

# **Schrödinger Supplier Code of Conduct**

#### I. Purpose

Schrödinger, Inc. ("Schrödinger") and its subsidiaries globally (together referred to as the "Company" or "We"/"we") are committed to conducting business in an ethical and responsible manner, and require that our suppliers (defined below) abide by the same high level of standards. We value our relationships with and the contributions of our suppliers, and we believe that adherence to the guidelines described below will help to achieve success collectively.

#### II. Scope and Applicability

This Supplier Code of Conduct (the "Code") sets forth legal and ethical standards of conduct, principles, guidelines, and expectations we have of all suppliers of the Company in performing services globally for and on behalf of Schrödinger. For the purpose of this Code, a "Supplier" is defined as a vendor/supplier (and their subsidiaries), distributor, channel partner, agent, contractor, and all other third parties with whom Schrödinger engages to procure goods, services, functions, or activities (including process outsourcing). This Code applies globally to the engagement and execution of activities with all Suppliers (collectively, "You"/"you"), and the standards and guidelines in this Code are in addition to any other obligations agreed to in writing between you and the Company. Since we operate in numerous countries around the world, certain provisions of the Code may be modified, supplemented or superseded by policies or procedures to address or comply with applicable local law.

Suppliers are expected to fully comply with the applicable laws and regulations of the countries in which they operate/provide goods and services, and enforce the Code with their employees<sup>1</sup> in accordance with the highest standards of conduct. In the event the Code conflicts with the terms of the contract between the Company and you, the contract terms will prevail with respect to such conflict.

#### III. Expectations of the Company

The Company expects all Suppliers to:

- Comply (and be able to demonstrate compliance) with the Code;
- Notify your Point of Contact ("POC")<sup>2</sup> and Compliance (<u>compliance@schrodinger.com</u>) as soon as you become aware of a violation of the Code; and
- Cooperate with any investigation or inquiry by the Company involving any suspected violation of the Code.

This Code cannot address every situation or question that may arise in the course of the business relationship between a Supplier and the Company; therefore, the Company expects you to exercise

<sup>&</sup>lt;sup>1</sup> As used herein, "employees" is defined to include any temporary or augmented staff of a Supplier.

<sup>&</sup>lt;sup>2</sup> Your Point of Contact is the Company employee or representative with whom you primarily communicate or liaise with respect to the services or goods you supply to us.



sound judgment and ethical decision-making in seeking to comply with the Code. Schrödinger may update and revise this Code from time to time to reflect applicable laws and our own policies.

#### **IV.** Compliance with the Code

All Suppliers and their employees must adhere to this Code while conducting business with, or on behalf of, Schrödinger. Suppliers must promptly inform their POC at Schrödinger when any situation or circumstance arises that causes, or reasonably may be expected to cause, the Supplier or a Supplier employee to be in violation of, or non-compliance with, this Code. Suppliers must notify their POC at Schrödinger upon becoming aware of any negative or adverse publicity concerning the Supplier's business or any product or service the Supplier provides to Schrödinger, or any event or circumstance related to the Supplier or its business, in connection with any of the guidelines, standards of conduct, and expectations set forth herein.

Suppliers are expected to self-monitor their compliance with this Code. To ensure compliance with this Code, Schrödinger may audit Suppliers or their facilities at any time in accordance with the terms of the respective contract with the Supplier. Penalties for severe or repeated non-compliance may include sanctions up to and including termination of contract with Suppliers.

### V. Standards of Conduct

### a. Applicable Laws, Rules and Regulations

The Company expects all Suppliers to comply with all laws, rules, and regulations applicable to their business, their operations, and their industry, regardless of where they conduct business in the world, including but not limited to those regarding data privacy and protection, confidentiality, antitrust, fair competition, anti-corruption (including, *e.g.*, the U.S. Foreign Corrupt Policies Act (FCPA) and the UK Bribery Act), anti-money laundering, anti-terrorism, import/export, and others set forth herein.

#### b. *Conflicts of Interest*

Suppliers are expected to recognize and avoid situations that can create an actual or perceived conflict of interest when working with or on behalf of the Company. Conflicts of interest can occur if a personal, social, financial, professional, or political activity interferes or appears to interfere with (i) a Supplier's ability to perform its work with or on behalf of Schrödinger effectively and objectively; or (ii) the interests of Schrödinger. For example, it likely is a conflict of interest for a Supplier to allow a Schrödinger employee to hold an employment or a management position with, provide independent consulting or services to, or have a financial or business relationship with, the Supplier.

#### c. Anti-Corruption

Schrödinger has zero tolerance for bribery or corruption of any kind and expects the same zero tolerance from all Suppliers. Therefore, by way of example:

- Suppliers will not engage in bribery, corruption, embezzlement, extortion, kickbacks, excessive commission, inducements or fees and any other prohibited business practices.
- Suppliers must comply with the applicable laws included in Section V of this Code,



engage in appropriate due diligence to ensure that subcontractors are not likely to engage in corruption and take the necessary steps to ensure that Schrödinger's business is conducted only with reputable parties that are financed only from legitimate sources.

• Suppliers are prohibited from paying improper facilitation payments.

Additionally, Suppliers shall exercise their discretion prudently to avoid creating or appearing to create a conflict of interest when providing business courtesies such as gifts, meals, entertainment, hospitality, and business-related trips, etc., to Schrödinger employees. Schrödinger employees may accept business entertainment from Suppliers only if the entertainment is infrequent, modest, intended to serve legitimate business goals, and in compliance with applicable law and relevant internal policies of the Supplier and the Company. Cash and cash equivalents, such as gift cards, are never permissible.

# d. Labor Standards and Human Rights

Schrödinger is committed to upholding internationally recognized human rights and labor standards for all individuals who provide labor and services to the Company and its Suppliers. Consequently, Schrödinger expects its Suppliers to treat their workers (including temporary, migrant, student, contract, and any other type of worker) with dignity and respect. In general, Suppliers shall identify their own human rights risks and provide adequate remedy to mitigate any such risks. We support the principles contained within the United Nations Declaration of Human Rights and the International Labor Organization's (ILO) Core Conventions on Labor Standards.

# e. No Child Labor

Suppliers will not use child labor. At all times, Suppliers will comply with applicable international conventions restricting child labor.

# f. No Involuntary Labor

Suppliers will not use any forced, compulsory, or involuntary labor, whether bonded, indentured, or imprisoned. Additionally, Suppliers will not engage in slavery or trafficking of any person.

# g. Non-Discrimination and Non-Harassment

Schrödinger respects individual and cultural differences and will not tolerate racism or discrimination of any kind with respect to terms and conditions of employment, and expects its Suppliers to share that commitment. Suppliers shall not permit harassment, retaliation for protected speech or activities, sexual harassment, corporal punishment, inhumane treatment, bullying, or threats of physical violence.

h. *Wages, Benefits, and Working Hours* Suppliers will comply with applicable laws and regulations related to wages, statutory payments, and working hours, including those related to living wage, regulated hours of work, daily and weekly rest periods, annual holidays, and legally mandated benefits.



## i. Health & Safety Work Environment

Suppliers will provide employees with a safe workplace in compliance with all applicable laws and regulations. Suppliers will take adequate steps to prevent accidents and injury to health at work, including providing workers with appropriate workplace health and safety information and training. If housing is provided to employees, living conditions shall be clean, safe, and reasonable.

### j. Protection of the Environment and Management System

Suppliers will comply with all applicable environmental laws and regulations, and are expected to operate in an environmentally responsible manner. Suppliers should strive to manage and minimize the negative environmental impact of their operations, products, and services during their entire life cycle, by considering factors such as the use of energy, water and other natural resources, greenhouse gas emissions, biodiversity, waste, and hazardous materials.

### k. Animal Testing & Welfare

Schrödinger is committed to the ethical use of animals in biomedical research. Suppliers must treat animals used in research in a humane and ethical manner, and in compliance with relevant laws or regulations.

### VI. Amendment of the Code

Schrödinger reserves the right to amend, alter, or terminate this Code at any time for any reason.