-2 The management approach and its components	SGH 2020 ESG Report https://www.sghcorp.com/people/
	103-3 Evaluation of the management approach	SGH 2020 ESG Report http://www.sghcorp.com
Energy and Emissions		
GRI 103: Management Approach 2016	103-1 Explanation of the material topics and its boundaries	SGH 2020 ESG Report https://www.sghcorp.com/environment/
	103-2 The management approach and its components	SGH 2020 ESG Report http://www.sghcorp.com
	103-3 Evaluation of the management approach	SGH 2020 ESG Report
GRI 302: Energy 2016	302-1 Energy consumption within the organization	CDP Climate Change report
	302-2 Energy consumption outside of the organization	No information available
	302-3 Energy intensity	CDP Climate Change report
	302-4 Reduction of energy consumption	CDP Climate Change report SGH 2020 ESG Report – Environment
	302-5 Reductions in energy requirements of products and services	SGH 2020 ESG Report – Diversity and Inclusion

GRI INDEX

Standard	Topic	Disclosure
Material Topics (continued)		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	CDP Climate Change report
		SGH 2020 ESG Report – Environment
	305-2 Energy indirect (Scope 2) GHG emissions	CDP Climate Change report
		SGH 2020 ESG Report – Environment
	305-3 Other indirect (Scope 3) GHG emissions	CDP Climate Change report
		SGH 2020 ESG Report – Environment
	305-4 GHG emissions intensity	CDP Climate Change report
	305-5 Reduction of GHG emissions	CDP Climate Change report
		SGH 2020 ESG Report – Environment
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	This information is not currently available
Product Stewardship		
GRI 103: Management Approach 2016	103-1 Explanation of the material topics and its boundaries	ISO14001 Manual/ Policy - which comprises the entire product design, manufacturing and after sales.
	103-2 The management approach and its components	QEHS Policy
		Code of Business Conduct and Ethics
		ISO14001 Manual/Policy
		Conflict Minerals Policy
	103-3 Evaluation of the management approach	SGH 2020 ESG Report
		Site Objectives and targets

GRI INDEX

Standard	Topic	Disclosure
Material Topics (continued)		
Human Rights		
GRI 301: Materials 2016	301-1 Materials used by weight or volume	**SMART Privacy Policy**
	301-2 Recycled input materials used	SGH 2020 ESG Report
		Site Objectives and targets
	301-3 Reclaimed products and their packaging materials	SGH 2020 ESG Report
		Site Objectives and targets
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	RBA Policy (Labor)
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	RBA Policy (Labor)
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	SMART Security Procedure / CTPAT (Certified)
GRI 411: Right of Indigenous Peoples	411-1 Incidents of violations involving rights of indigenous peoples	RBA Policy (Labor)
		Code of Business Conduct and Ethics
GRI 412: Human Rights Assessment 2016	412-1 Operations that have been subject to human rights reviews or impact assessments	RBA Policy (Labor)
		Code of Business Conduct and Ethics
	412-2 Employee training on human rights policies or procedures	RBA Policy (Labor)
		Code of Business Conduct and Ethics
	412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human	RBA Policy (Labor)
		Code of Business Conduct and Ethics

GRI INDEX

Standard	Topic	Disclosure
GRI 200: Economic Topics		
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	https://ir.sghcorp.com/
	201-2 Financial implications and other risks and opportunities due to climate change	https://ir.sghcorp.com/
	201-3 Defined benefit plan obligations and other retirement plans	https://ir.sghcorp.com/
	201-4 Financial assistance received from government	https://ir.sghcorp.com/
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	This information is not currently available
	202-2 Proportion of senior management hired from the local community	This information is not currently available
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	SGH 2020 ESG Report
	203-2 Significant indirect economic impacts	SGH 2020 ESG Report
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	This information is not currently available

GRI INDEX

Standard	Topic	Disclosure
GRI 200: Economic Topics (continued)		
GRI 205: Anti-Corruption 2016	205-1 Operations assessed for risks related to corruption	Code of Business Conduct and Ethics https://ir.sghcorp.com/
	205-2 Communication and training about anti-corruption policies and procedures	Online training on anti-corruption policies and procedures
	205-3 Confirmed incidents of corruption and actions taken	None
GRI 206: Anti- Competitive Behavior	206-1 Legal actions for anti- competitive behavior, anti-trust, and monopoly practices	No legal actions related to these topics occurred in the reporting year
GRI 300: Environmental Topics		
GRI 301: Materials 2016	See Material Topics section above	This information is not currently available
GRI 302: Energy 2016	See Material Topics section above	This information is not currently available
GRI 303: Water and Effluents 2018	303-1 Water withdrawal by source	SGH 2020 ESG Report - Environment
	303-2 Management of water discharge-related impacts	SGH 2020 ESG Report - Environment
	303-3 Water withdrawal	This information is not currently available
	303-4 Water discharge	This information is not currently available
	303-5 Water consumption	SGH 2020 ESG Report - Environment

GRI INDEX

Standard	Topic	Disclosure
GRI 300: Environmental Topics (continued)		
GRI 304:	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	This information is not currently available
	304-2 Significant impacts of activities, products, and services on biodiversity	This information is not currently available
	304-3 Habitats protected or restored	SMART has lined out key environmental programs addressing protection or restoration of natural habitats in FY20
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	This information is not currently available
GRI 305: Emissions 2016	See Material Topics section above	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	
	306-2 Management of significant waste-related impacts	SGH 2020 ESG Report - Environment
	306-3 Waste generated	SGH 2020 ESG Report - Environment
	306-4 Waste diverted from disposal	SGH 2020 ESG Report - Environment
	306-5 Waste directed to disposal	SGH 2020 ESG Report - Environment

SGH™

GRI INDEX

Standard	Topic	Disclosure
GRI 300: Environmental Topics (continued)		
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	SMART complies to local environmental laws and regulations
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	SMART Supplier Management Procedure covers EHS requirements
	308-2 Negative environmental impacts in the supply chain and actions taken	SMART Supplier Management Procedure covers EHS requirements
GRI 400: Social Topics		
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	This information is not currently available
GRI 403: OccupationalHealth and Safety 2018	403-1 Occupational health and safety management system	SGH 2020 ESG Report - People
		ISO 45001
	403-2 Hazard identification, risk assessment, and incident investigation	SGH 2020 ESG Report - People
	403-3 Occupational health services	SGH 2020 ESG Report - People
	403-4 Worker participation, consultation, and communication on occupational health and safety	SGH 2020 ESG Report - People
	403-5 Worker training on occupational health and safety	SGH 2020 ESG Report - People
	403-6 Promotion of worker health	SGH 2020 ESG Report - People
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	SGH 2020 ESG Report - People

GRI INDEX

Standard	Topic	Disclosure
GRI 400: Social Topics (continued)		
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Training hours tracking available at HR
	404-2 Programs for upgrading employee skills and transition assistance programs	Training programs - Annual Training Need Analysis available at HR
	404-3 Percentage of employees receiving regular performance and career development reviews	Performance review exercise is conducted quarterly / annually
GRI 405: Diversity and Inclusion 2016	See Material Topics section above	RBA Policy
GRI 406: Non-discrimination 2016	See Material Topics section above	RBA Policy
GRI 407: Freedom of Association and Collective Bargaining	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Human Rights and Labor Policy Statement RBA Code of Conduct
GRI 408: Child Labor 2016	See Material Topics section above	SGH is a member of RBA
GRI 409: Forced or Compulsory Labor 2016	See Material Topics section above	SGH is a member of RBA
GRI 410: Security Practices 2016	See Material Topics section above	C-TPAT Certification
GRI 411: Rights of Indigenous People 2016	See Material Topics section above	This information is not currently available
GRI 412: Human Rights Assessment 2016	See Material Topics section above	Human Rights and Labor Policy Statement

Standard	Topic	Disclosure
GRI 400: Social Topics (continued)		
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	https://www.sghcorp.com/social/
		SGH 2020 ESG Report – Community Engagement
	413-2 Operations with significant actual and potential negative impacts on local communities	This information is not currently available
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Compliance per SGH's RBA policy
	414-2 Negative social impacts in the supply chain and actions taken	Compliance per SGH's RBA policy
GRI 415: Public Policy 2016	415-1 Political contributions	SGH does not provide political contributions to candidates or political organizations
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	This information is not currently available
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	RBA Code of Conduct
	417-2 Incidents of non-compliance concerning product and service information and labeling	SGH Privacy Policy
	417-3 Incidents of non-compliance concerning marketing communications	SGH Privacy Policy
GRI 418: Customer Privacy 2016	See Material Topics section above	SGH Privacy Policy
GRI 419: Socioeconomic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	SGH Privacy Policy

REFERENCES

To learn more about SGH, please visit the links below:

Smart Global Holdings Website

Annual Reports

Code of Business Conduct and Ethics

Supplier Code of Conduct

Corporate Governance Guidelines

Community Relations

Corporate Sustainability

Quality, Environmental, Health and Safety Policy

Governance Documents (other)

CREDITS AND CONTACT

We would like to thank our employees for their dedication, input, and ongoing efforts as we continue to progress on our environmental, social, and governance goals and programs.

If you have any questions regarding this report or SGH's ESG activities, please contact sustainability@smartm.com.

FORWARD-LOOKING STATEMENT

This report contains certain forward-looking statements based on SGH management's current assumptions and expectations, including statements regarding our sustainability targets, goals, commitments and programs and other business plans, initiatives and objectives. These statements are typically accompanied by the words "could," "hope," "believe," "estimate," "plan," "aspire" or similar words. All such statements are intended to enjoy the protection of the safe harbor for forward-looking statements provided by the Private Securities Litigation Reform Act of 1995, as amended. Our actual future results, including the achievement of our targets, goals or commitments, could differ materially from our projected results as the result of changes in circumstances, assumptions not being realized, or other risks, uncertainties and factors. Such risks, uncertainties and factors include the risk factors discussed in Item 1A of our most recent Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission ("SEC"), as well as, with respect to our sustainability targets, goals, and commitments outlined in this report or elsewhere, the challenges and assumptions identified in this report. You should consider the forward-looking statements in this report in conjunction with our Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the SEC. SGH urges you to consider all of the risks, uncertainties and factors identified above or discussed in such reports carefully in evaluating the forward-looking statements in this report. SGH cannot assure you that the results reflected or implied by any forward-looking statement will be realized or, even if substantially realized, that those results will have the forecasted or expected consequences and effects. The forward-looking statements in this report are made as of the date of this report, unless otherwise indicated, and we undertake no obligation to update these forward-looking statements to reflect subsequent events or circumstances.

SGH™

SGH™