

Business Continuity Practices

Business continuity is vital to our business

As a leading global provider of innovative NAND flash memory solutions, Solidigm is committed to ensuring that our business can keep going when unexpected events happen. The events of the year 2020 and the continuing geo-political and environmental factors have brought the need for sound business continuity to the forefront.

Solidigm has established Business Continuity Practices and Plans (BCP) developed by a committee consisting of members from different cross-functional areas with senior leadership support. The core purpose of Solidigm's BCP is to ensure continuation of critical business operations, meeting partner deliverables, and maintaining a safe working environment for employees, in the event of a business disruption.

Solidigm's Business Continuity Plans include:

- Understanding our various suppliers' business continuity plans as they impact our business operations
- High Volume Manufacturing (HVM) component and SSD products that are qualified across multiple suppliers
- Strategic buffer inventories across the supply chain that are managed to cover short term interruptions
- Supply Chain Optimization strategies that enable multi-sourcing for critical turnkey materials
- Flexible and remote business functions that can be relocated to designated recovery locations
- Critical IT infrastructure that is cloud based with redundancy and backup
- Procedures and teams identified to support recovery processes for critical business functions
- Communications infrastructure to ensure that Solidigm employees, customers, and partners receive emergency notifications and instructions

Solidigm's approach to business continuity

The overarching plan focuses on how to sustain Solidigm's business functions during and after a disruption. It includes people, processes, and technology. IT systems are considered

in terms of their support to business processes. Disaster recovery plans and incident response plans are contained within our continuity plans.

Our approach is to:

- Identify and validate key business functions and significant vulnerabilities
- Assess potential business risks, impact, and likelihood of occurrence, both internal and external
- Build capability, resources, and processes to respond to various business interruptions, both short and long term, effectively
- Initiate actions intended to minimize risks and their potential impact
- Facilitate effective decision-making to ensure that business operations are restored in a timely manner.
- Enable effective communication to all stakeholders and ensure quick and accurate dissemination of data.
- Ensure employee safety and security and minimize loss of life.
- Document measures that will enable Solidigm to effectively respond to a disruptive event and restore critical business operations in a timely manner
- Proactively reassess new risks and potential impact
- Update plans and capabilities as warranted

Solidigm's dependencies on suppliers, vendors and other third parties have increased the risks the organization is exposed to. As they play a critical role in the day-to-day operations of Solidigm, we require our partner organizations to ensure that third-party disruptions are effectively managed.

Solidigm has conducted a thorough Risk Assessment process to identify potential vulnerabilities in our supply chain network. We are actively pursuing strategic contingency plans to enable geographically diverse production and warehousing locations. While these plans will take time to implement, we are putting in place strategic buffers and interim risk mitigation action plans across the supply chain.

How we respond when an incident occurs

To continue business operation during unexpected events, we have:

- Integrated business continuity into the organization's business practices and key business functions
- Created a Corporate Emergency Operations Center to coordinate multi-site emergency response

- Established Site Emergency Operation Centers worldwide
- Formed a Corporate business continuity team to manage and drive overall business continuity efforts and expectations

We practice business continuity daily

Solidigm's business continuity plans are "living" documents. Each Solidigm organization is responsible for assessing and developing their business continuity plans, with a focus on readiness for each critical functional area. This enables us to thoroughly review, and when appropriate, enhance our business continuity plans based on new business conditions, environmental changes, and emerging global threats.

Examples of how we ensure business continuity excellence throughout Solidigm include:

- Making business continuity a fundamental business process and core discipline
- Requiring suppliers that are competing for, or providing materials or services, to provide and maintain a business continuity plan

Solidigm business continuity framework

Solidigm's business continuity practices are based on an all-hazards model. The goal is to transition from emergency response to business continuity without any delay.



Various activities take place in all phases (pre-event, emergency response, business recovery, and post event). These activities are in place to enhance our ability to respond and continue or recover as quickly as possible after an event takes place. Plans are developed for each section of the crisis management wheel as shown in the illustration.

Our Business Continuity efforts never stop

As a global corporation we take our commitment to our customers, employees, and suppliers very seriously. Business continuity is a fundamental part of Solidigm's business practices.

Although Solidigm is always improving our comprehensive business continuity program, we cannot guarantee or provide any absolute form of assurance that our operations and systems will always be available or recoverable after a disaster or other major disruption to day-to-day business. No one really can. We do believe that the steps we have taken in our BCP meet or exceed many of the best practices for business continuity in the industry and will prepare us well for nearly any crisis we face.