

Penguin Solutions, Inc. UK Modern Slavery and Human Trafficking Statement and California Transparency in Supply Chains Act Statement

This statement explains the steps that Penguin Solutions, Inc. and its subsidiaries (together “Penguin Solutions” or “Group”) are taking to prevent, detect and respond to slavery in our businesses and throughout our supply chain (the “Statement”). The Statement has been prepared pursuant to the Modern Slavery Act 2015, as amended (the “Act”), and the California Transparency in Supply Chains Act of 2010, and covers the period of 12 months ending on August 30, 2024.

Foreword from Anne Kuykendall, Senior Vice President and Chief Legal Officer at Penguin Solutions, Inc.

“At Penguin Solutions we are committed to high ethical standards and respecting human rights. We aim to uphold these standards throughout our organization through actions intended to eradicate the risk of modern slavery and human trafficking within our businesses and supply chains.

We are committed to promoting transparency in our own businesses and in our approach to eliminating modern slavery throughout our supply chain, consistent with the obligations of the Act. Our philosophy is reflected in the Responsible Business Alliance Code of Conduct that we have adopted and our labor and ethics policies, where we express our commitment that our directors, officers and employees aim to do

more than be compliant with laws, regulations and policies relating to modern slavery: we strive to work according to our ethical principles and endeavor to conduct ourselves in a manner beyond reproach.

We expect the same high standards from all of our business partners, suppliers and contractors, and we expect our suppliers to hold their own suppliers to those high standards as well.”

Our organization’s structure

Since our inception over 30 years ago, Penguin Solutions has grown into a diversified group of businesses focused on the design and manufacture of specialty solutions for the computing, memory and LED markets. Our success is based on a customer-focused approach characterized by a commitment to quality, advanced technical expertise, quick time-to-market, build-to-order flexibility and excellence in customer service.

Penguin Solutions, Inc. is parent company of the Group, with our corporate headquarters in Milpitas, California. The Group has approximately 2,700 employees worldwide as of August 30, 2024 and operates in numerous countries across the world. The Group, as of August 30, 2024, had a global annual turnover of approximately USD \$1.2 billion.

Our supply chains

Our businesses rely on other businesses from which we purchase goods and services. Likewise, those businesses have suppliers which form our extended supply chain.

Our policies on slavery and human trafficking

We also seek to prevent modern slavery or human trafficking in our supply chains or in any part of our businesses. We have undertaken an assessment of the risks of slavery or human trafficking and are reviewing our existing business policies and procedures on an annual basis to seek to implement or continue using preventive measures appropriate and proportionate to the level of risk. Penguin Solutions is a member of the Responsible Business Alliance (“RBA”) and, as such, Penguin Solutions has adopted the RBA Code of Conduct. The RBA Code of Conduct, as well as our Code of Business Conduct and Ethics and our Supplier Code of Conduct (discussed below), reflect our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to reduce the risk of slavery and human trafficking occurring in our businesses or our supply chains.

In particular, Penguin Solutions’ Code of Business Conduct and Ethics, Supplier Code of Conduct, Human Workforce Labor Rights Policy, Conflict Mineral Policy, Whistleblower Policy and Anti-Corruption Policy articulate our commitment in adhering to the human rights requirements specified by the RBA, including

freely chosen employment, prohibition against child labor, reasonable working hours, fair wages and benefits, humane treatment, non-discrimination/non-harassment, freedom of association, business integrity, equal protection under the law, and privacy protection, all of which are important in creating and sustaining a positive and productive work environment.

Due diligence processes for slavery and human trafficking

As part of our initiative to identify and mitigate risk we conduct modern slavery risk assessments both within our businesses and in relation to our suppliers. These assessments help enable us to identify where there are increased risks of modern slavery and to target those risks throughout our work. We work with experts to help our procedures react to, and mitigate, modern slavery risks.

While we do not presently audit our suppliers, in order to evaluate supplier compliance with RBA standards regarding trafficking and slavery in supply chains, (including the RBA Validated Audit Process (“VAP”) or equivalent guidelines), we receive notifications when one of our suppliers completes such RBA audits. Approximately 71% of Penguin Solutions’ 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 the RBA VAP procedures.

Penguin Solutions’ suppliers share our emphasis on quality, environmental, health, safety, labor and ethics as an important component to help improve mutual business growth. Since 2013, Penguin Solutions has included RBA requirements as part of its initial supplier assessments and since 2023 does continuous monitoring via its third party compliance provider.

Additionally, we have in place systems to:

- Identify and assess potential slavery and human trafficking risk areas in our supply chains;
- Mitigate the risk of slavery and human trafficking occurring in our supply chains;
- Monitor potential risk areas in our supply chains; and
- Protect whistle blowers.

We have also implemented a global whistleblower hotline which is available to callers on a confidential, anonymous basis. Instructions on accessing our global whistleblower hotline are provided in each of the languages that are most often used in each of the regions where we have significant operations. Our employees, and those of our suppliers, may report suspected issues around modern slavery via the whistleblower hotline. Reports of slavery and/or human trafficking are investigated and, to the extent material non-compliance with our company policies on these matters is discovered, appropriate corrective

action will be taken, up to and including termination. Penguin Solutions maintains a strict non-retaliation policy, which prohibits any retaliation against employees and others who in good faith report an alleged violation or participate in any subsequent investigation.

Supplier adherence to our values and ethics

To help confirm that those in our supply chain and contractors adhere to our values and ethics, we have in place a supply chain compliance program, pursuant to which we require all of our new suppliers to sign our Supplier Code of Conduct and since 2023 does continuous monitoring via its third party compliance provider.

Supplier Code of Conduct

Our Supplier Code of Conduct details expectations for suppliers to engage in ethical business practices and remain in compliance with applicable laws and regulations, including laws regarding slavery and human trafficking of the country or countries in which they are doing business, as well as the laws to which Penguin Solutions is subject. We require all suppliers to sign our Supplier Code of Conduct annually to mitigate the risk of human rights violations.

With respect to compliance, we take a holistic approach in which the following departments are involved:

- Legal
- Quality
- Internal audit
- Human resources
- Procurement
- Training

To promote greater understanding of the risks of modern slavery and human trafficking in our supply chains and our businesses, and how to mitigate those risks, we provide informal training to our employees and management, who have direct responsibility for supply chain management and procurement, on human trafficking and slavery, particularly with respect to mitigating risks within the supply chains of products. This provides all Penguin Solutions employees the opportunity to review the comprehensive guidelines on preventing modern slavery encompassed in the RBA Code of Conduct.

Certification

We are a member of and follow guidance from RBA's Responsible Mining Initiative ("RMI") to help us keep 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 annually. We also provide information about mica and cobalt upon customer request.

Further steps

Following a review of the effectiveness of the steps we have taken thus far to seek to eliminate slavery or human trafficking in our supply chains, we intend to take the following further steps to combat slavery and human trafficking:

- Regularly audit our suppliers in compliance with RBA VAP or equivalent guidelines;
- Screen potential suppliers for RBA membership; and
- Maintain internal accountability standards and procedures for employees or contractors failing to meet Penguin Solutions standards regarding slavery and trafficking.

In 2023, we implemented a third party compliance service provider solution which we hope will enable future monitoring of the effectiveness of our policies and procedures.

Concluding statement

Ethical behavior is at the heart of our business. We do not use persons held in modern day slavery, nor accept the use of them by any of our suppliers. This includes people who have been trafficked, forced into labor, bonded into labor and those people held in servitude through financial control or control of their freedom of movement.

This Statement is made pursuant to section 54(1) of the Act and has been approved by the board of Penguin Solutions, Inc. and the board of SMART Modular Technologies (Europe) Limited and constitutes Penguin Solutions' slavery and human trafficking statement for the financial year ending August 30, 2024.

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Mark Adams, Director, President and Chief Executive Officer for and on behalf of Penguin Solutions, Inc.

Date: September 30, 2024