

AEROHIVE NETWORKS, INC.

ANTICORRUPTION COMPLIANCE POLICY

(“FCPA”)

Approved as of February 26, 2014 and effective as of the closing of the Company’s initial public offering (amended effective April 24, 2019)

I. Introduction

Aerohive Networks, Inc. (“**Aerohive**” or the “**Company**”) is committed to maintaining the highest level of professional and ethical standards in the conduct of its business in all countries in which it operates or otherwise has business connections, including the United States and the United Kingdom. The Company’s reputation for honesty, integrity, and fair dealing is an invaluable component of the Company’s financial success, and of the personal satisfaction of its employees.

One of the U.S. laws directly relevant to that commitment is the U.S. Foreign Corrupt Practices Act, known as the FCPA. The FCPA is a criminal statute that prohibits all U.S. companies and persons from corruptly offering, promising, paying, or authorizing the payment of anything of value to any foreign official to influence that official in the performance of his or her official duties. This prohibition applies whether the offer or payment is made directly, or through a third person. Thus, in some instances, the Company could be held liable for payments made by its joint venture partners or sales agents. The FCPA also requires issuers, such as Aerohive, to maintain an accounting system that ensures reasonably detailed and accurate records of all of its financial transactions and a system of internal accounting controls that protects against off-book accounts and disbursements and other unauthorized payments. The penalties for violating the FCPA are very severe and potentially devastating to both the Company and the individuals involved.

Similarly, the United Kingdom recently enacted a comprehensive anticorruption law, the UK Bribery Act of 2010 (“**UKBA**”). Like the FCPA, the UKBA prohibits providing anything of value to foreign officials for the purpose of improperly influencing their decision making process. The UKBA, however, also prohibits providing anything of value in the purely private commercial context if such provisions were provided with the intent to improperly influence an individual to not act impartially, abuse his/her position, or not act in good faith. Both individuals and companies doing business in the United Kingdom may be subject to its provisions.

To facilitate day-to-day compliance Aerohive’s ethical and legal obligations under the FCPA and the UKBA, it is adopting a formal Compliance Policy, which will be managed by the General Counsel. To implement this Policy effectively, every person in our company must make a personal commitment to it. While we do not expect every person in the Company to become an expert in the FCPA or the UKBA, we do expect every employee to adhere to the Company’s

ethical standards, to be cognizant of these anticorruption laws and other applicable laws that relate to the issue of improper payments, and to seek guidance from the General Counsel whenever any uncertainty regarding those laws or standards arises. Departures from our business standards will not be tolerated. This Policy is intended for use by all personnel in Aerohive, including its subsidiaries, affiliates and agents, to ensure compliance with the U.S. Foreign Corrupt Practices Act, or FCPA, and the United Kingdom’s Bribery Act of 2010, of UKBA. We encourage you to review these guidelines carefully and to discuss any questions you may have with the General Counsel.

II. Compliance with Anticorruption Laws

A. Summary of the FCPA

The FCPA has two major components: (1) the antibribery prohibitions; and (2) the accounting and recordkeeping requirements. The first component applies directly to the Company’s business activities conducted in the United States and abroad. The FCPA antibribery prohibitions disallow a U.S. company or its employee or representative from giving, paying, promising, offering, or authorizing the payment, directly or indirectly through a third party, anything of value to any “foreign official” (a broad term whose scope is discussed in Section B below) to persuade that official to help the company, or any other person, obtain or keep business. The FCPA bars payments even if: (1) the benefit is for someone other than the party making the payment; (2) the business sought is not with the government; (3) the payment does not work and no business is awarded; or (4) the foreign official initially suggested the payment.

The second component of the FCPA, the accounting and recordkeeping provisions, requires the Company to keep accurate and complete records of the financial transactions in which they engage. The Company is committed to having internal controls in order to maintain and ensure its books and records are accurate.

Compliance with the FCPA must be undertaken on a case-by-case basis and can be complex. Employees should not try to solve FCPA problems on their own. If a question arises regarding any improper payment related issue, please consult immediately with the General Counsel’s office.

B. Summary of the UKBA

The UKBA contains three key provisions that prohibit the providing of things of value with an intent to improperly influence the recipient. First, Section 1 of the UKBA, known as a prohibition on “active bribery”, prohibits the offering, promising or providing of things of value to any person (which includes foreign officials or any private person). The UKBA prohibits individuals and companies from offering, promising or providing things of value to any person with an intent to induce improper action or reward another for such improper action.

Section 2, known as a prohibition on “passive bribery”, prohibits the requesting, agreeing to receive or acceptance of an improper provision. It is thus a violation of this Policy for any

Company employee to receive, or agree to receive, anything of value with an intent to not act in good faith, impartiality, or otherwise abuse a position of trust.

Section 6 of the UKBA, like the FCPA, creates an offense for bribing foreign public officials. Thus, because Section 1 applies to any person (not just foreign public officials), an individual or person may be prosecuted under either Section 1 or Section 6 for improperly providing things of value to a foreign public official.

C. Who Is a Foreign Official?

The term “foreign official” is defined broadly under the FCPA. Foreign officials include all paid, full-time employees of a non-U.S. government department or agency (whether in the executive, legislative or judicial branches of government and whether at the national, provincial, state or local level). Government officials can also include part-time workers, unpaid workers, individuals who do not have an office in a non-U.S. government facility, and anyone acting under a delegation of authority from a non-U.S. government to carry out government responsibilities. They also include officers and employees of companies or entities which have non-U.S. government ownership or control, such as state-owned enterprises and government-controlled universities and hospitals. As is discussed below, the UKBA also prohibits improper payments to foreign officials and the Company will abide by the FCPA’s definition of foreign officials when determining whether an individual is a foreign official. Any questions about an individual’s potential government status should be raised with the General Counsel’s office.

It is important to note that the FCPA prohibits payments to individual “foreign officials.” *Bona fide* payments to a government entity are not prohibited unless the Company has some reason to know that the payment will actually end up in the hands of an individual official.

D. Prohibited Payments

The FCPA prohibits offering, promising, or giving “anything of value” to a foreign official to get or keep business. The UKBA prohibits similar provisions to the foreign officials, but also prohibits the provision of anything of value to purely private parties (i.e. non-government officials) if the provision was intended to induce the private party to not act in good faith, impartially, or otherwise abuse a position of trust. Thus, improper provisions under the FCPA and UKBA are not limited to cash payments. Gifts, entertainment, excessive business promotional activities, covering or reimbursing expenses of foreign officials, in-kind or political contributions, investment opportunities, subcontracts, stock options, and similar items provided to foreign officials are all things of value that can violate the FCPA.

The FCPA also contains a narrow exception that allows for “facilitating payments,” which are payments of a nominal amount made to ensure non-discretionary governmental actions, such as processing visas or business permits. The exception does not cover payments made to induce a government official or employee to ignore his or her lawful duty or to exercise discretion in the award of business.

Despite this exception and because facilitating payments are prohibited under the UKBA, it is against Company policy to make facilitating payments (unless the health or safety of an employee is at risk). If you have any question whether a payment qualifies as a facilitating payment or whether an exception may be granted from this Policy to make a facilitating payment, contact the General Counsel's office. If a facilitating payment must be made to ensure the health or safety of an employee, the event should be fully and properly reported to the General Counsel's office within seventy-two hours.

E. Permissible Payments

The three sections below provide limited exceptions to the general prohibition against providing anything of value to a foreign official or a private person for an improper purpose. If you have any doubt whether a payment falls within these exceptions, consult with the General Counsel's office prior to engaging in the transaction.

1. Gifts

It is customary in many parts of the world to occasionally give nominal gifts to customers and other parties that have a business relationship with the Company. Generally, a nominal gift can be made by a Company employee to a foreign official or private party without violating the FCPA or UKBA if: (a) the giving of the gift does not meet the elements of an FCPA or UKBA violation (*i.e.*, the gift is not given to obtain or retain business or gain an improper advantage); (b) the gift is lawful under the written laws of the country where the gift is being given; (c) the gift constitutes a bona fide promotion or goodwill expenditure; (d) the gift is not in the form of cash; (e) the gift is of nominal value (on an individual and aggregate basis); and (f) the gift is accurately recorded in the Company's books and records.

While no dollar amount is specified under the FCPA or UKBA, in general, no gift with a value of more than **US\$100.00** should be given by an Aerohive employee or third party working on behalf of the Company to a any current or prospective customer or client, whether a foreign official or a private person, without prior review and written approval by the regional vice president (which written approval must then promptly be forwarded to the General Counsel's office). For Aerohive promotional or advertising items with a value of less than **US\$100.00**, such as pens or coffee mugs, no approval is necessary. The number of items given, however, must be reasonable and the gift must otherwise abide by the above-described requirements.

If you have any doubt whether a payment falls within this exception, contact the General Counsel's office.

2. Business Expenses for Foreign Officials

The FCPA and permits companies, including Aerohive, to provide certain types of entertainment and travel to foreign officials provided that such entertainment and travel expenses are: (a) bona fide and related to a legitimate business purpose (*i.e.*, not provided to obtain or retain business or to gain an improper advantage); (b) reasonable in amount; and (c) legal under the written laws of the foreign official's home country. Similarly, under the UKBA, a provision

to a foreign official is permissible if the provision was not intended to influence the individual official in the performance of his or her official functions.

For local meals and entertainment that otherwise adhere to the above-described requirements but have a value exceeding US\$100 per person, prior written approval must be obtained from the regional vice president (which written approval must then promptly be forwarded to the General Counsel's office). In situations where the expenditure's value exceeds US\$100 per person and pre-approval is impractical or impossible, the event should be fully and properly reported in writing to the regional vice president (which written report Aerohive Legal must then promptly be forwarded to the General Counsel's office).

For ALL travel and travel-related expenses involving foreign officials, including but not limited to airfare, accommodations, and entertainment and meals during a trip, the employee must complete the T&E Form prior to the expenditure and submit it for review to the General Counsel's office. Written pre-approval is required by the General Counsel's office prior to any travel related expenditure for foreign officials. For foreign officials, only economy airfare is appropriate. Any hotel accommodations provided to foreign officials must be reasonable (not lavish) taking into consideration the geographic location.

It is important to note that expenditures involving foreign officials are generally more heavily scrutinized by government authorities than expenditures involving private parties. Moreover, because both the FCPA and UKBA prohibit improper provisions to foreign officials, one violation of this sort could expose the Company to liability in both the U.S. and the U.K. As a result, these requirements pertaining to foreign officials must be scrupulously followed by Aerohive employees.

3. Business Expenses for Private Parties

While the FCPA contains no provisions addressing provisions of things of value to purely private persons, Section 1 of the UKBA, on the other hand, prohibits the provision of anything of value to any person, including private, commercial parties, if it is intended to induce conduct that amounts to a breach of an expectation that the receiving party would act in good faith, impartially, or otherwise abuse a position of trust. All expenditures on private persons must be reasonable and customary and must not raise an inference that such provisions were provided in order to improperly influence the private person to not act with good faith. Whether a provision amounts to a violation of inducement to not act in good faith, impartially or abuse a position of trust, is determined by analyzing whether the conduct would be considered a violation by a reasonable person in the United Kingdom (regardless of where the conduct occurred).

F. Third-Party Liability

The FCPA and UKBA establish liability for improper provisions made indirectly to a foreign official or private person, as well as payments made directly. The Company and individual directors, officers or employees may be liable for a payment made by a third party, such as a joint venture partner, agent, business broker, promoter, facilitator, sales agent or consultant, if the Company makes a payment or transfers other value to that third party

“knowing” that it will be given to a government official or private party. Under the FCPA, firm belief that the third party will pass through all or part of the value received from the Company to a government official, or an awareness of facts that create a “high probability” of such a pass-through, also constitute knowledge under this law. As such, third parties must be investigated prior to their engagement with the Company to ensure their commitment to FCPA and UKBA compliance. When seeking to engage a third party, please contact the General Counsel’s office for assistance in investigating the third party’s background and reputation, also referred to as conducting due diligence.

Company personnel should be particularly alert to any “red flags” that may be encountered during due diligence or in transactions with third parties. “Red flags,” as discussed in more detail below, can arise with any third parties involved with the Company’s foreign business operations, but arise more frequently in dealings with joint venture partners and foreign agents (such as promoters, sales agents or consultants). The basic rule is simple: a red flag cannot be ignored, it must be addressed.

“Red flags” can arise at any stage of a transaction -- during due diligence, during contract negotiations, in the course of operations, or at termination. “Red flags” that do not present serious issues at one stage of a transaction or relationship may pose significant liability risks when they appear at a different stage or in combination with a different overall set of facts. Thus, the significance of “red flags” must be considered in context rather than in isolation. All “red flags” must immediately be investigated and appropriately addressed. If you become aware of facts that may be “red flags” but are not sure how to respond to them, you should immediately contact the General Counsel’s office.

The following are some “red flags” that frequently arise in with third parties involved in non-U.S. operations:

- A reference check reveals the third party’s flawed background or reputation;
- The transaction involves a country known for corrupt payments;
- The third party is suggested by a government official, particularly one with discretionary authority over the business at issue;
- The third party objects to FCPA and/or UKBA representations in Company agreements;
- The third party has a close personal or family relationship, or a business relationship, with a government official or relative of an official;
- The third party requests unusual contract terms or payment arrangements that raise local law issues, such as payment in cash, payment in another country’s currency, or payment in a third country;

- The third party requires that his or her identity or, if the third party is a company, the identity of the company's owners, principals or employees, not be disclosed;
- The third party's commission exceeds the "going rate" or must be paid in cash;
- The third party indicates that a particular amount of money is needed in order to "get the business" or "make the necessary arrangements";
- The third party requests that the Company prepare or accept false invoices or any other type of false documentation; or
- The third party requests payment in a third country (*i.e.*, not where services are rendered, or where the third party resides), or to an account in another party's name.

All contracts with foreign agents must contain appropriate provisions requiring the agent to comply with the FCPA and the UKBA. Moreover, all third parties will be required to sign an FCPA and UKBA compliance certificate indicating their understanding of the law and the Company's policy.

G. Joint Ventures

Aerohive is potentially liable for the activities of its joint venture partners, and of its joint venture entities themselves, whether it is a majority or minority owner or partner. In either case, the Company must monitor the venture's activities and ensure compliance with the UKBA and the FCPA antibribery prohibitions and recordkeeping requirements.

While all Company personnel must be a part of the compliance effort, directors and officers in foreign ventures may face issues appropriately presented to those in a management role, and must be prepared to address them. For example, as a minority partner, Aerohive may not always have the power to stop an improper payment from happening. Nonetheless, the Company must take every step available to it to prevent such occurrences.

H. Accounting and Recordkeeping Requirements

As mentioned above, the FCPA imposes strict accounting, recordkeeping and internal controls requirements on the Company and our foreign operations. The Company is committed to maintaining accurate books and records of account. As a matter of Company policy, therefore, Company personnel must accurately and completely describe all expenditures and should never inaccurately describe or seek to mischaracterize the nature or amount of a transaction. All records relating to FCPA and UKBA compliance matters shall be maintained for a minimum of five years, and diligent efforts should be used to maintain original documents. Company personnel should never accede to requests for false invoices or for payment of expenses that are unusual, excessive, inadequately described, or otherwise raise questions under this Compliance Program. Moreover, Company personnel should ensure that all transactions are executed in

accordance with management's authorization and that there are no off-book accounts or unauthorized payments. Maintaining such accounting, recordkeeping and compliance measures are very important to the Company as Aerohive may be prosecuted under the UKBA for not having a compliance program that reasonably prevents anticorruption if an employee of the company is found guilty of bribery. Consult the General Counsel if you have any questions or concerns regarding these requirements.

I. Penalties

The SEC and the DOJ share enforcement responsibility for the FCPA. The UKBA is generally enforced by the Serious Fraud Office of the UK government.

1. Violations of FCPA's Antibribery Provisions

Criminal penalties for violations of the FCPA's antibribery provisions can be quite severe. Corporations and other business entities are subject to a fine of up to \$2,000,000 per violation. Officers, directors, stockholders, employees, and agents are subject to a fine of up to \$100,000 per violation and imprisonment for up to five years. Under federal criminal laws other than the FCPA, individuals may be fined up to \$250,000 or up to twice the amount of the gross gain or loss if the defendant derives economic gain from the offense or causes economic loss to another person.

The Attorney General or the SEC may bring a civil action for a fine of up to \$10,000 per violation against any "issuer" as well as any officer, director, employee, or agent of a firm, or stockholder acting on behalf of the issuer, who violates the antibribery provisions.

2. Violations of FCPA's Accounting Provisions

The accounting provisions provide for penalties similar to those levied for most securities law violations, such as civil injunctive action or monetary penalties. Penalties for issuers typically range between \$50,000 and \$500,000.

Penalties for willful violations are more severe. Individuals who willfully violate the accounting provisions face fines of up to \$5,000,000 per violation, imprisonment of up to 20 years, or both. Issuers that willfully violate the accounting provisions face fines up to \$25,000,000 per violation.

3. Violations of the UKBA

Individuals found guilty of providing or receiving improper provisions to or from foreign officials or private persons in violation of Section 1, 2 or 6 of the UKBA face up to 10 years in prison. Fines for individuals and companies may also be substantial, as there is no statutory limit to monetary penalties under the UKBA.

J. Reporting Violations

You should promptly report violations or suspected violations of this policy to the General Counsel. If your concerns relate to accounting, internal controls or auditing matters, or if the General Counsel or another executive officer is implicated in any violation or suspected violation, you may also contact the Audit Committee of the Board using the contact methods above.

Employees and non-employees (including the Company's shareholders) may submit concerns regarding accounting, internal accounting controls, or auditing matters they believe to be questionable (confidentially and anonymously, if they wish) in one of the following ways:

- Via electronic mail to the General Counsel at Generalcounsel@aerohive.com;
- Via electronic mail to a third-party service provider at aerohivenetworks@answernet.com, or by logging on to www.thecompliancpartners.com/aerohivenetworks
- Via telephone hotline to a third-party service provider at **888-670-3675**; or

(All emails or calls to the third-party service provider are routed directly to the Audit Committee and the General Counsel.)

- Via regular mail to:

Aerohive Networks,
Inc. 1011 McCarthy
Blvd.

Milpitas, CA 95035

Attn: General Counsel