
Human and Workforce Labor Rights

REVISION ADOPTED JUNE 14, 2023

I. OVERVIEW

Respect for human rights is integral to the Core Values of Penguin Solutions, Inc. (“Penguin” or the “Company”) and informs how we conduct business. Penguin promotes an inclusive and diverse culture that promotes employee health, safety, and wellbeing. The Company’s commitment to these values is guided by the Global Human Rights Standards, and reflects our commitment to respecting international human rights standards, as defined by the UN Guiding Principles on Business and Human Rights which include the UN Universal Declaration of Human Rights and the International Labor Organization (ILO) 1998 Declaration on Fundamental Principles and Rights at Work.

II. POLICY STATEMENT

This Penguin Human and Workforce Labor Rights Policy (the “Policy”) is intended to protect human rights and provide each individual the dignity, respect, and acceptance the individual deserves. Penguin does not tolerate employment discrimination based on an individual’s protected status and strives to ensure equal pay for equal work. The Company works hard to provide an environment free from discrimination, harassment, and retaliation, including, but not limited to protecting those rights of women, minorities, and the LGBTQ+ community. This Policy is reflected in our operational procedures and applied indiscriminately, regardless of geographic region or location. Violations of this Policy, or other policies of Penguin, should be reported immediately and directly to management, or anonymously through our whistleblower hotline services.

Our Policy is based on our Core Values: Put People First, Act with Purpose, Drive Progress, and Deliver Results. This Policy is modeled after the Responsible Business Alliance (RBA) Code of Conduct, which establishes standards for working conditions in the electronics industry or industries in which electronics is a key component. The standards established by the RBA are designed to provide for the safety of the workers in the supply chains and to establish that workers be treated with respect and dignity. RBA standards require business operations to be environmentally responsible and ethically conducted and are aligned with the UN Guiding Principles on Business and Human Rights. The RBA Code of Conduct is based on international principles and norms we accept and incorporate in our business practices, including the United Nations (UN) Universal Declaration of Human Rights (UDHR), the International Labor Organization’s (ILO) International Labor Standards and Declaration on Fundamental Principles and Rights at Work, the OECD Guidelines for Multinational Enterprises, the UN General Comment No. 15 on the right to water, and ISO standards.

III. EMPLOYMENT AND LABOR PRACTICES

It is the Company's policy to provide equal employment opportunities for all applicants and employees. The Company does not unlawfully discriminate on the basis of race, color, religion, sex (including pregnancy, childbirth, or related medical conditions), gender identity, gender expression, political affiliation, national origin, ancestry, citizenship, age, physical or mental disability, legally protected medical condition, family care status, military or veteran status, marital status, domestic partner status, sexual orientation, genetic information, or any other basis protected by local, state, or federal laws. When necessary, the Company also makes reasonable accommodations for disabled employees and for pregnant employees who request an accommodation, with the advice of their health care providers, for pregnancy, childbirth, or related medical conditions.

CHILD LABOR AND YOUNG WORKERS

Penguin adheres and expects our suppliers and vendors to adhere to the legal minimum age requirements and prohibits the use of child labor in all countries in which we operate with commitments to the principles of the United Nations Convention on the Rights of the Child and the UNICEF Children's Rights and Business Principles. We will never employ children under the age of 16, under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is stricter. Penguin has a strong age-verification process during the recruitment and selection process to make sure all our employees are age-qualified. This includes at a minimum, inspection and verification of at least two forms of identification and visual identification.

If workers between the ages of 16 and 18 are employed, we will ensure that this work does not affect or preclude their educational opportunities or obligations, nor jeopardize their health and safety, including restrictions on overtime and night work.

If an underage worker is found, Penguin's policy is to immediately implement a remediation program, which includes protecting the young worker from reprisal and provide for the completion of the young worker's compulsory education.

SEXUAL HARASSMENT

The Company prohibits sexual harassment and the harassment of any individual on any of the other bases listed above.

This applies to all areas of employment including recruitment, hiring, training, promotion, compensation, benefits, transfer, disciplinary action, and social and recreational programs. The law prohibits managers, employees and third parties that an employee comes into contact with, from engaging in conduct that is prohibited by law. It is the responsibility of every manager and

employee to follow this policy. Any employee having any questions regarding this policy should discuss them with Human Resources.

WAGES AND BENEFITS

Penguin is committed to providing a fair and living wage to all employees and expects our suppliers and vendors to also adhere to this Policy. Our remuneration shall be consistent with the provisions of all applicable wage laws, including those relating to minimum wage, overtime hours, and legally mandated benefits. In compliance with local laws, workers must be compensated for overtime at pay rates greater than regular hourly rates. Workers must be paid regularly, in full and on time, and must receive equal pay for equal work. Deductions from wages as a disciplinary measure or unauthorized deductions are not permitted. Vacation time, leave periods, and holidays are consistent with applicable laws and regulations.

Our workers are made aware of the composition of their pay and benefits, including explanations of any legitimate deductions, in a detailed and clear manner, in a language understood by them.

FREEDOM OF ASSOCIATION and COLLECTIVE BARGAINING

Penguin recognizes and respects the right for workers to be represented by trade unions or other employee organizations and the freedom of employees to establish or join an organization of their choice. We will not make employment decisions based on union membership or require employees to terminate membership in a trade union. Penguin will not tolerate threats, intimidation, physical or legal attacks against human rights defenders, both in our operations and in our supply chain.

Workers must be able to openly communicate and share grievances with management regarding working conditions and management practices without fear of reprisal, intimidation, harassment, or violence. More information about grievance and whistleblower policies can be found in Penguin's Code of Business Conduct and Ethics.

IV. WORKPLACE SAFETY

Every employee is responsible for working safely, both for self-protection and for the protection of fellow workers, and for supporting the Company's safety efforts. All employees, contractors, and vendors are required to be familiar with and comply with the Company's rules governing safety, and to follow safe work practices at all times. Employees may be subject to discipline for engaging in any unsafe work practice or for violating established safety rules. Employees must promptly report any potential health or safety hazards, and all injuries or accidents to their manager and/or Human Resources. In the case of a serious threat to an employee's health, medical attention should be obtained immediately. In compliance with California law, and to promote the concept of a safe workplace, the Company maintains an Injury and Illness Prevention Program.

The security of our facilities as well as the welfare of our employees requires that we use our best efforts to maintain a secure workplace. All visitors to our facilities are required to sign in at one of the lobby reception desks. Be aware of persons loitering in and around company premises for no apparent reason. Report any suspicious person or activities to the front desk receptionist or a member of our Security or Facilities teams. Secure your desk at the end of the day, and do not leave valuables or personal articles in or around your work area that may be accessible. Lost or stolen badges should be immediately reported to our Security team, Penguin is not responsible for loss or damage to any personal property on Company premises.

The Company is committed to providing a safe, violence-free workplace. In this regard, the Company strictly prohibits employees, contractors, consultants, customers, visitors, or anyone else on Company premises or engaging in a Company-related activity from behaving in a violent or threatening manner. Moreover, the Company seeks to prevent workplace violence before it begins and reserves the right to address certain behaviors, even in the absence of violent behavior.

The Company believes that prevention of workplace violence begins with recognition and awareness of potential early warning signs and has established procedures within Human Resources for responding to any situation that presents the possibility of violence.

V. SUPPLIER RESPONSIBILITY AND ACCOUNTABILITY

Penguin also works with its suppliers to promote similar values and to further a collective commitment to human rights. Penguin requires suppliers to adhere to its Supplier Code of Conduct (the “Supplier Code”), along with relevant terms and conditions. The Supplier Code sets out requirements related to ethics and integrity, labor and employment practices, protecting human rights, sustainability, health and safety, and diversity and inclusion, among other key provisions. The Supplier Code requires our suppliers to protect the rights of workers in our extended supply chain, including with respect to health and safety standards and local wage and hour laws. It prohibits the use of forced labor, child labor or human trafficking of any kind. Further, Penguin strives to mitigate any risk of procuring conflict minerals by way of its Supplier Code.

We conduct periodic business reviews of our critical suppliers to ensure that they provide products and services in a manner that meets our business requirements, including taking prompt corrective actions and implementing preventive actions upon findings of violations. Where appropriate, we support our suppliers in improving their performance in areas that may affect Penguin. We hold ourselves, and our suppliers, accountable to high standards, while focusing on continuous improvement.

VI. ANONYMOUS WHISTLEBLOWER HOTLINE

Penguin provides a system that allows employees to report (on an anonymous basis) all reasonable concerns that they may have regarding our accounting and auditing practices as well as potential legal and ethical violations. At Penguin, this anonymous reporting system is accessible in two different ways:

By web interface at:

<https://secure.ethicspoint.com/domain/media/en/gui/80518/index.html>

By phone at: 1-844-985-4078

All information received through the anonymous reporting system will be forwarded to the chair of our Audit Committee and the Company's Board of Directors. This team will investigate each matter and take appropriate action. Any Concerns regarding the chair of the Audit Committee should be reported to the General Counsel and/or the Chief Compliance Officer.

Employees are encouraged to discuss any workplace issues they have with their immediate managers. Managers are responsible for providing a safe environment for employees to express their concerns. We have an "Open Door" perspective with all employees and encourage their feedback directly to their managers, Human Resources department or through the anonymous reporting system, if all other channels are exhausted and the employee has not received a satisfactory closure to the concerns raised. Penguin will not tolerate any retribution or retaliation against an employee who reports a compliance, harassment, illegal or unethical issue in good faith.

VII. OVERSIGHT

Penguin's Board of Directors and executive management team oversee our commitment to human rights and have established a team to assess the risks in our supply chain on a regular basis. This assessment reflects the UN Guiding Principles on Business and Human Rights, in particular the Guiding Principle 17, and includes any potential or actual human rights related risks. The resulting assessment shows us how any potential or actual human rights abuses affect our operations and our ability to meet the needs and expectations of our stakeholders.