

Penguin Solutions, Inc.

Director and Officer Stock Ownership Retention Policy

The Board of Directors (the “Board”) of Penguin Solutions, Inc. (“Penguin Solutions”) has adopted this Director and Officer Stock Ownership Retention Policy (the “Policy”) to require Penguin Solutions’ directors and executive officers to acquire and retain long-term ownership of Penguin Solutions equity in order to further align their personal financial interests with the long-term interests of Penguin Solutions’ stockholders.

1.0 Application

1.1 Covered Individuals

This Policy applies to each (i) independent director who participates in Penguin Solutions’ non-employee director compensation program (each, a “Covered Director”) and (ii) person who is an executive officer subject to Section 16 of the Securities Exchange Act of 1934, as amended, as from time to time determined by Penguin Solutions (each, a “Covered Executive” and, together with the Covered Directors, “Covered Individuals”).

1.2 Covered Awards

This Policy applies to all awards of equity compensation granted under any of Penguin Solutions’ equity incentive plans to a Covered Individual, including all awards that are outstanding as of the date hereof and any awards granted hereafter.

2.0 Minimum Ownership Guideline

2.1 Minimum Ownership

Within the later of January 31, 2028 and five (5) years after becoming a Covered Individual (the “Effective Date”), each Covered Individual is required to hold shares of common stock of Penguin Solutions (or common stock equivalents, as determined in accordance with this Policy) having an aggregate value of at least the applicable multiple of his or her annual base salary or annual Board member cash retainer (exclusive of any additional chair or committee retainers) as set forth in the following table:

Title	Stock ownership guideline
Chief Executive Officer or President of Penguin Solutions	6 times annual base salary
Other Covered Executives	2 times annual base salary
Covered Directors	5 times annual cash Board member retainer

These represent minimum ownership guidelines – Covered Individuals are encouraged to own common stock beyond these levels.

2.2 Valuation Methodology

For purposes of measuring whether ownership goals are achieved, all calculations will be performed after the end of Penguin Solutions' fiscal year (the "Measurement Date") with annual base salary and Board member cash retainers to be based on the annual amount in effect as of the last month of such fiscal year. The value of each Covered Individual's stock ownership is based on the weighted average closing price of a share of Penguin Solutions' common stock as reported on Nasdaq during the last 20 trading days of each fiscal year multiplied by the number of shares attributable to the Covered Individual. Once a Covered Executive or Covered Director has achieved the applicable ownership guideline, such person will be considered in compliance until the next Measurement Date.

2.3 Eligible Equity

For purposes of determining whether a Covered Individual has satisfied the stock ownership requirements of this Policy, eligible equity shall include:

- Shares of common stock owned outright by the Covered Executive or Covered Director or any of such person's immediate family members residing in the same household;
- Shares of common stock held in trust for the benefit of the Covered Executive or Covered Director or such person's family;
- Shares of common stock held in Penguin Solutions' employee benefit plans;
- Shares of common stock obtained through stock option exercise;
- After-tax value of nonvested time-based restricted stock*; and
- After-tax value of nonvested time-based restricted stock units*.

* Includes performance-based restricted stock and restricted stock units if the underlying performance condition has been achieved.

The following will not count toward achievement of the stock ownership guidelines:

- Unexercised stock options and nonvested stock options;
- Nonvested performance-based restricted stock; and
- Nonvested performance-based restricted stock units.

2.4 Stock Retention Requirement

As of the Effective Date, until a Covered Individual has satisfied his or her applicable salary or Board member retainer multiple threshold, the Covered Individual is required to retain at least 20% of net profit stock. “Net profit stock” is those shares of common stock that remain after deducting the applicable tax withholdings and the payment of any exercise or purchase price (if applicable) upon the vesting or settlement of equity awards or the exercise of stock options.

3.0 Administration

The Board reserves the right to modify or amend this Policy at any time. The Board will evaluate whether exceptions should be made for any Covered Individual on whom the applicable guideline would impose a severe financial hardship.