

**SanDisk Worldwide Code
of Business Conduct and Ethics**

SanDisk®



As we continue to build our Company, we desire to strengthen our reputation as an organization with the highest ethical standards. We have done business and will continue to do business with others with the requirement of practicing the highest levels of integrity, honesty and fair dealing. Further, we must always engage in lawful conduct. This means that we must always comply with the spirit and the letter of the laws and regulations throughout the world that govern our business. We consider these requirements to be the core of our value system. We continue to adhere to this value system so that our stockholders, fellow employees, and business partners will equate the name "SanDisk" with leadership, excellence, accountability, and trustworthiness.

The message I have for our employees is that it is essential that we all know how to apply these rules of ethics in the workplace. For that reason, we have created the SanDisk Worldwide Code of Business Conduct and Ethics.

This Code of Ethics is intended to provide each of us with a roadmap to ensure our daily compliance with laws and regulations and with our standards of ethical business conduct. No Code of Ethics can provide definitive answers to all questions or anticipate every ethical situation that may present itself. For this we rely on each person's good sense of what is required to adhere to these standards, including when it is proper to seek guidance on the appropriate course of conduct. Accordingly, within this document we have provided you with suggestions of who to contact at SanDisk to help answer questions.

Let me emphasize that this Code of Ethics applies to all employees, including our executive officers, directors, temporary, and contract workers. No matter what country you work in, or what your level of employment is within SanDisk, this Code of Ethics applies to you. Violations of the Code of Ethics will be investigated and acted upon in each and every case. Our reputation and continued success depends on all of us making this Code of Ethics a part of our daily work life!

Thank you for your commitment and adherence to the SanDisk Worldwide Code of Business Conduct and Ethics.

Sincerely,



Sanjay Mehrotra

President and Chief Executive Officer

Worldwide Code of Business Conduct and Ethics

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FAQ: Why do I need to acknowledge that I understand and will comply with this Code of Ethics?

Answer: Once a year, all SanDisk's employees, officers and directors are required to acknowledge compliance with the Code of Ethics. Before providing your confirmation you are expected to remind yourself of our values and duty to act with integrity, honesty and fair dealing.

I. Introduction

The SanDisk Worldwide Code of Business Conduct and Ethics ("Code of Ethics") is intended to guide our activities so that we can conduct our business in accordance with legal requirements and operate under the principles of fairness, integrity and transparency.

The Code of Ethics applies to employees, executive officers, directors, temporary and contract workers of SanDisk Corporation, a Delaware corporation, and its subsidiaries (collectively "SanDisk" or the "Company"). All of the foregoing are expected to read and understand this Code of Ethics, uphold the rules and standards set forth herein, comply with all applicable policies and procedures. In addition, we expect that those who do business with SanDisk will adhere to these standards. Because the principles described in this Code of Ethics are general in nature, you should also review all applicable SanDisk policies and procedures for more specific instructions. All policies referenced in this Code of Ethics are available through SanDisk's internal website or upon request from the Human Resources Department. General questions regarding the Code of Ethics should be directed to the Human Resources Department or the Legal Department.

Each year, employees and executive officers will be asked to provide a written or electronic acknowledgment indicating their continued understanding of the Code of Ethics, which may be amended from time to time.

II. Who Enforces and Monitors Compliance with the Code of Ethics?

All managers are responsible for enforcement of the Code of Ethics within their respective departments. SanDisk's Chief Legal Officer is the corporate officer who will administer our overall compliance program. Any violation must be reported directly to either the Chief Legal Officer, the Senior Vice President of Human Resources, the Chief Financial Officer or the Internal Audit Department. Alternatively, violations may be reported to Ethics Point, Inc. on a confidential or anonymous basis without fear of retribution (see Section V.E.).

III. Business Activities

A. Relationships with Customers, Suppliers and Others

1. Consumers

SanDisk's reputation and brand name have been built upon and will continue to be built upon the innovation and quality of our products and services. We strive to meet the highest standards for manufacturing quality and performance for our products. We are committed to ensuring that consumers can continue to trust SanDisk products for their reliability, quality and superior performance. To meet this goal, we must always strive to manufacture products that meet or exceed our performance and quality standards.

Our success depends upon consumer satisfaction, trust and goodwill. We recognize the importance of anticipating and assuring responsiveness to consumer needs and preferences in our products. We believe that consumer opinions, concerns and inquiries regarding our products are important sources of information. When a consumer expresses dissatisfaction, we address the problem promptly, courteously and fairly. We make every reasonable effort to sustain or regain the consumers' goodwill to ensure their continued purchases of SanDisk products.

2. Suppliers, Customers or Business Partners and Others

When conducting our purchasing operations, we aim to assure continuing, reliable sources of supply, whether it be for memory, controllers, components, accessories, assembly, test and fulfillment services, or for any other of the products or services obtained through our complex supply chain required to run our business.

When you are in contact with a supplier, customer or business partner of SanDisk, you represent SanDisk. Always act in a manner that demonstrates the highest level of integrity, honesty and fair dealing. For example:

- all potential suppliers are given fair and uniform consideration,
- decisions shall always be based on objective criteria such as product price and quality and supplier reliability and integrity, and
- kickbacks, bribes, unearned compensation, or similar payments of any type are prohibited. Any offer of such inducements must be reported immediately to your supervisor or the applicable SanDisk Vice President and to the Chief Legal Officer.

Honest dealing with our customers, and business partners and suppliers is essential to sound, lasting relationships.

3. Global Community

SanDisk strives to be a contributing member of the global community. We are a citizen of each locality where we are established to do business. Like individual citizens, we have a responsibility to support the community. It is our goal to take part in projects that further the welfare of our local communities and to be a dedicated and involved citizen.

SanDisk is committed to being a partner in sustaining the environment. We comply with regulations and laws that relate to the environmental aspects of our activities, products and services. Furthermore, we strive to reduce the environmental impact of our products and activities by reviewing and setting sound environmental objectives and targets, such as limiting waste and promoting recycling.

4. Stockholders

We must always strive to serve the best interests of our stockholders by seeking to: provide growth, profitability and a fair rate of return on their investment, protect stockholder investments, provide full, fair and accurate disclosures in our public reports, and maintain our position as a global leader in flash memory products. We believe our efforts in these areas will continue to build stockholder value.

B. Gifts and Entertainment

Although business courtesies are often a customary part of doing business, the appropriateness of both giving and receiving these courtesies depends on the circumstances. Certain business courtesies are acceptable without management approval but others are never acceptable or may require approval from the head of Internal Audit, the Chief Financial Officer or the Chief Legal Officer.

FAQ: What are examples of a business courtesy?

Answer: Gifts, meals or entertainment, discounts, personal services, use of facilities, prizes, participation in stock offerings or any other favored personal treatment.

FAQ: What if a certain SanDisk team was invited by a customer to a sporting event to celebrate a successful year?

Answer: Tickets to the finals of sporting events, Super Bowl and other similar events (especially if lodging is included) are a significant gift which could be perceived as improper and require prior approval from the head of Internal Audit, the Chief Legal Officer or the Chief Financial Officer.

FAQ: What if SanDisk was requested to contribute \$1,000 as a prize offered to the lucky winner in a customer's holiday or other party?

Answer: A gift in the form of cash is never acceptable. Gift certificates are more appropriate but if the amount exceeds \$100, it requires prior approval from the head of Internal Audit, the Chief Legal Officer or the Chief Financial Officer.

FAQ: What if I am unsure whether a gift or event complies with our policy or if I have a question relating to gifts and entertainment?

Answer: When in doubt, seek guidance from the head of Internal Audit, the Legal Department or the Chief Financial Officer.

FAQ: What if a SanDisk employee paid for the gift and did not seek reimbursement?

Answer: If the gift has any connection to SanDisk business, the rules apply even when SanDisk employee has paid for the gift and has not sought reimbursement.

(i) What is Permitted?

You may give or accept a business courtesy if it is:

- not lavish, but customary in value (provided that, if it is a gift, it must be less than \$100 in value and never in the form of cash),
- infrequent,
- intended to promote goodwill and NOT intended to influence the recipient's objectivity or create an obligation,
- does not reasonably create the appearance of impropriety,
- given openly, justified, and, if applicable, recorded properly in SanDisk's books,
- acceptable according to SanDisk's Business Authorization and/or procurement policies if applicable, AND
- acceptable under the law and under the giving and receiving companies' policies.

Invitations to infrequent business meals, events that provide relevant continuing education as a substantive component of the event, celebratory events or other business entertainment may be accepted provided that (1) the host, or a representative of the host at the appropriate level, attends the event and (2) the meal, event or entertainment is neither excessive nor creates an appearance of impropriety.

(ii) What is NOT Permitted?

It is never acceptable to give or accept a business courtesy if:

- it is a gift in excess of \$100 unless approved by Internal Audit, the Chief Legal Officer or the Chief Financial Officer,
- it is intended to influence a decision or may appear to influence a decision or compromise a person's judgment,
- it is given to or received from a government official in any country, including the U.S. government, without prior approval from the Chief Legal Officer or a Vice President of the Legal Department,
- it creates the perception that the other person must reciprocate or is offered for something in return,
- it is lavish or excessive,
- it is in the form of cash, stock, options or loans,
- public disclosure would reflect adversely on SanDisk, OR
- the gift violates the law or the giving or receiving company's policy.

(iii) Political Contributions.

Political contributions on behalf of SanDisk are not permitted without prior approval from the Chief Legal Officer or the Chief Financial Officer.

(iv) Instances when Approval is Always Required.

A gift valued more than \$100 dollars or any other business courtesy that does not fit into the categories mentioned above require prior approval from the head of Internal Audit, the Chief Legal Officer or the Chief Financial Officer, depending on the circumstances. If to avoid breaking protocol, you feel obligated to accept a gift that does not meet these guidelines, you are required to promptly report it in writing to the head of Internal Audit, the Chief Legal Officer or the Chief Financial Officer and to adhere to their instructions.

FAQ: Who is a government official?

Answer: This is a very broad category that includes employees of federal, state, local governments, state-owned enterprises, and certain international organizations. See Section III.D. for more details.

FAQ: Who is a competitor?

Answer: In addition to SanDisk's traditional competitors, a competitor could be a current or prospective SanDisk customer, partner, distributor, reseller, developer, licensee, supplier or service provider that makes or intends to make available its own products or services that compete with SanDisk's.

FAQ: How should I respond if a distributor complains that SanDisk's products are offered at a very low price by one of its competitors?

Answer: You should advise that SanDisk cannot be involved in any discussions relating to such competitor's pricing or respond to any such complaint. Please report and seek further guidance from the Legal Department.

FAQ: What should I do if a competitor attempts to discuss these subjects with me? What should I do if I am not sure whether a subject is allowable to discuss?

Answer: You must end the conversation and seek guidance from the Legal Department.

(v) Business Courtesies Involving Government Officials.

If a government official is involved, the risks are greater and we must ensure compliance with the United States Foreign Corrupt Practices Act and other anti-corruption laws (see Section III.D.). Contact the Legal Department prior to offering any gifts or entertainment to a government official.

Note: Certain departments (e.g. procurement) may further restrict giving or receiving gifts. Persons working in those departments must adhere to the applicable policies.

C. Competition/Anti-Trust Compliance

SanDisk is committed to competing vigorously in the marketplace. SanDisk will always do business according to the letter and spirit of all laws that govern and promote free and fair competition. We will strictly comply with the antitrust laws of the U.S. and, where applicable, the antitrust and related competition laws of any other country. We will always do business in a manner that is fair, honest, and ethical. Violation of antitrust laws is a very serious offense and could place both the Company and the individual at risk of substantial criminal penalties, civil penalties, and private litigation.

Certain conduct involving competitors is almost always illegal around the world.

Unless you have prior approval from the Legal Department, NEVER talk with, make written or oral agreements with, or exchange information with competitors or coordinate a competitor's discussions about:

- prices (including resale prices) price levels or price changes of SanDisk products and/or a competitor's products,
- dividing up markets and/or customers with a competitor,
- limiting or reducing output or supply of SanDisk products and/or a competitor's products,
- coordinating a competitive bid process or submitting sham bids or the decision of whether or not to bid,
- not dealing with or termination of a third party (i.e. boycott), or
- pricing policies or formulas, profit margins, contract or credit terms, costs, inventories, product roadmaps, marketing plans or capacity plans of SanDisk or any other third party competitor.

These rules apply to everyday business dealings and all other settings, including trade association or other industry organization meetings. In some cases, legitimate joint ventures and licensing arrangements with competitors may permit exceptions to these rules, subject to prior review and approval by the Legal Department.

In dealing with distributors, the local laws that apply to a particular market must be followed. Please consult the SanDisk Legal Department with any questions on the laws of a particular country or region.

SanDisk gathers competitive information fairly from legitimate sources and does not engage in unfair business practices. Examples of unfair business practices are:

- Disparaging or making false statements about competitors or their products or services,
- Stealing or using a competitor's trade secrets,
- Illegally inducing customers to break contracts with competitors (as

- opposed to honest competition for business),
- Requiring vendors to purchase SanDisk products in order to sell products or services to SanDisk, or
- Engaging in any pricing or other practices that could defraud a vendor or others.

We do not permit any third parties with whom we deal to engage in any activities prohibited by this Policy. When questions arise, please contact SanDisk's Legal Department for guidance.

D. **Anti-Bribery**

SanDisk requires full compliance with the U.S. Foreign Corrupt Practices Act ("FCPA"), the OECD Convention on Combating Bribery ("OECD Convention") and any anti-corruption laws in any country in which SanDisk conducts business. Many countries in which SanDisk does business have laws that additionally prohibit the offer, provision or receipt of a bribe among private entities (i.e., not just to government officials). The UK Anti-Bribery Act stands out as broader than other similar laws because it could apply to conduct that occurred outside the UK. It is SanDisk's policy to comply with all applicable laws in the countries in which it does business. This applies to all SanDisk employees, executive officers, temporary and contract workers, sales representatives, distributors and agents. Please refer to Section III. B. (Gifts and Entertainment) for guidance on business courtesies between private entities.

Nothing of VALUE may be given or offered to a FOREIGN GOVERNMENT OFFICIAL, DIRECTLY or INDIRECTLY in SanDisk's BUSINESS DEALINGS, in order to obtain or retain business, secure any improper advantage or influence an act or decision.

Value is defined broadly to include gifts, travel, meals/entertainment, unjustified discounts, stock, cash, donations, shopping trips, job offers, etc. Gifts and entertainment that may be perfectly acceptable under Section III.B. above, may easily violate the FCPA and other global anti-corruption laws when a government official is involved.

Foreign Government Official is interpreted very broadly to include senior officials and junior employees from federal to state to local governments and international organizations, and can include military, customs, tax officials, university employees, hospital staff, employees of partially privatized enterprises (even if the government is a minority shareholder) or state-owned enterprises or companies. You can find a list of state-owned enterprises (SOEs) in a particular country via a web search (for example, "list of SOEs in China").

Indirectly means that actions prohibited for SanDisk employees are also prohibited for SanDisk's consultants, sales representatives, agents, contractors, distributors or any third party doing business with or on behalf of SanDisk. Any individual representing SanDisk is not allowed to make illegal payments to Foreign Government Officials.

If you knew, or had reason to know, of a payment to a Foreign Government Official by a consultant, both SanDisk and you can be liable. Penalties include severe fines and even jail time for individuals. You will be considered to have "known" of the payment if there were hints or warnings of illegal activities (called "Red Flags") that you did not investigate. You must follow SanDisk's processes for screening customers, vendors and other business partners and always remain alert to these issues.

FAQ: What if the gift was not made to a foreign government official but to a relative of a foreign government official?

Answer: Things of value given to relatives of foreign government officials can be considered to have been given to the official and such gifts are therefore prohibited.

FAQ: How should I go about doing business with a foreign government?

Answer: Doing business with ANY foreign government requires the prior written approval of the Legal Department.

Business Dealings is also interpreted broadly and not only includes sales to government agencies, but also anything of value given to a Foreign Government Official in the process, such as payments to tax or customs officials, even when the ultimate business is NOT with a Foreign Government Official.

"FACILITATING" PAYMENTS: Please note that SanDisk's policy is that "facilitating" or "grease" payments are NOT allowed as they are almost never legal in the country in which they are made.

E. **Trade Compliance (Import, Export, and Boycotts)**

The United States is among a number of countries maintaining controls on the destinations to which products, technical information or software may be exported. Complex U.S. regulations apply to exports from the United States and to exports of products from other countries, when those products contain U.S. origin components or technology. In many cases, the laws of the U.S. and other countries require an export license before an item may be shipped or otherwise transferred outside the United States. In some circumstances, providing technical information to foreign nationals in the U.S., whether orally, electronically or in writing, may constitute a controlled export and require an export license in advance. Encryption technology is an example of a type of technology that is regulated by the United States and other countries. You must consult with the Legal Department to determine if a license is required prior to shipping or transferring (by e-mail, FTP, or otherwise) outside of the United States such technology and prior to providing technical encryption information to foreign nationals.

U.S. laws prohibit SanDisk from business dealings, including transfers of products, technology or other restricted information with certain: entities, countries, foreign persons, or other denied parties as listed by the US government. The current list of prohibited or restricted countries can be obtained from the Legal Department.

As a general rule, importation of goods and services into a particular country is subject to the laws and regulations of that country. SanDisk employees, temporary and contract workers must ensure that all importations of products and goods by SanDisk comply with all applicable legal requirements related to duties, taxes, bonding, and inspections, and that all information provided to customs authorities is accurate and truthful.

Certain countries are engaged in a boycott of Israel. Some countries enforce this boycott in their contracts with U.S. companies. U.S. anti-boycott regulations prohibit SanDisk employees, contractors, distributors or agents from agreeing to contracts, documents or oral requests containing language that could be interpreted as an attempt by any country to enforce such a boycott.

U.S. law calls for the imposition of fines and other penalties on U.S. parent companies in cases where their non-U.S. subsidiaries violate U.S. anti-boycott regulations. Therefore, any request for information in this area must be immediately reported to the Legal Department.

FAQ: What should I do if I believe that a trade-related violation has occurred or is about to occur?

Answer: You must contact SanDisk's Legal Department prior to proceeding with the export or import transaction.

FAQ: What if I am asked to provide information pursuant to a customer boycott questionnaire?

Answer: Even providing information pursuant to a customer questionnaire or similar request may constitute a violation of U.S. law which requires that boycott requests be immediately reported to the government even when a response is not provided.

FAQ: What is personal data?

Answer: Any information that can be used to identify, track, contact or locate an individual or an individual's computer.

FAQ: For what purposes may I use personal data?

Answer: Before collecting, using, transferring or making any use of personal data entrusted to SanDisk, workers must refer to the SanDisk's Privacy Policy, Global Worker Data Policy, and all other SanDisk privacy and data protection policies, including a specific review and approval by the Privacy office prior to deployment.

FAQ: Can I download music from websites?

Answer: The unauthorized downloading of music is prohibited. Also remember that personal use of SanDisk equipment should be kept to a minimum and that the contents of your Company computers are subject to review and search by the Company.

FAQ: What do I need to do if my brother has just started working for one of our customers and I am the sales person responsible for this account?

Answer: You must disclose the activity to the Company using the Conflict of Interest Activity Disclosure and Approval Form.

F. Privacy

SanDisk is committed to respect and protect the privacy of personal information of any individuals who entrust personal data to SanDisk, including SanDisk's employees and consumers. If you are involved in collecting, using, accessing and/or transferring any personal data for any reason you must familiarize yourself and adhere to SanDisk's Privacy Policy, SanDisk's Global Worker Data Policy, and all other SanDisk privacy and data protection policies and procedures applicable to your work.

G. Third Party Software and Copyrighted Works

All software used to conduct SanDisk business must be appropriately licensed and used only in accordance with that license. SanDisk does not condone making or using illegal or unauthorized copies of any software.

Copyright laws protect, among other things, written materials, works of art and music from unauthorized duplication, display, and performance. Employees, temporary and contract workers and agents are prohibited from reproducing, distributing, or altering copyrighted materials from books, websites, trade journals, digital audio/video/image files, computers, software, or magazines, or play discs or videotapes, without permission of the copyright owner or its authorized agents such as the Copyright Clearance Center.

H. Media Contact & Public Communications

The Chief Executive Officer has designated specific people to communicate matters regarding any SanDisk entity with the news media and the public. If you are approached for interviews or comments by the media, investors, analysts or by other external parties, you must decline comment and immediately refer such inquiries to a Vice President or the head of Corporate Communications (sandisk.pr@sandisk.com) or the head of Investor Relations.

IV. Responsibilities to SanDisk

A. Conflicts of Interest

Employees may not participate in any activities that could conflict with their responsibilities at SanDisk without approval. For example, a conflict of interest may arise when your personal interests or activities (or a person having a close personal relationship with you) appear to or may influence your ability to act in the best interests of SanDisk.

As used in this Code of Ethics, a person or persons "having a close personal relationship with you" refers to:

- your spouse,
- person living in a spousal (including same sex) or familial fashion with the employee,
- siblings,
- children,
- parents,
- grandparents,
- step relationships,
- in-laws, and/or
- any persons living in the same home with you.

FAQ: I am part of the Company's procurement team and I was wondering if I could engage one of our vendors to perform minor tasks at my parent's apartment?

Answer: You must disclose the activity using the Conflict of Interest Activity Disclosure and Approval Form and seek prior approval from the Legal Department.

FAQ: May I develop software code in my free time and contribute it to the open source community?

Answer: You must disclose the activity using the Conflict of Interest Activity Disclosure and Approval Form and seek further guidance from the Legal Department.

If an activity by you (or a person having a close personal relationship with you) poses a potential or actual conflict of interest, including the conflicts specified below, you must disclose the activity to the Company using the Conflict of Interest Activity Disclosure and Approval Form found in SanDisk's internal website (http://sprocketus/CORP/legal/legal_m/Conflict%20of%20Interest%20Review/Forms/AllItems.aspx) to obtain the requisite management approvals, subject to any additional approvals listed below. Completed Conflict of Interest Activity Disclosure and Approval Forms will be kept on file in the Legal Department.

1. Outside Employment and Inventions

An employee may not work for a supplier, reseller, customer or competitor while working for SanDisk. As to other third parties, you should not do any work for and/or provide assistance to, any third party that may adversely affect your performance or judgment on the job. Furthermore, an employee may not be involved, without the prior approval of the Senior Vice President of Human Resources and Chief Legal Officer, in a business or inventions that are in similar fields to his or her work for SanDisk or that compete with SanDisk. Without derogating from the above, SanDisk employees must advise their supervisor and the Human Resources Department before accepting any other employment or initiating any outside business activity. You must avoid using SanDisk time, facilities, equipment or materials for outside employment or business or use your position to solicit any favored treatment or solicit work for your outside business (See Section IV.A. for discussion re Conflict of Interest).

2. Outside Directorships

Without the prior consent of the Company's Board of Directors, employees may not serve as a member of the board of directors or in any similar capacity of any company that competes with SanDisk. It may be permissible to serve as a director of a SanDisk supplier, reseller, customer or other business partner, if an employee first obtains approval from SanDisk's President and Chief Executive Officer before accepting such a directorship or other similar position. SanDisk's executive officers must first obtain the consent of the Nominating and Corporate Governance Committee of the Board of Directors before accepting a new directorship position. Any compensation received for performance of duties as an outside director must be commensurate with the assumed responsibilities for the company in question. This does not apply when a SanDisk employee serves as an outside director of another company at the request of SanDisk management, for example, in the case where SanDisk has made an equity investment in a business partner or similar company. Under those circumstances, the SanDisk employee is not permitted to receive compensation for services provided as an outside director.

3. Investments

Employees and executive officers may not own, directly or indirectly, a significant financial interest in any business entity that does or seeks to do business with, or is in competition with, SanDisk, without obtaining prior approval from the Chief Legal Officer or the Chief Financial Officer. A "significant financial interest" means ownership by you (or a person having a close personal relationship with you), of more than 1% of the outstanding securities or capital value of a corporation or other entity that is publicly traded or more than 5% of the outstanding securities or capital value of a corporation or other entity that is not publicly traded or an investment that is so large either in absolute monetary value or percentage of your total investment portfolio that it could create the appearance of a conflict of interest.

4. Related Parties

Employees should avoid conducting SanDisk business with someone with whom they have a close personal relationship, or with a business in which such an individual is associated in any significant role ("related person transaction"). (See Section IV.A. for discussion of what is a "close personal relationship.")

You must fully disclose as soon as you become aware of a possible related party transaction the nature of a related person transaction to both the Senior Vice President of your organization and the Chief Legal Officer of SanDisk.

Related person transactions involving SanDisk's executive officers and/or members of the Board of Directors must be reviewed and acted upon in accordance with SanDisk's Related Person Transactions Policy and Procedures. To the extent required under applicable accounting rules, applicable law and regulations, and securities market rules, SanDisk shall publicly report related person transactions.

5. Consultants and Agents

Consultants and agents must be scrutinized prior to engaging them. Their agreements with SanDisk must be accurate, in writing, and properly authorized under SanDisk's Business Authorization Policy. In addition, the following requirements must be satisfied:

- no conflicts of interest must exist with SanDisk,
- they must be qualified to perform the services for which they were retained, and
- they must have reputable business standards.

If SanDisk cannot do something because it is illegal or violates this Policy, then an agent or consultant cannot do it either.

Be aware of any connections or relationships between the consultant or agent and any foreign government officials – these could pose serious risks under the United States Foreign Corrupt Practices Act (see Section III.D.).

6. Industry Associations / Technical Standards

Although memberships, including director positions, in industry associations generally do not present financial conflicts of interest, such positions may pose significant non-financial conflicts for SanDisk or create the appearance of such a conflict. As a result, they could create risk for SanDisk's intellectual property interests. Accordingly, no membership, including a director position, shall be entered into, or even applied for, and no standards related activities shall be initiated (such as joining a standards organization or working group, suggesting the creation of a new working group within an industry association) by SanDisk employees without the express prior written approval of the employee's Senior Vice President and the Chief Legal Officer. Furthermore, any such approved associations must have charter statements and operate under rules that are consistent with antitrust laws.

7. Employment and Supervision of Persons Having Close Relationship with SanDisk Employees

SanDisk prohibits, without approval of the Senior Vice President of Human Resources, the employment or engagement of any person having a close personal relationship with another SanDisk employee in positions or assignments within the

FAQ: Who is a consultant or agent?

Answer: Examples of consultants and agents include:

- *distributors,*
- *resellers,*
- *vendors,*
- *contractors, and,*
- *manufacturer reps*

FAQ: I am representing SanDisk in a certain industry association. Do I need special approval before contributing technology to the standard?

Answer: As members of an industry association, SanDisk's employees, consultants or agents must seek constant direction from SanDisk Legal Department and must not disclose or contribute SanDisk confidential information without first being properly authorized by management and the Legal Department to share such information.

FAQ: What is meant by financial dependence or influence?

Answer: An auditing and control relationship, or a supervisor and subordinate relationship.

FAQ: Who do I contact if I have questions about what is a "corporate opportunity?"

Answer: The Chief Legal Officer of SanDisk.

FAQ: Can I sell securities of one of SanDisk's customers if I learned that the relevant customer cancelled large orders and is facing certain difficulties?

Answer: One must not sell or buy securities while holding "insider information" (i.e. before such information is known to the public). When in doubt, seek guidance from the Legal Department or your own legal counsel.

same department or in positions that have a financial dependence or influence. If a question arises about whether an employment position comes within the scope of this provision, the Human Resources Department is responsible for determining whether an applicant or transferee will be eligible for the employment position. If a relationship within the scope of this provision exists or develops between two employees or between an employee and a SanDisk's temporary or contract worker, the employee or the employee in the senior position (as applicable) must bring this to the attention of his or her supervisor. SanDisk may separate individuals covered by this provision at the earliest possible time, either by reassignment or by termination of employment.

8. Corporate Opportunity

Employees, officers and directors must advance the legitimate interests of SanDisk when the opportunity to do so arises.

Employees, officers, consultants, contractors and directors may not exploit for personal gain corporate opportunities that arise from use of SanDisk property, information or position unless, when it applies to: (a) a named executive officer, the opportunity is disclosed fully to SanDisk's Board of Directors and the Board of Directors declines to pursue such opportunity and confirms that it has no objection to the executive officer's exploitation of such opportunity; and (b) any other person, the Chief Legal Officer and/or the Chief Financial Officer confirm that SanDisk has no objection to that person's exploitation of such opportunity. The Chief Legal Officer and the President and Chief Executive Officer are charged with the responsibility to report questions under this Section to the Board of Directors.

9. Other Situations

Because other conflicts may arise, it would be impractical to attempt to list all possible situations. Consequently, if a proposed transaction or situation raises any questions or doubts in your mind, you should consult with your supervisor or the Human Resources Department and with the Legal Department.

B. Insider Trading

You may have the opportunity to learn or gain access to information about SanDisk or companies with which we do business that is unavailable to the public. Such information may be "insider information" within the meaning of U.S. federal and state securities laws. Consultants and other persons the Company hires to perform services for SanDisk may also learn or gain access to "insider information". SanDisk workers may not disclose to persons outside of SanDisk any such "insider information". The U.S. federal securities laws apply to those persons as well if inside information is used to make investment decisions. Trading based on "insider information" is a crime, penalized by fines and up to twenty years in prison. If you have any questions on whether you have possession of insider information, please contact the Chief Legal Officer. *Refer to the SanDisk Insider Trading Policy for further information, requirements and instructions.*

C. Accuracy of Books and Records

To accurately reflect all of the Company's transactions, it is Company policy to maintain all books, records, and accounts in reasonable detail and in accordance with generally accepted accounting principles (GAAP). The Company is required to maintain at all times a system of internal controls in order to comply with the Sarbanes-Oxley Act of 2002. Further, we have a legal, moral and ethical responsibility to provide full, fair, accurate, timely and understandable disclosure regarding our business and financial condition in the periodic reports we are required

FAQ: What types of records are covered?

Answer: Purchase orders, invoices, contracts, payroll time reports, expense reports, credit card transactions, and all other business and financial records.

FAQ: What is a side letter?

Answer: A written or oral agreement, which has not been approved by the Legal Department, with a third party that would modify or supersede the terms of current or previous purchase orders or contracts with that party.

to file with the United States Securities and Exchange Commission. *Our obligations under this Section are of paramount importance. SanDisk expects all of its personnel to take this responsibility very seriously and to provide prompt and accurate answers to inquiries related to SanDisk's public disclosure requirements.* Always maintain books, records, and accounts in reasonable detail to accurately and fairly reflect all of the Company's transactions, and retain relevant documentation in accordance with Company record retention policies. Never, under any circumstance, engage in inaccurate, false or misleading record keeping, even if you believe the consequences of the inaccuracy would be harmless.

No false or artificial entries shall be made in the books and records of SanDisk. No individual shall ever engage in any arrangement that results in such a prohibited act.

Unreported or unapproved side letters are prohibited. All agreements or deals involving SanDisk business or resources must be formally documented, executed by an authorized SanDisk representative in accordance with the Business Authorization Policy, and entered into within SanDisk's policies and processes for entering into contracts.

D. Financial Executives

Certain employees have special duties to assure that our public filings provide full, fair, accurate, timely and understandable information. The Chief Executive Officer and the Chief Financial Officer bear a special responsibility for promoting integrity throughout the organization. As a result, these individuals are bound by the following Code of Ethics for Financial Executives. Each agrees that he or she will adhere to and advocate the following principles and responsibilities governing their professional and ethical conduct:

1. To act with honesty and integrity, avoiding actual or apparent conflicts of interest in personal and professional relationships;
2. To provide information that is accurate, complete, objective, relevant, timely and understandable to ensure full, fair, accurate, timely and understandable disclosure in reports and documents that SanDisk files with, or submits to, government agencies and in other public communications;
3. To comply with all rules and regulations of federal, state, provincial and local governments, and other appropriate private and public regulatory agencies;
4. To act in good faith, responsibly, with due care, competence and diligence, without misrepresenting material facts or allowing their independent judgment to be subordinated;
5. To respect the confidentiality of information acquired in the course of their work, except when authorized or otherwise legally obligated to disclose. Confidential information acquired in the course of their work must not be used for personal gain;
6. To share knowledge and maintain skills important and relevant to stockholders' needs;
7. To proactively promote ethical behavior as a responsible partner among peers in their work environment and their community; and
8. To achieve responsible use of and control over all assets and resources employed or entrusted to them.

FAQ: What should I do if I become aware of any loss, misuse or theft of SanDisk assets, or even the possibility of such an event occurring?

Answer: You must immediately report such situations to any of the following: the Security Department, the Human Resources Department, the Legal Department, the Internal Audit Department, or to your supervisor (and you may make a report through Ethics Point, Inc. as described in Section V.E.).

FAQ: What does the PIIA cover?

Answer: The PIIA covers your duties with respect to the protection of confidential information.

FAQ: What is a non-disclosure agreement?

E. Protection of Company Assets

Employees, temporary and contract workers are authorized to use Company assets, facilities, and services only for lawful, proper and authorized purposes. Note that the contents of your Company computer are subject to review and search by the Company. Your obligations with respect to SanDisk equipment, systems, facilities, corporate credit cards, and supplies are to:

- use only for conducting SanDisk business (see below concerning SanDisk equipment),
- be alert to any situations or incidents that could lead to the loss, misuse, or theft of SanDisk property,
- properly care for equipment that SanDisk has provided you to prevent waste, misuse or damage,
- keep to a minimum incidental use of SanDisk equipment for personal reasons and not let incidental use interfere with SanDisk's business,
- take precautions to protect SanDisk property entrusted to you from theft or damage, and
- ensure SanDisk equipment remains fully accessible to SanDisk and remains the property of SanDisk.

F. Confidentiality

SanDisk's assets include confidential information relating to the present or planned business of the Company that has not been released publicly by authorized Company representatives. The following are types of confidential information:

- trade secrets and know-how,
- inventions,
- research and development programs,
- products,
- pricing,
- personnel information,
- financial data,
- customer, consultant, contractor, partner, reseller and supplier information, and
- sales and marketing programs.

All SanDisk employees are required to sign the SanDisk Proprietary Information and Inventions Agreement ("PIIA") upon their engagement. You must not disclose confidential information to persons or companies outside of SanDisk unless such persons entered into a non-disclosure agreement with SanDisk, legitimately need the information in order to work with SanDisk and you have been properly authorized by management to provide such information. Even within SanDisk, any employee, contractor and consultant should share confidential information only on a "need to know" basis and subject to terms of the applicable non-disclosure agreement. Obligations of confidentiality to SanDisk continue after termination of employment with SanDisk. SanDisk has a standard non-disclosure agreement suitable for most types of business disclosures. Contact the Legal Department for assistance in obtaining the correct agreement.

Innovations and ideas concerning products or manufacturing processes may be eligible for patent, copyright, trademark or other legal protection. SanDisk has procedures and programs in place to protect these rights. You should become familiar with these programs and seek legal advice if they have questions.

Employees should never use or accept information offered by a third party that is represented as confidential, or which appears from the context or circumstances to be confidential, unless an appropriate non-disclosure agreement

Answer: A legal agreement between two or more parties that identifies the confidential information being shared between the parties and how each recipient may use such confidential information.

has been signed. Even after a non-disclosure agreement is in place, the only confidential information received should be information necessary to accomplish the business purpose. If more detailed or extensive confidential information is offered than is necessary for the immediate business purposes, it should be refused or promptly returned. Employees must not sign a third party's form of non-disclosure agreement without review and approval by the SanDisk Legal Department.

Once a third party's confidential information has been disclosed to SanDisk, there is an obligation to abide by the terms of the relevant Non-disclosure agreement. Pay special attention to the following terms: the scope of the license, the purpose for which the confidential information may be used, its term and who within SanDisk may receive it. When in doubt, consult with the Legal Department.

G. Open Source Code

An open source code is a code subject to a license that makes the source code available to the public free of charge while allowing for modification, redistribution and commercial use. As there is a large variety of open source licenses and some of them may potentially harm SanDisk's business interests you must review and obtain approvals pursuant to SanDisk's Open Source Policy before utilizing any Open Source Code.

H. Respect in the Workplace

SanDisk strives to maintain a workplace where all individuals, co-workers, customers, partners and vendors are treated with honesty, fairness and respect. SanDisk does not tolerate discrimination or harassment based upon race, color, religion, gender, age, national origin, ancestry, citizenship, physical or mental disability, medical condition, sexual orientation, gender identity, veteran, or marital status, or any other characteristic protected by law. Moreover, SanDisk values diversity in its workforce and provides equal employment opportunity for all applicants and employees. We follow these core principles in all areas of employment including but not limited to recruitment, hiring, training, assignment, promotion, compensation, benefits, and other areas as required by law.

Respect in the workplace also encompasses workplace security. Threatening physical harm, engaging in violent behavior, or possessing weapons while on company premises is absolutely prohibited. Similarly, being under the influence of alcohol or illegal drugs while at work is strictly forbidden. If you become aware of any harassment, discrimination, or threats or acts of violence, you should notify a manager or Human Resources immediately.

Additional information can be found in SanDisk's Equal Employment Opportunity Policy, Harassment-Free Workplace, and other policies relating to appropriate workplace conduct.

V. Administration of Code of Ethics

A. Waivers of Provisions of this Code

Any waiver of any provision of this Code of Ethics for a member of SanDisk's Board of Directors or an Executive Officer of SanDisk must be approved and documented by the SanDisk Board of Directors and promptly disclosed to the Company's stockholders, if and as required by law or the rules of the stock exchange on which SanDisk's stock is traded. Unless otherwise indicated in this Code of Ethics, SanDisk's Chief Legal Officer or Chief Financial Officer must approve in writing any waiver of any provision of this Code of Ethics with respect to any other employee, agent, contractor or consultant.

B. Your Duty to Come Forward

As part of its commitment to ethical and legal behavior, SanDisk requires its employees, officers, directors, temporary or contract workers to report to SanDisk any actual, suspicious or apparent violations of law or ethical standards so that the violation can be investigated and dealt with appropriately. This obligation extends to any instance where one suspects, but is uncertain whether, a violation may be occurring. Failure to comply with the duty to come forward is a violation of this Code of Ethics and can result in serious disciplinary action, including possible termination of employment.

The Company imposes this requirement even on those who are not directly violating the Company's ethical and legal standards because any time an employee or contractor fails to live up to our ethical and legal obligations, our Company and employees can be profoundly and adversely affected. Penalties and repercussions from unlawful behavior can be devastating, both for our Company and the individuals involved. No one can condone such activities and, therefore, anyone who suspects or is aware of a violation owes a duty to the Company and himself or herself to disclose it.

In addition, management is committed to addressing such concerns and strives to foster openness with employees, consultants and contactors about ethical and legal issues. To meet this objective, the Company encourages you to report wrongdoing and to ask questions if they have any concerns about compliance with law or this Code of Ethics. Toward this end, the Company provides each of you with the following directions.

C. Knowing What Issues to Raise and When

Bring to management's attention any instance involving or suspected to involve unlawful conduct, conduct that violates this Code of Ethics, or pending or proposed conduct which you reasonably believe will violate this Code of Ethics. Raise with management any concern you may have whether proper procedures are being followed, even though you are not certain whether legal or ethical standards are being violated. Let management know whenever you believe adequate resources or training are not being provided so as to enable employees to comply with legal standards applicable to the Company.

Raise questions promptly so that the issues can be dealt with early. Normally you should take issues to your immediate supervisor, but you may also satisfy your obligation to bring issues forward by contacting the:

- Chairperson of the Audit Committee of the Board of Directors; or
- President and Chief Executive Officer; or
- Chief Financial Officer; or
- Senior Vice President, Human Resources; or
- Chief Legal Officer; or
- Senior Director of Internal Audit; or by contacting
- The Ethics Point hotline (an independent service provider; see Section V.E. below).

D. Assurance of Non-Retaliation

SanDisk recognizes your concerns regarding coming forward with a complaint and it will thus not tolerate any discrimination or retaliation against any person who, in good faith, reports any matter under this Code of Ethics, although coming forward will not necessarily immunize a person from the consequences of his or her own misconduct, if such misconduct exists. Employees who attempt retaliation will be subject to disciplinary actions, up to and including termination of

employment.

As used in this Code of Ethics, retaliation refers to reprisal, interference, restraint, penalty, discrimination, intimidation or harassment, determined in accordance with applicable legal standard.

E. Making Confidential or Anonymous Reports

You may report any matter on a confidential (or anonymous) basis through Ethics Point, Inc. by going to their website (<http://www.ethicspoint.com>) and typing "SanDisk Corporation" in the box that says "To File a Report Now" or by calling them toll-free (in the United States) at +866-567-0636.

F. Investigation of Complaints and Disciplinary Action

The matters covered in this Code of Ethics are of the utmost importance to SanDisk and we expect all of our employees, agents, temporary or contract workers to adhere to these rules in carrying out their duties for the Company.

All reports of alleged violations under this Code of Ethics will be promptly and thoroughly investigated. All information disclosed during the course of the investigation will remain confidential, except as necessary to conduct the investigation and take any remedial action, or as required by applicable law. If it is determined that a Code of Ethics violation has occurred, we will take prompt remedial action proportionate to the severity of the offense.

This remedial action may include disciplinary action up to and including termination of employment. Reasonable steps will also be taken to prevent any further violations of the Policy at issue. Where laws have been violated, SanDisk will cooperate fully with the appropriate authorities. Where the Company has suffered a loss, it may pursue its remedies against the individuals or entities responsible.

ACKNOWLEDGMENT OF RECEIPT

I have received and read the SanDisk Worldwide Code of Business Conduct and Ethics dated as of March 17, 2011 (hereafter this "Code of Ethics"). I understand the standards and policies contained in the Code of Ethics and understand that there may be additional policies, procedures, laws and regulations that are specific to my job. I agree to comply with this Code of Ethics at all times during my employment with the Company. I understand that my failure to comply with these requirements may result in disciplinary action against me, up to and including termination of my employment with SanDisk.

If I have questions concerning the meaning or application of this Code of Ethics, any Company policies, or the legal and regulatory requirements applicable to my job, I know I can consult my manager, the Human Resources Department or the Legal Department.

I further understand that this Code of Ethics may be amended or modified from time to time by SanDisk.

_____ Employee Name
_____ Signature
_____ Date

Please sign and return this form to the Human Resources Department.