2024

Corporate Sustainability Report

Schrödinger

Corporate Sustainability at Schrödinger follows a simple formula.

Corporate Sustainability at Schrödinger follows a simple formula. When we add value to the world, we create value for our company, and when we build value for ourselves, we generate value for the world. This approach follows the principles of "Shared Value," a business model that emphasizes commercial success while simultaneously advancing the needs of society.

This virtuous cycle is embodied in our Corporate Sustainability platform, VALUE^2, and memorialized in our third annual Corporate Sustainability Report. Staying true to Shared Value, we present the key topics in this publication through the dual lens of their impact on and beyond Schrödinger.

VALUE^2

our company x the world

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*Schrödinger completed an environmental, social, governance (ESG) materiality assessment in 2022. This report is structured along the 12 topics deemed most material to ourselves and our stakeholders through that process. For more information, see Page 16.

Message from Our CEO

Schrödinger is focused on improving human health and quality of life by transforming how therapeutics and materials are discovered. Through our physics-based computational platform, we strive to make a positive impact on our stakeholders, society, and the environment.

Schrödinger's third annual Corporate Sustainability Report documents our commitment to the principle of shared value, which is core to our Corporate Sustainability strategy, VALUE^2. **Our environmental, social, and governance** efforts over the past year include reporting our baseline Scope 1, 2, and 3 emissions, pacing us to declare our emissions reduction targets aligned with the Science Based Targets initiative by the end of 2025. We also remain committed to occupying environmentally sustainable facilities, with our sites in Framingham, Massachusetts, Seoul and Tokyo, earning LEED® green building certifications in 2024.

Schrödinger **is advancing three Phase 1 clinical trials**, where we are evaluating promising potential treatments for patients with several non-Hodgkin B-cell lymphomas, acute myeloid leukemia (AML) and myelodysplastic syndromes (MDS), and solid tumors.

Additionally, we continue to work closely with our partners and customers to **accelerate and expand solutions for drug discovery and materials development**, including:

- Enabling Schrödinger and our partners to test more compounds, digitally, increasing the efficiency of drug discovery and ultimately enabling the exploration of more therapeutic hypotheses, at a lower cost and with less waste.
- Launching an initiative to develop a computational solution for predicting toxicology risks earlier in the discovery process.
- Continuing critical small molecule, nonhormonal contraceptive research to help meet the needs and/or cultural considerations of all women and girls.
- Enabling customers to design alternative catalysts that reduce the energy required for chemical reactions, leading to more efficient chemical processing and a potentially reduced environmental footprint.
- Helping to identify low-cost, industrially available compounds to develop a safer, more efficient charging and storage infrastructure for lithium-ion batteries. ▶

◀ Schrödinger's people drive these advances, and we are committed to **investing in and supporting our talented workforce**. This includes ongoing learning and development opportunities for employees at all levels of the company and a new initiative aimed at enhancing the effectiveness of our managers. We remain dedicated to identifying ways to embed inclusion across our business.

At Schrödinger, we prioritize **supporting students of all ages in the communities where we live and work**, including:

- Working directly with teachers to build awareness about computational molecular modeling through our Educator's Week program.
- Adding industry-leading computational tools to school curriculums.
- Investing in charitable sponsorships and activities to cultivate longer-standing partnerships in support of healthcare, STEM education, innovation, and disaster relief.
- Hosting our first companywide Volunteer Month during which every Schrödinger office worldwide took part in local community service activities.

Schrödinger continues to strengthen our **dedication to transparency, integrity, and sound corporate governance** with several new and updated policies responsive to emerging needs, evolving regulations, and identified gaps. This includes publishing a formal Environmental Policy and issuing the Schrödinger Global Human Rights Policy, which we adopted in early 2025.

Throughout this report, we highlight the contributions of our team and our collaborators around the world.

We are poised to continue driving successful results and making a meaningful and measurable impact through the work that we do each day. It's a simple formula: ***When we add value to the world, we create value for our company, and when we build value for ourselves, we generate value for the world.***

This is expected to be an incredibly important year for Schrödinger. I am grateful for the hard work and dedication of our employees, and grateful to be part of the company's journey as we seek to make a meaningful impact on health and quality of life. Thank you for your ongoing support and interest in our endeavors.

Sincerely,

Ramy Farid, Ph.D.
President and CEO

About Schrödinger

Built on nearly 35 years of research and development (R&D), Schrödinger's computational platform is transforming the way therapeutics and materials are discovered to make innovations of the future achievable, today.

We work with biopharmaceutical and industrial companies, academic institutions, government laboratories, and philanthropic global health organizations.

Our platform enables the discovery of novel, highly optimized molecules for drug development and materials design. We leverage our platform to advance a portfolio of collaborative and proprietary discovery programs and are currently advancing three clinical-stage oncology programs. We are also helping customers working in materials science to discover the next generation of high-performance materials.

Schrödinger at a Glance

30+
years of innovation in computational chemistry research

919
full- and part-time employees globally*

43.5%
with Ph.D. degrees

60%
focused on research and development

$207.5M
2024 total revenue

SDGR
Nasdaq stock exchange ticker symbol

~1,752
customers worldwide†

*As of Dec. 31, 2024.
†Active customers (number of customers who had an Annual Contract Value (ACV) >$1,000) as of Dec. 31, 2024.
(For more financial information, please see our Schrödinger 2024 Annual Report on Form 10-K)

Our Organization

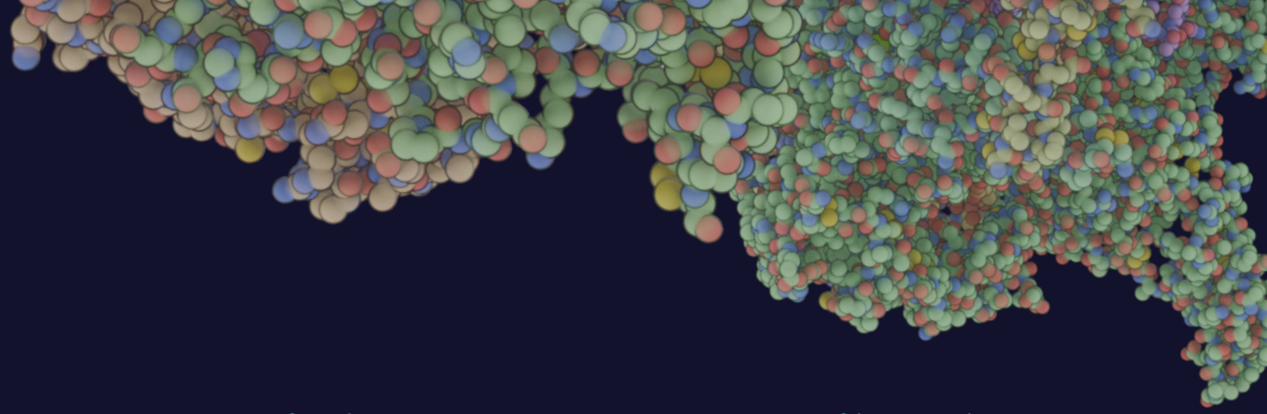
Global Headquarters
New York, New York

North America
Cambridge, Massachusetts
Framingham, Massachusetts
Portland, Oregon
San Diego, California

Europe
Mannheim, Germany
Munich, Germany

Asia
Bangalore, India
Hyderabad, India
Seoul, South Korea
Tokyo, Japan

A History of Scientific Innovation and Platform Advancement



1990

Schrödinger Founded

Quantum Mechanics
Enabled accurate calculation of small molecule solution structures

1995

Molecular Mechanics
Enabled fast calculation of small molecule solution structures

2000

Protein Refinement
Enabled accurate prediction of local protein strucure

2005

Docking
A breakthrough in virtual screening for Hit Identification

Molecular Dynamics
Enabled platform to simulate molecular motion

2010

Comprehensive Force Field
Enabled accurate description of atomic interactions

Free Energy Calculations
Broadly applicable and accurate calculation of potency, selectivity, and solubility

2015

Active Learning
Enabled accurate large-scale property calculations

2020

Machine Learning Force Fields
Highly accurate modeling of complex materials systems

Next Gen Protein Refinement
Enablement of proteins without experimental structures

De Novo Design
Large scale ideation and scoring to optimize hits and lead series

2025

Schrödinger's Industry-Leading Platform Powers Discovery

Drug discovery and development efforts can be complex, lengthy, capital-intensive, and prone to high failure rates. Our computational platform leverages the physics of molecular interactions, accelerated by the latest advances in machine learning and generative AI, to accurately simulate and predict key properties of billions of novel molecules across vast chemical space. The result is an unprecedented ability for teams to discover and optimize better molecules for therapeutics and materials.

Thanks to the efforts of hundreds of our scientists and software engineers over the years, we have developed a physics-based computational platform that can predict critical properties of molecules with a high degree of accuracy. This computational platform enables drug discovery teams to design and selectively synthesize molecules with more optimal properties. This reduces the average time and costs required to identify a development candidate and increases the probability that a drug discovery program will enter clinical development. Furthermore, development candidates with more optimized property profiles are expected to have greater success in clinical development.

A Broad Portfolio of Advancing Collaboration Programs†,‡

PHASE 1

nimbus THERAPEUTICS	Immuno-oncology
STRUCTURE THERAPEUTICS	Obesity
Ajax THERAPEUTICS	Myelofibrosis
Undisclosed	Undisclosed
Undisclosed	Undisclosed

PHASE 2

GILEAD	Metabolic Diseases§
Lilly	Inflammatory Bowel Disease*

PHASE 3

Takeda	Psoriasis§

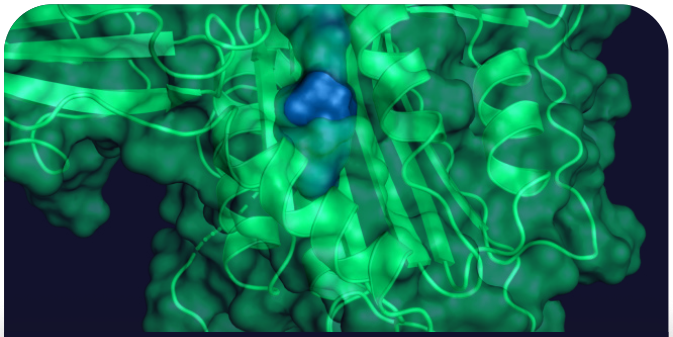
FDA-APPROVED

agios	*TIBSOVO*¶	*IDHIFA*¶

ADDITIONAL PROGRAMS
in discovery and preclinical development with: Bristol Myers Squibb™, Lilly, STRUCTURE THERAPEUTICS, Otsuka, NOVARTIS

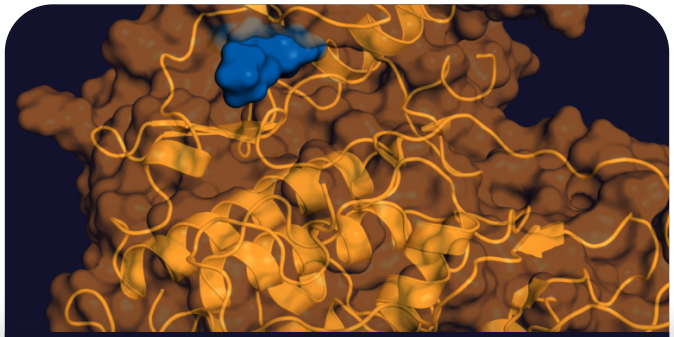
†.) Based on publicly available information or information disclosed to us. **‡.)** All of the programs being pursued under these collaborations are owned and controlled by each respective collaborator.
§.) Acquired from Nimbus. **¶.)** Acquired by Servier. ***.)** Acquired from Morphic.

Life Science in Action:
Schrödinger Proprietary Phase 1 Clinical Trials



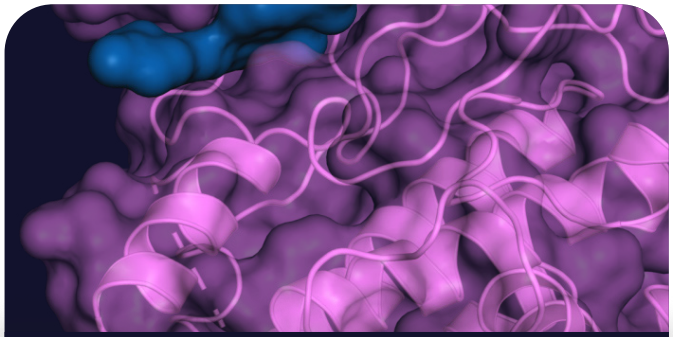
SGR-1505 (MALT1): Hematologic Malignancies

SGR-1505 is an investigational mucosa-associated lymphoid tissue lymphoma translocation protein 1 (MALT1) inhibitor. MALT1 is a clinically validated target for leukemias and lymphomas, located downstream of the BTK pathway. In 2023, we presented preliminary results from a Phase 1 clinical trial in healthy volunteers, which showed that SGR-1505 was generally well tolerated with no drug-related serious adverse events or dose limiting toxicities. A Phase 1 clinical trial[1] is ongoing to evaluate the safety, tolerability, pharmacokinetics, pharmacodynamics, preliminary anti-tumor activity, and safety to establish a recommended Phase 2 dose in patients with relapsed/refractory B-cell malignancies. We expect to report initial clinical data from this trial in the second quarter of 2025.



SGR-2921 (CDC7): Acute Myeloid Leukemia (AML) and Myelodysplastic Syndromes (MDS)

SGR-2921 is a cell division cycle 7-related protein kinase (CDC7) inhibitor. CDC7 is a protein kinase critical in cell cycle regulation and DNA replication. Elevated replication stress is common in many cancers with high cell proliferation. Inhibiting CDC7 in cancer cells results in an impaired response to replication stress, leading to the accumulation of DNA damage and cell death. We are currently evaluating SGR-2921 in a Phase 1 clinical trial[2] in patients with relapse/refractory acute myeloid leukemia or high-risk myelodysplastic syndrome. The trial is designed to evaluate the safety, tolerability, pharmacokinetics, and pharmacodynamics of SGR-2921, as well as identify potential preliminary anti-tumor activity and recommended dose. We expect to report initial clinical data from this trial in the second half of 2025.



SGR-3515 (Wee1/Myt1): Solid Tumors

SGR-3515 is a Wee1/Myt1 inhibitor. Wee1 and Myt1 (membrane-associated tyrosine/threonine 1) kinases regulate the cell cycle and DNA damage response through phosphorylation and inactivation of cyclin-dependent kinase 1 (CDK1), allowing cells to repair DNA damage before dividing. Concurrent loss of function of Wee1 and Myt1 confers selective vulnerability in cancer cells, a mechanism referred to as synthetic lethality. We are currently evaluating SGR-3515 in a Phase 1 clinical trial[3] in patients with advanced solid tumors. The trial is designed to evaluate the safety, tolerability, pharmacokinetics, and pharmacodynamics of SGR-3515, as well as potential preliminary anti-tumor activity and recommended dose. We expect to report initial clinical data from this trial in the second half of 2025.

1.) clinicaltrials.gov: NCT05544019. **2.)** clinicaltrials.gov: NCT05961839. **3.)** clinicaltrials.gov: NCT06463340.

Materials Science in Action

The physics underlying both the optimization of drug molecule properties and the design of novel materials is the same, enabling us to extend our computational platform to materials science applications in fields like aerospace, energy, semiconductors, and electronic displays. Our platform integrates predictive physics-based simulation with machine learning techniques to transform the way materials are discovered. The improvements made in developing materials utilized in products many people use or experience daily can drive greater durability and safety and lessen environmental impacts.

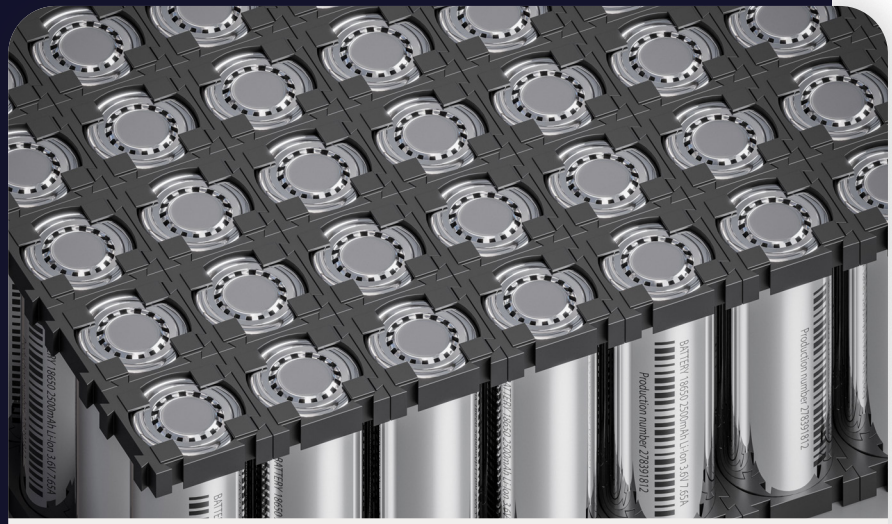
Some areas we are working on with customers include:

Energy storage
through increased capacity, shorter charging times, and improved fire safety of lithium-ion batteries

Optoelectronic materials
to reduce power consumption and dependence on heavy metals for television and phone displays

Polymer composites
to decrease fuel consumption and lower greenhouse gas emissions from next-generation aircraft

Packaged goods
to achieve more sustainable personal care products by using eco-friendly ingredients and packaging to reduce waste and extend shelf life



Accelerating Battery Improvements to Support Electrification

The global transition to electric transportation and safer, more efficient charging and storage infrastructure depends, in part, on low-cost, commercially available compounds used in conventional and anode-free lithium-ion batteries.

In 2024, Schrödinger committed to a three-year partnership with next-generation battery developer Eonix to identify safe, low-cost, and industrially available compounds for hundreds of thousands of chemical candidates.

Schrödinger is investing in software, computer time, and services to develop physics-based and machine-learning models with Eonix's rapid, semi-autonomous materials screening ATLAS system. The Eonix technology, which reduces timelines for energy-storage materials design from years to months, will deploy Schrödinger-developed models to help identify low-cost, industrially available compounds that improve the safety, temperature stability, energy density, and charging rate for lithium-ion batteries used in a wide range of industries.

ESG Governance

Schrödinger Material Topic Definition: We maintain strong environmental, social, and governance (ESG) standards and practices that bring value to our company, our stakeholders, and our planet. We continually evaluate the ESG-related structures, processes, policies, and programs we have in place and identify opportunities to improve our performance.

Committing to Sound ESG Governance

value to our company

- Manages ESG risks and leverages opportunities
- Creates value for Schrödinger and our stakeholders
- Guides employee expectations and provides a strong framework to operationalize company mission and values
- Supports reputation and helps attract and retain the best and brightest talent

value for the world

- Conveys sound management of operational and reputational risks to key stakeholders
- Addresses societal challenges and helps protect the environment
- Demonstrates business leaders' support and prioritization of ESG performance

Corporate Sustainability at Schrödinger

At Schrödinger, we use the term Corporate Sustainability to describe how we embed wide-ranging ESG principles into our operations, services, and engagements. We continue to make significant progress in our Corporate Sustainability journey, internally at the highest levels of the company and with decision-makers and influencers throughout our enterprise, and externally with input from critical stakeholders.

Engaged Board of Directors

Schrödinger's Board of Directors fully engages in the company's Corporate Sustainability matters. The company's Corporate Governance Guidelines, which serve as a framework for the conduct of the Board, include, among other responsibilities, reviewing the company's ESG policies and practices. The Nominating and Corporate Governance Committee maintains formal oversight of ESG efforts.

"The Nominating and Corporate Governance Committee shall periodically review, report, and make recommendations to the Board concerning the company's environmental, social, and governance policies and practices, including with respect to Corporate Sustainability efforts..." – Excerpt from Nominating and Corporate Governance Committee charter

Schrödinger's Head of Corporate Sustainability, who also chairs the company's Corporate Sustainability Steering Committee (CS-SC), regularly updates the Nominating and Corporate Governance Committee and the Board on the company's ESG plans and performance.

In 2024, the Nominating and Corporate Governance Committee met twice, and the Board met five times. During that time, ESG-related topics discussed included:

- Director independence
- Board composition and skills
- Board committee composition
- Board structure
- Board member time commitments
- Ongoing development and implementation of our ESG strategy
- Global social impact strategy
- Environmental, health, and safety efforts
- Shareholder engagement
- Governance best practices
- Compliance with recently finalized and upcoming governance rules and regulations

Board Members

Michael Lynton
Chairman of the Board

Jeffrey A. Chodakewitz, M.D.

Ramy Farid, Ph.D.
President and CEO

Richard A. Friesner, Ph.D.
Co-founder and Scientific Advisory Chairman

Gary Ginsberg

Rosana Kapeller-Libermann, M.D., Ph.D.

Bridget van Kralingen

Arun Oberoi

Gary Sender

Nancy A. Thornberry

In March 2025, Schrödinger appointed Bridget van Kralingen to its Board of Directors. Ms. van Kralingen brings more than 35 years of experience leading and growing global technology solution and software businesses to the Schrödinger Board.

Corporate Sustainability Aspirations

To continually advance Corporate Sustainability at Schrödinger, we work closely with members of the CS-SC and others to further develop our Corporate Sustainability aspirations, which are aligned with our ESG material topics.

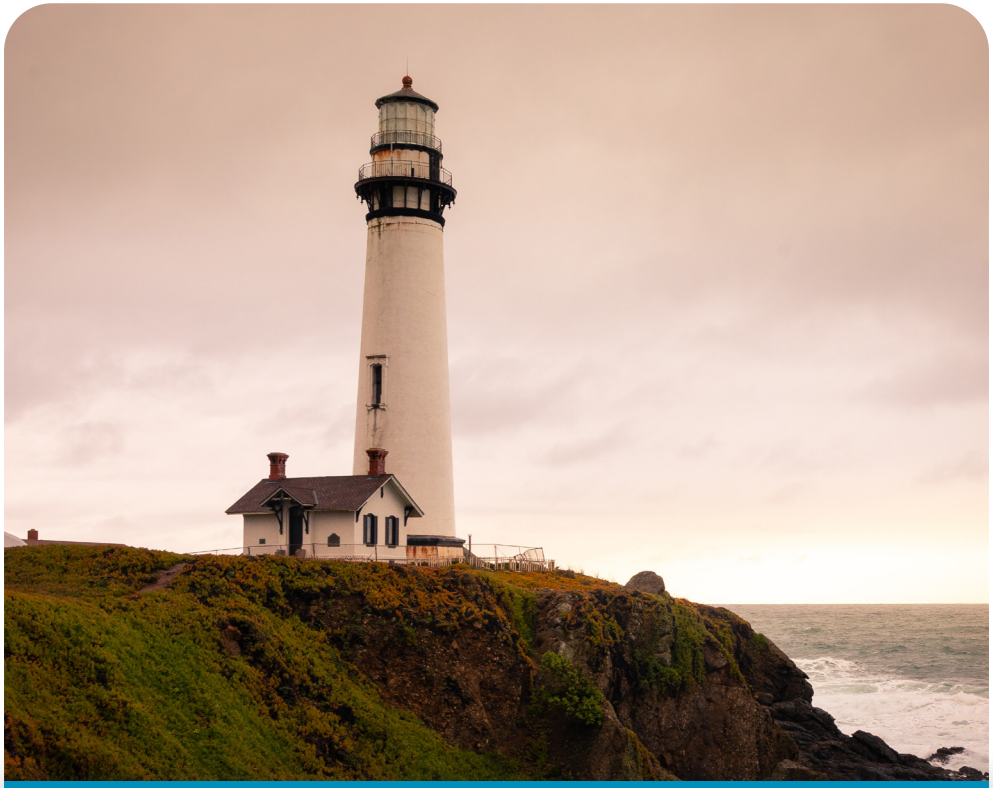
These aspirations serve as a road map for the continued progress and evolution of Corporate Sustainability at Schrödinger.

For more information on Corporate Governance at Schrödinger, please access the following resources:

Corporate Governance Documents and Board Committee Charters

- Corporate Governance Guidelines
- Global Code of Business Conduct and Ethics
- Audit Committee Charter
- Compensation Committee Charter
- Nominating and Corporate Governance Committee Charter
- Drug Discovery Committee Charter

Bylaws
Schrödinger 2025 Proxy Statement
Schrödinger 2024 Annual Report on Form 10-K



Corporate Sustainability Steering Committee

Schrödinger's Corporate Sustainability Steering Committee (CS-SC) is sponsored by our Chief Legal Officer and Chief People Officer and chaired by our Head of Corporate Sustainability, with representation from more than a dozen company functions and the three major regions where we have a presence. The Committee's mandate is to support and strengthen our ongoing commitment to Corporate Sustainability and serve as a cross-functional, enterprisewide task force charged with advancing and expediting our ESG programs, policies, and performance.

The CS-SC meets quarterly to discuss actionable updates to our Corporate Sustainability program, share each function's goals and progress, and learn about best practices and industry trends.

Corporate Sustainability Steering Committee: Primary Responsibilities

- Develop and activate Schrödinger's Corporate Sustainability programming and commitments.
- Help establish ESG-related objectives, targets, and ESG key performance indicators (KPIs) and track their performance.
- Monitor the impact of Schrödinger's business, operations, and programs through a Corporate Sustainability lens, considering the interests of all key stakeholders.
- Increase visibility and understanding of Schrödinger's Corporate Sustainability strategy, activities, and leadership with key internal and external stakeholders.
- Partner in the development of internal and external communications related to Corporate Sustainability.
- Provide guidance on ESG-related policy and standards development.
- Review and assess internal KPIs.

ESG Materiality Assessment

In 2022, we conducted a double materiality assessment, where we worked to determine the ESG-related topics most important to both our company and our stakeholders. To compile the list of topics for consideration, we interviewed nearly a dozen company leaders, looked at the work of companies in adjacent industries, and consulted key ESG standards and frameworks like the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), and United Nations Sustainable Development Goals (SDGs).

More than 30 topics were examined and ultimately narrowed to 12, subsequently rated and ranked in importance by internal and external stakeholders. External stakeholders represented investors, customers, academics, and advocacy groups. We then conducted validation exercises on the ranked-and-rated topics, including a workshop with our CEO, other company leaders, and subject matter experts. Ultimately, our CEO and Board endorsed the final list of topics.

Against this list of prioritized ESG material topics, we explored gaps, identified opportunities, and set out aspirations for the near and long term. As we advance this work, we expect to periodically update our ESG materiality assessment to accurately reflect changes in our business and the ESG landscape.

Schrödinger ESG Material Topics and Their Boundaries

Topic (alphabetical order)	Boundary	Key Stakeholders
Academic and Community Outreach	Primarily External	Academics, communities, students
Company Culture and Employee Engagement	Primarily Internal	Employees, prospective employees
Cybersecurity and Data Privacy	Internal and External	Collaborators, customers, employees
Diversity, Equity, and Inclusion (DEI)	Internal and External	Communities, employees, suppliers
Drug Discovery and Life Science Collaborations	Internal and External	Collaborators, customers, medically underserved populations
Employee Well-being	Internal	Employees and their families
Environmentally Beneficial Solutions	Primarily External	Customers, environment
ESG Governance	Internal and External	Entire value chain
Ethics, Transparency, and Compliance	Internal and External	Entire value chain
Intellectual Property	Internal and External	Collaborators, customers, medically underserved populations
Operational Environmental Footprint	Internal and External	Entire value chain
Responsible Use of Technology	Primarily External	Employees, industry, society at large

For more on our approach to Corporate Sustainability reporting, please see the Reporting Appendix section of this document.

Drug Discovery and Life Science Collaborations

Schrödinger Material Topic Definition: Our physics-based computational platform powers drug discovery efforts, drives research collaborations to develop novel medicines for critical health needs, and helps our customers, collaborators, and our company accelerate drug discovery processes.

Participating in New Medicine Discovery and Collaborations

value to our company

- Advances Schrödinger's computational platform through varied and new applications
- Enables deep collaboration between Schrödinger software/application scientists and in-house therapeutics teams
- Empowers employees to live their values and the Schrödinger mission
- Broadens exposure to the benefits of Schrödinger's platform

value for the world

- Contributes to solutions for some of the world's most intractable health concerns
- Exposes scientists, health professionals, nonprofits, and others to new ways of solving major challenges
- Provides hope to individuals who may otherwise suffer health, economic, and social hardships
- May ultimately lessen the impact of disease and health conditions on economic and social systems

Leveraging Our Platform and Partnerships to Enrich Human Health

Schrödinger has long prioritized new applications for our platform to positively impact people's lives worldwide. The process of drug discovery has traditionally been laborious and expensive. Our platform enables Schrödinger and our partners to test more compounds digitally, increasing the efficiency of drug discovery and ultimately enabling the exploration of more therapeutic hypotheses.

That means we can ask more questions and identify potentially promising solutions more quickly, including treatments with potentially fewer drug-related side effects. We are applying our computational platform to advance a broad pipeline of drug discovery programs in collaboration with leading biopharmaceutical companies. ▶

We are also using our platform to discover novel molecules for our pipeline of proprietary drug discovery programs, with the potential to also address smaller indications. For example, the FDA has granted orphan drug designation — for indications affecting 200,000 or fewer patients in the United States — to SGR-1505 for the potential treatment of mantle cell lymphoma and to SGR-2921 in patients with relapsed or refractory AML. We maximize our positive impact on human health by licensing our platform, collaborating with other companies, and developing our own drug candidates.

You can learn more about our efforts in the About Schrödinger section of this report and in the Schrödinger 2024 Annual Report on Form 10-K.

Aiming to Accelerate Safe Drug Development with Predictive Toxicology

In drug development, safety is always paramount. However, toxicity risks may not be discovered until late in the preclinical phase or in the clinic, forfeiting investment and creating delays in drugs progressing through clinical studies. In 2024, Schrödinger launched an initiative to develop a computational solution for predicting toxicology risks earlier in the discovery process. Funded with $19.5 million in grants from the Bill & Melinda Gates Foundation, the program is designed to expand our "predict first" digital laboratory, leveraging our physics-based computational platform, enabled with NVIDIA's GPUs. Once available, Gates Foundation grantees worldwide will have access to the technology to speed up the development of new drugs against diseases that disproportionately affect people in low- and middle-income countries. These tools will also be available to Schrödinger's software customers and collaborators, and for use on Schrödinger's proprietary programs.

Collaborating with AbbVie to Improve Drug Solubility Testing with FEP+

Solubility is essential to drug effectiveness, yet obtaining precise solubility measurements in the early stages of drug development, before significant investment occurs, is a challenge for the pharmaceutical industry. To improve solubility prediction, Schrödinger scientists have partnered with peers at AbbVie to explore new physics-based solutions using free energy perturbation, or FEP+, technology. Published results of this collaborative study validate the FEP+ approach, showing that this technology can produce more accurate solubility predictions than advanced machine-learning approaches, offering hope for greater efficiency in late-stage drug development. In implementing the study's findings, AbbVie is now using this method to assess compound design ideas and enhance next-generation workflows.

"Optimizing the safety profile of drug candidates is one of the most difficult challenges in drug discovery. Computational approaches have the potential to revolutionize the way we discover drugs by enabling the prediction of drug toxicity with unprecedented accuracy and efficiency prior to clinical testing. Leveraging computation to predict the toxicological risk of drug candidates could ultimately improve productivity across the pharmaceutical industry and unlock major advances against diseases that continue to plague low- and middle-income countries."

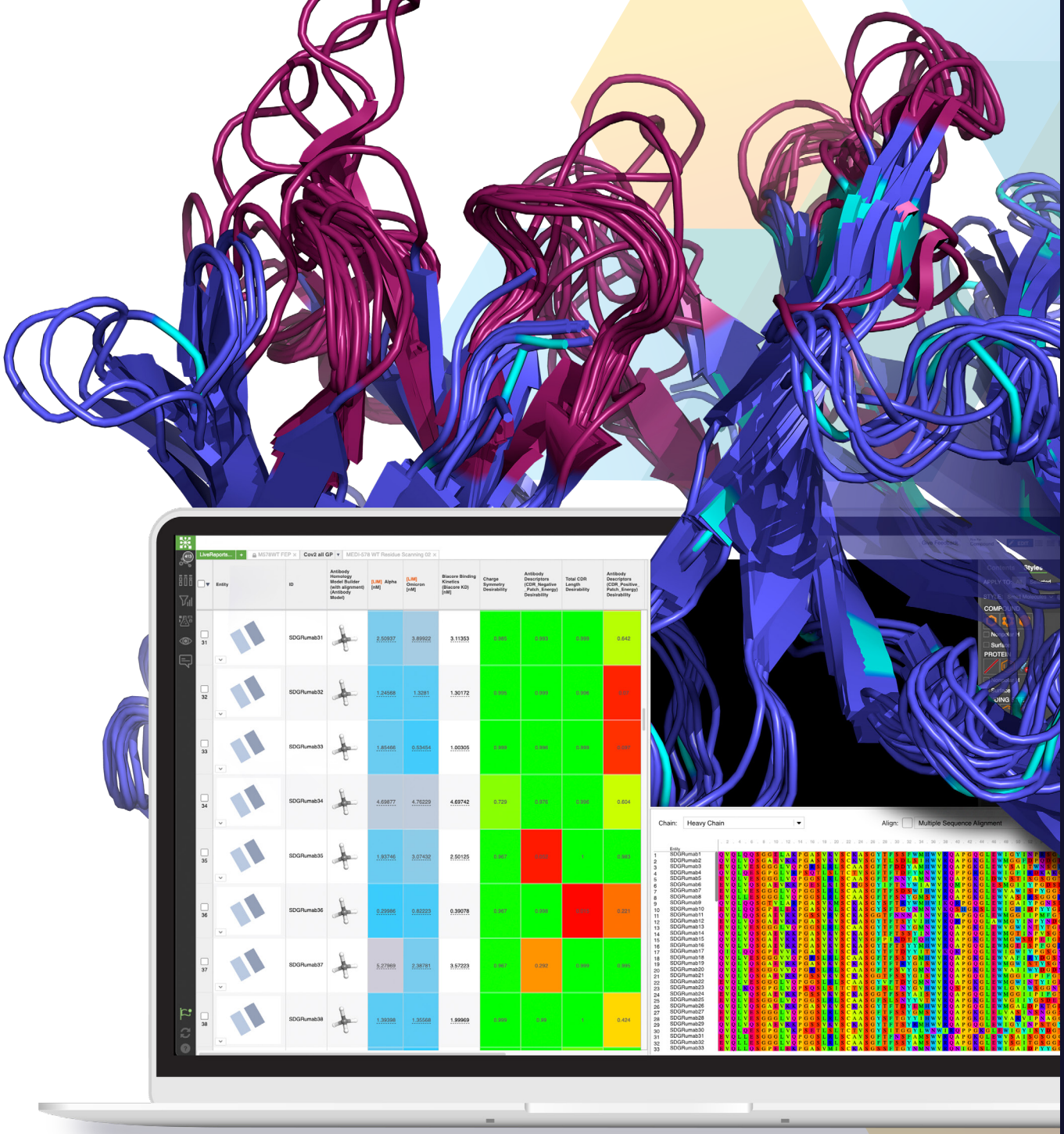
– Trevor Mundel, President, Global Health, Gates Foundation

Advancing the Search for a Cure for Parkinson's Disease

More than 10 million people in the world are living with Parkinson's disease.[3] While there is no cure for this debilitating and deadly disease, research has found mutations in the LRRK2 gene to be the most common genetic cause. In support of our efforts to develop a cure, The Michael J. Fox Foundation awarded Schrödinger a $2.8 million research grant to investigate novel ways to inhibit the LRRK2 protein safely. With the continued dedication of our LRRK2 team, we aspire to continue advancement with the aim of one day finding a much-needed cure.

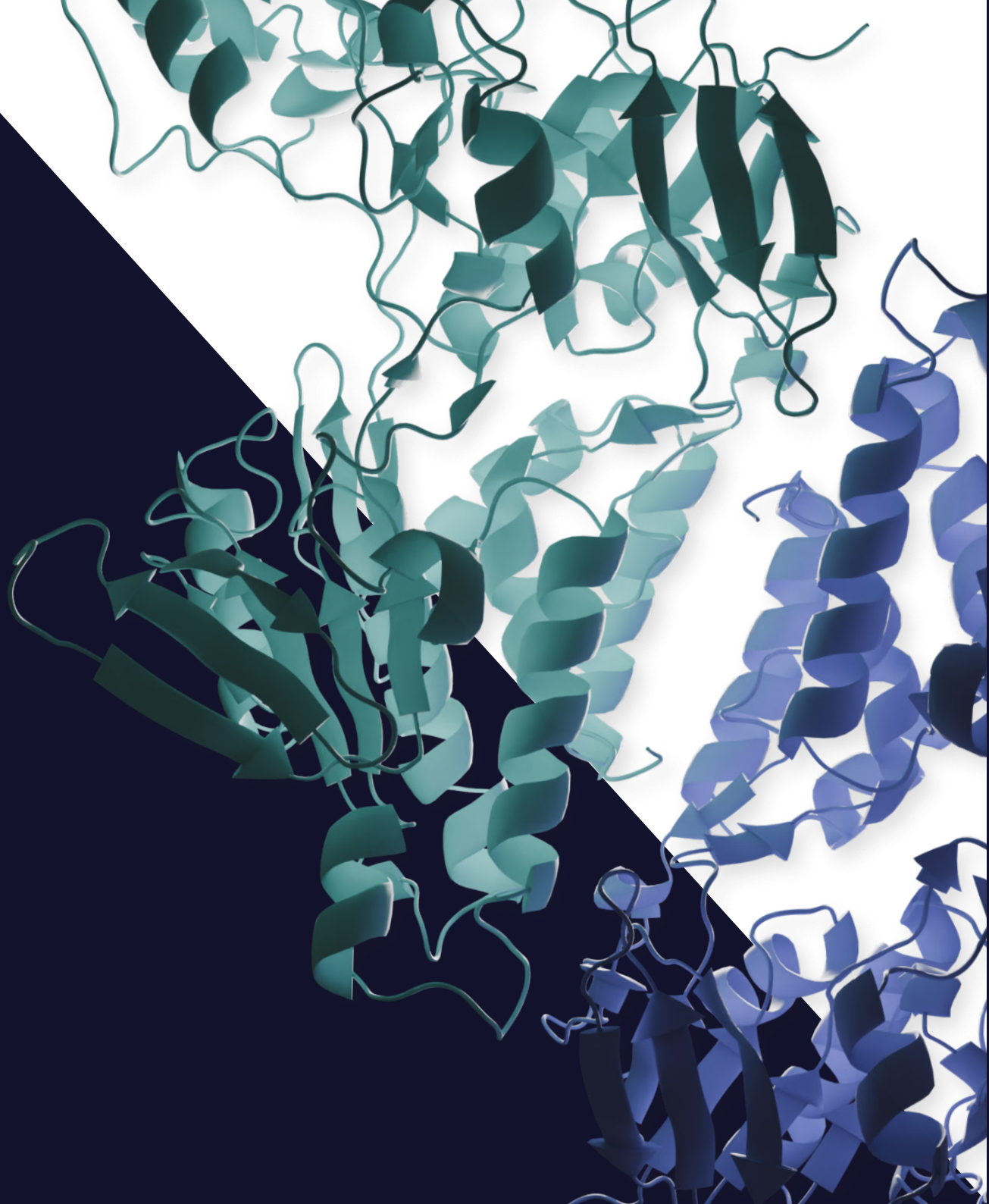
"With drug development requiring the careful evaluation of millions of molecules, computational, 'predict first' technologies can revolutionize the discovery process. Our expanded collaboration with Novartis means even more of the company's world-class researchers can benefit from automating the intensive, manual tasks and focus on the meaningful aspects of their jobs where they add the most value."

– Karen Akinsanya, President of R&D, Therapeutics, Schrödinger



Expanding Industry-Leading Drug Discovery at Global Scale

In 2024, Schrödinger entered into a multiyear, multitarget research collaboration and license agreement with Novartis to advance multiple development candidates into Novartis' portfolio for further development. As part of the research collaboration, Schrödinger and Novartis will combine their existing research efforts to identify and advance therapeutics for undisclosed targets in Novartis' core therapeutic areas. The companies also entered into an expanded three-year software agreement that substantially increases Novartis' access to Schrödinger's computational predictive modeling technology and enterprise informatics platform.



Ajax THERAPEUTICS & Schrödinger

Improving Patient Outcomes with Fewer Side Effects

In various inflammatory diseases, such as psoriasis, JAK/TYK kinases are key signaling molecules. Some approved JAK inhibitor drugs have known safety risks related to heart function, clotting, and thrombosis due to nonselective inhibition of other JAK kinases.

Working with our FEP+ technology, Ajax Therapeutics, a company cofounded by Schrödinger, has discovered and is advancing in early clinical studies a more selective JAK inhibitor, specifically by targeting JAK2 in its "inactive" state. This drug, AJ1-11095, is currently in a Phase 1 clinical trial in patients with myeloproliferative neoplasms.

Collaborating on Global Health

Schrödinger's contributions to philanthropic global health initiatives help advance scientific progress in combating a range of rare, neglected, and infectious diseases and other health issues that have enormous societal impacts. Our technology allows us to bring together industry, government, and nonprofits to address these challenges around the world.

Women's Health

Today's contraceptive methods do not always meet the needs or cultural considerations of all women and girls. More than 200 million women and girls in low- and middle-income countries have an unmet need for contraception, and about 40% of women and girls globally who use a contraceptive method stop within the first year. Nearly all the pharmaceutical contraception options on the market today act on hormone levels, which can create unwanted side effects.

Schrödinger received a two-year, $4.9 million research grant from the Gates Foundation in 2021 to support early-stage drug discovery of nonhormonal contraceptives. In 2023, the grant was renewed with an additional $3.5 million through 2025, enabling us to continue this small molecule, nonhormonal contraceptive program. This research has identified compounds that inhibit Wee2, which holds the potential for nonhormonal contraception. This research is critical for the quality of life for women worldwide, and we were honored to share our latest findings with the industry at the 2024 Discovery on Target Conference.

Malaria

Funded by Medicines for Malaria Venture (MMV), Schrödinger contributed to a drug research partnership for discovering new malaria treatments. Applying our physics-based computational tools, including FEP+, the team has identified a preclinical candidate that holds potential as a monthly chemoprevention treatment agent that may one day help support malaria elimination efforts in the global tropics. The drug discovery story was presented at the 2024 Gordon Research Conference on Medicinal Chemistry and recently published in the Journal of Medicinal Chemistry. As a follow-up of this work, Schrödinger is now working with the University of Texas Southwestern (UTSW) on a National Institutes of Health awarded grant to understand drug resistance in the parasite.

Contributing to a More Transparent Clinical Research Process

As Schrödinger expands its proprietary drug development efforts, we are committed to improving access to information and expanding education on the drug development process. Our Policy on Clinical Trial Transparency and Subject Protection, published in 2025, outlines our commitment to publicly posting ongoing clinical trials, sharing trial results, and adhering to industry best practices and regulatory requirements.

All applicable clinical trials are registered on publicly accessible clinical trial registries, such as ClinicalTrials.gov for U.S.-based trials and the European Clinical Trials Database (EudraCT) in the European Union. In addition to sharing data directly with patients, we plan to publicly disclose results after each trial concludes, regardless of whether they were successful, inconclusive, or negative. We also publish results, as applicable, via submissions to peer-reviewed journals and publications.

LiveDesign: Enabling Global Collaboration

We make our LiveDesign platform available to selected philanthropic collaborations to advance successful collaboration across global health initiatives. LiveDesign is an enterprise informatics platform that enables teams to rapidly advance drug discovery projects by collaborating, designing, experimenting, analyzing, tracking, and reporting data in a centralized environment.

Company Culture and Employee Engagement

Schrödinger Material Topic Definition: Our colleagues share a sense of purpose to make the world a better place. We foster a culture of innovation, collaboration, and excellence where bright, capable people are engaged, challenged, and encouraged to take risks and explore an array of development opportunities.

Prioritizing Company Culture and Employee Engagement

value to our company

- Helps attract a highly skilled workforce in a competitive talent marketplace
- Contributes to high retention and low employee turnover
- Equips employees with skills and expertise for a career at Schrödinger
- Encourages every employee to make positive contributions and take risks
- Empowers employees to develop and expand their skill sets

value for the world

- Creates a foundation for employees to help solve some of the world's biggest challenges
- Exposes a wide range of people to the power of computational chemistry
- Fosters job satisfaction, which may positively influence how employees engage at home and in their communities
- Equips people with skills that can translate to endeavors beyond Schrödinger

Cultivating an Empowered Team

Regardless of title or tenure, every Schrödinger employee is expected and encouraged to contribute positively to our mission and core principles. Whether someone is newly hired or has been with the company for decades, whether they are a scientist, accountant, developer, or administrator, and wherever they sit in the world, our principles apply to all of us. Our ongoing recognition as a great place to work is a result of that shared understanding. Our employees have their choice of many organizations where they can pursue their career aspirations. They select Schrödinger for its supportive, collaborative, innovative, and purpose-driven environment. We seek the most talented people who are truly driven to make a difference. We retain them with personal support and offer the professional and technical learning and development they need.

Schrödinger Talent Pipeline and Development At-A-Glance

Throughout the report sections, which track with our ESG material topics, titled “Company Culture and Employee Engagement”, “Diversity, Equity, and Inclusion”, “Academic and Community Outreach”, and “Employee Well-Being”, we detail our strategy for recruiting and developing employees and engaging and retaining them by building and maintaining a great culture and providing competitive benefits.

RECRUITMENT

Current employee networks
Pages 24, 29

Computational chemistry professors/labs relationships
Pages 24, 29, 36, 38

Hosting hackathons and networking events
Pages 24, 29, 37, 38, 42

Strong presence at industry conferences
Page 24, 26, 29

Posting to industry-specific online job boards
Pages 24, 29

DEVELOPMENT

Cross-departmental rotations
Pages 26, 29

Leadership training and workshops
Pages 26, 27, 29

Schrödinger-specific online courses
Pages 27, 29

Mentoring and reverse-mentoring programs
Page 27, 29, 42

Online learning with curated learning paths
Pages 26, 27, 29

CULTURE/ENGAGEMENT

Embedding inclusion
Pages 28, 29

Standardized interview model
Page 24

Annual Engagement Survey
Pages 26, 27

Multi-layered performance reviews
Page 27

Schrödinger Core Principles
Page 25

WELL-BEING

Work-life balance
Pages 32, 33, 34

Employee mental health
Pages 33, 34

Health and family benefits
Page 34

Financial benefits/tuition reimbursement
Page 34

Occupational health and safety
Page 33

Building a Pipeline of Innovators

More than 43% of our employees hold a Ph.D., and over half of our workforce is directly involved in research and development (R&D). Our talent prospecting and acquisition approach is instrumental in supporting our strategic objectives. Schrödinger hires undergraduate and graduate students to work as interns, and some interns proceed to permanent positions as postdoctoral researchers.

Developing our platform requires a deep understanding of physics, chemistry, and computational modeling. We carefully tailor our recruitment efforts to reach applicants with this specialized expertise interested in a career at Schrödinger.

One of our more consistent and successful recruitment strategies is tapping into our existing employees' networks to identify additional talent in the industry. We possess and continuously build relationships with professors at computational chemistry labs globally to identify prospective talent at the undergraduate, graduate, and postgraduate levels.

We also maintain a strong presence at industry conferences to develop relationships with prospective hires. Further, we post open positions on industry-specific online job boards to ensure we reach relevant talent, regardless of geographic constraints.

Our Strategic Growth team utilizes a standardized interview model to ensure a fair and consistent hiring process. Our hiring teams discuss job requirements in depth, review questions in advance, and assign competencies for each interviewer to evaluate. With this comprehensive approach, we aim to construct a fair, universal standard by which all candidates may be evaluated.

We train our hiring managers to avoid the most common recruitment pitfalls, and provide hiring teams with tools to ensure our process identifies the candidates who are objectively most qualified for the needs of each position.

Earning Recognition for Being a Great Place to Work

built in

Built In Best Places to Work 2024

USA
#67 Best Midsize Places to Work

San Diego
#4 Best Places to Work
#2 Best Midsize Places to Work

New York
#54 Best Places to Work
#28 Best Midsize Places to Work

Boston
#26 Best Places to Work
#5 Best Midsize Places to Work

Our Core Principles

We are driven
to be the world leader in transforming drug discovery and materials design by relentlessly pursuing scientific and technology breakthroughs.

We are committed
to achieving the best possible outcomes for our customers, partners, patients, and other stakeholders.

We deeply value
our dedicated employees, and invest in their growth, development, and well-being.

We help and support
each other, generously and with compassion.

We pursue
a diverse, equitable, and inclusive workplace where teamwork and collaboration are valued, and open, respectful debate is welcome and encouraged.

We strive
to do the right thing, applying the highest ethical standards to our work and always considering how our actions impact individuals and communities who depend on us.

Inspiring Our Talent: Development and Retention at Schrödinger

Schrödinger's computational platform and drug discovery and development efforts rely on people with specialized skill sets in high demand. We also sit at a cross-section of industries — software and biopharmaceuticals — both known for fierce talent competition. In the face of this, we are pleased to report that Schrödinger maintains high retention and low turnover rates. At the end of 2024, our employee retention rate was approximately 93.3%.

We achieve these results due to our collaborative and innovative culture, learning and development opportunities, inclusive workplace (see Page 28), and care for our employees (see Page 32). We support a fluid and flexible work environment that allows employees to meet their needs while contributing to the company's success.

In 2025, we will build and further formalize a dedicated Learning and Development function. This initiative will focus on enterprisewide learning tools, training programs, and experiential opportunities across the company to promote skills development and professional growth.

Ongoing Learning and Development

Schrödinger offers a wide range of opportunities for employees at all levels of seniority to support learning, growth, and mobility throughout the company.

Schrödinger's Education team regularly meets with U.S.-based new hires and interns in all roles during onboarding sessions that cover:

- An introduction to the Education team
- An overview of Schrödinger's core suite and LiveDesign
- Instructions for accessing software
- Available educational content and tailored learning recommendations
- Guidance on utilizing Schrödinger support services[12]

Schrödinger offers a voluntary cross-departmental rotation program for employees who want to enhance their scientific or engineering skills in meaningful ways for the business. Each rotation lasts three months, allowing employees to learn new skills or build upon existing capabilities while completing critical scientific and technical deliverables. Employees have periodic opportunities to rotate on and off dynamic cross-functional project teams outside of specific science and software assignments for additional exposure to new departments and capabilities. This program allows associates to tap into the the knowledge of Schrödinger's networks, work toward their career goals, and connect with individuals across teams and departments.

Internal-led development programs are also available to support the needs of each department, such as the Schrödinger Therapeutics Group Project Leadership Workshops, which include leadership development and coaching. Employees are also encouraged to attend conferences and publish work in scholarly journals, provided such publications do not disclose confidential information or information about inventions that may be the subject of future patent applications.

In our most recent survey, employees agreed with the following sentiments:

93%
I know how my work contributes to the goals of Schrödinger.

92%
I am able to arrange time out from work when I need to.

92%
My manager genuinely cares about my well-being.

Associates identified the following areas of opportunity:

Implementing positive changes based on recent survey results.

Effectively addressing situations when someone is not delivering in their role.

Improving understanding of how **compensation** is determined.

Manager Effectiveness Initiative

In 2024, we launched a pilot training for our Manager Effectiveness Initiative, which was well received by all participants. Their feedback will be incorporated into a core training available to all managers and aspiring people leaders in 2025.

As part of this initiative, we developed a dynamic hub for knowledge exchange that enables managers to coach, empower, and facilitate professional development for their direct reports. This learning and development hub includes training modules on delivering effective feedback, communication skills, facilitating career conversations, and performance management. We have also curated a series of self-paced, third-party training modules via the NeuroLeadership Institute, Culture Amp, HSTalks, Udemy, and LinkedIn Learning. Overall, our Manager Effectiveness Initiative addresses the demand for management/ leadership learning and development while maintaining flexibility in our approach across Schrödinger's departments and teams.

Online Learning. All employees have free access to Schrödinger Online Courses to quickly onboard to a role, learn about our technology, and assist with ongoing professional development. Employees can access courses through an online learning platform with more than 9,000 courses, including hard and soft skills in leadership and management, software development, programming, and more. To optimize the offered curriculum for employees, we have created curated Learning Paths partnered between Human Resources and the business.

Mentorship. Schrödinger offers mentorship programming that goes beyond direct job skills. We deliberately pair employees from different departments and locations to promote holistic personal and professional development. We also encourage reverse mentoring based on the belief that senior-level colleagues can significantly benefit from the knowledge and skills of their junior counterparts.

Staying in Touch. Schrödinger has a variety of communication channels that allow employees to stay informed and connected. These include quarterly all-employee meetings, management meetings, and multiple chat groups for employees to receive updates and ask questions.

We also conduct an annual global engagement survey and share a summary of the results with the entire company. We leverage the survey results to ensure we celebrate and reinforce our strengths and make improvements where needed.

"At Schrödinger I feel that ideas travel very freely across the organization regardless of seniority. I think that allows for a superb exchange of ideas and gives us a competitive advantage. It's an asset that I believe makes Schrödinger a remarkable place to work."

– Ed Miller, Product Manager, Schrödinger

Reviewing Performance

Schrödinger's performance review process emphasizes employee engagement and fosters a high-achieving culture. We stress regular connections and real-time feedback between employees and their managers to help achieve performance goals and enable employees to solicit peer and leader feedback.

98%
received a year-end performance review

59%
of employees submitted nominations for peer feedback

Diversity, Equity, and Inclusion (DEI)

Schrödinger Material Topic Definition: At Schrödinger, we believe that true innovation requires inclusion of the best and brightest innovators, in an inclusive culture that values different perspectives. We are creating opportunities that allow all employees to reach their highest achievements by embracing our different experiences and perspectives.

Fostering an Inclusive Culture

value to our company

- Ensures that all employees feel safe, comfortable, and valued in the workplace
- Supports talent acquisition and retention efforts
- Facilitates more creativity, unique approaches, and improved problem-solving
- Allows employees' voices to be heard

value for the world

- Ensures career opportunities are open to all qualified candidates
- Builds a community of strong advocates working toward a more inclusive society
- Helps ensure inclusive clinical trials

Realizing New Possibilities Through Inclusion

Pushing the boundaries of what is possible in science requires a remarkably dedicated, creative, and collaborative team from a wide range of backgrounds.

We believe all employees should feel safe, heard, comfortable, and valued. By embracing our people and their varied backgrounds, opinions, and ideas, we empower them to take action, ultimately fostering more creativity, novel ways of thinking, better problem-solving, and greater perspective within our organization.

A select group of senior leaders, Employee Resource Group (ERG) representatives and passionate employees meet monthly to discuss strategies, priorities, and goals for best supporting our workforce. This group also regularly seeks feedback from employees and provides a forum for voices to be heard across all levels of the organization.

Belonging From the Beginning

Schrödinger partnered with the NeuroLeadership Institute (NLI) to develop a customized program with courses to equip our employees with critical tools and language to advance inclusion and leverage a growth mindset.

The initiative began as a pilot program for a core group of leaders. Since then, it has expanded globally.

The program now includes weekly learning modules with quick videos and practice tools that participants work on with their cohorts. The courses are easily understood and involve practical application, encouraging experiential learning through repetition. As the courses progress, they also include live webinars with an NLI facilitator and a facilitated practice session with a Schrödinger employee who has already taken the course.

Beginning in 2025, we will offer advanced courses for those who want to turn the NLI program into action. These courses, also provided in partnership with the NLI, will take learners' skills to the next level. **The advanced program includes three core modules — Team, Ally, and Voice:**

- The Team module focuses on creating psychological safety by encouraging participation and responding thoughtfully.
- The Ally module equips participants to advocate for others.
- The Voice module empowers employees to speak up and productively manage challenging conversations.

Supporting Equity in STEM

We strategically recruit talent through various methods. Prospective employees are identified by leveraging our current employee network and our existing and growing relationships with computational chemistry professors and labs, and by hosting networking events. We maintain a strong presence at industry conferences and post job openings to industry-specific online career forums. Employee learning and development is a high priority for our company, and we believe it is essential for its growth and success. We offer employees cross-departmental rotations, leadership training and workshops, mentoring and reverse-mentoring programs, and online learning with curated learning paths.

"We're on a mission to facilitate an environment where employees can bring their full selves to work in an organization where innovation, collaboration, and excellence thrive."

– Michelle Byington, Vice President, Strategic Growth, Schrödinger

Advancing Leadership Commitment

Beginning in 2024, we established an annual commitment to meet with Executive Leadership team members to share inclusion efforts and align on ways inclusion can be embedded in our business. Each leader brings a new perspective and collaborates to advance our programming. In addition, the Executive Leadership team regularly weighs in on inclusion initiatives during monthly meetings, which include the CEO and the Chief People Officer.

Embedding Inclusion Through Employee Resource Groups (ERGs)

We currently have employee-led ERGs that provide spaces for all employees to advance inclusivity and create opportunities for education and awareness.

While membership in our ERGs directly comprises approximately one-third of our employees, these forums provide an environment for community support, professional development, and educational opportunities for our entire employee population.

Ensuring Patient Centricity and Diversity in Drug Discovery

At Schrödinger, putting patients' needs and priorities first is essential to our aspirations to improve the drug discovery process. Race, ethnicity, age, gender, and other demographic factors can all play a role in how someone responds to a medicine. Striving for diversity in clinical trial participants is necessary for creating safe and effective drugs — for everyone.

Workforce Metrics†

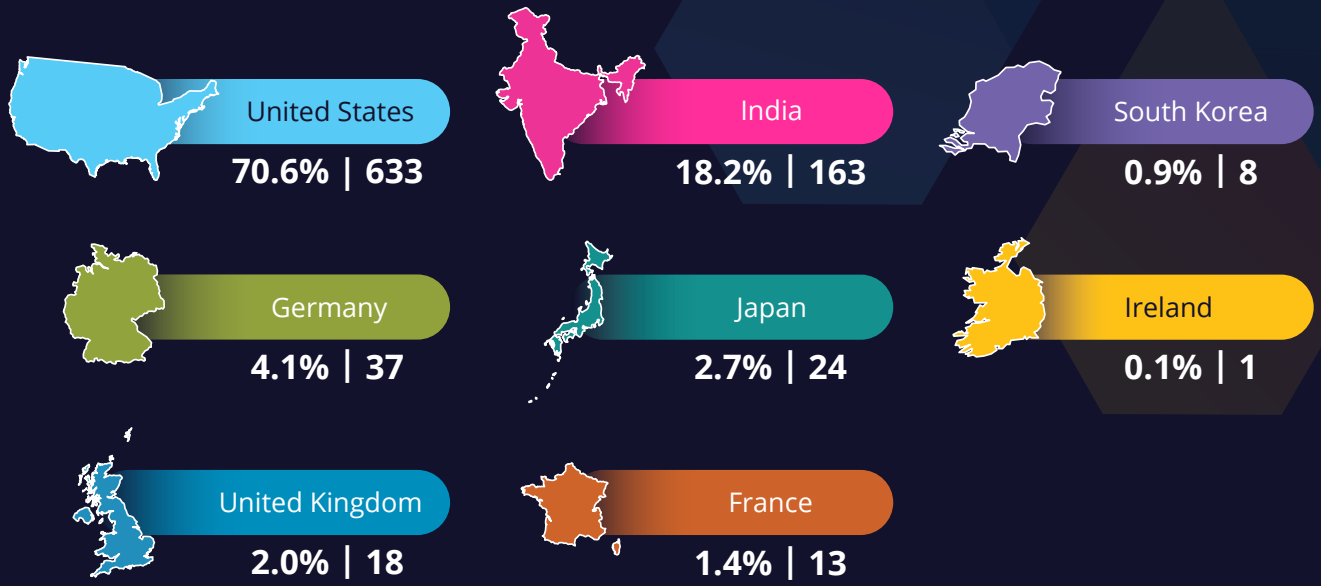
As of Dec. 31, 2024

Global Workforce
Number of Employees

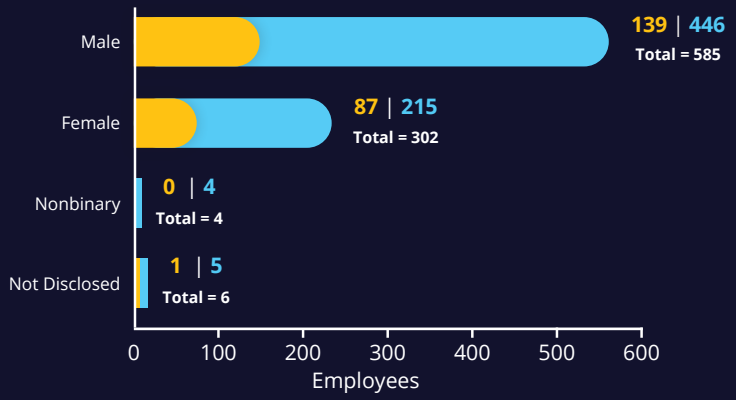
897 Full-time employees	399 Employees with a Ph.D.
13 Part-time employees	9 Fixed-term employees*

*An employee whose employment with Schrödinger is for a fixed period of time.

Global Full-time Workforce
by Region

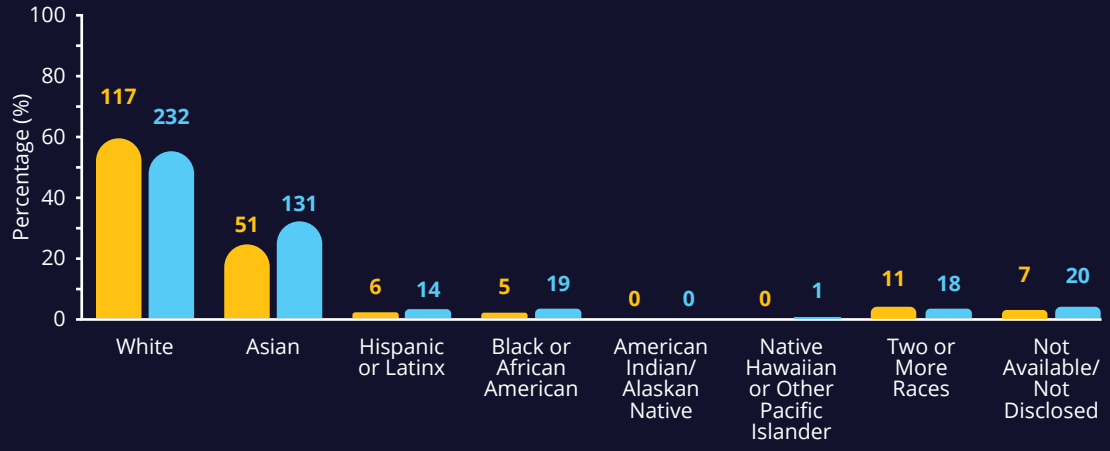


Management | All Other Full-time Employees (Global)
Gender



Management | All Other Full-time Employees (U.S. Only)
Race/Ethnicity

†Demographics and job categories defined under EEO-1 reporting guidelines

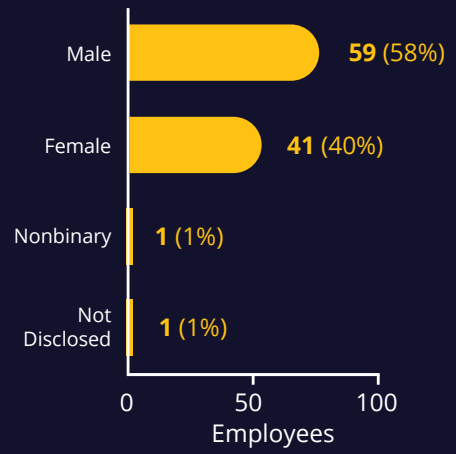


Workforce Metrics† (Continued)

As of Dec. 31, 2024

Global Workforce

New Hires by Gender



Global Workforce

Turnover and Retention Rates

Voluntary Turnover Rate by Position

†Demographics and job categories defined under EEO-1 reporting guidelines

Employee Well-Being

Schrödinger Material Topic Definition: Working toward the best interests of our colleagues is also in the best interest of our company. We offer competitive benefits and other targeted support to ensure that our colleagues are well cared for. We place a high value on work-life balance and the importance of mental, physical, and emotional well-being.

Promoting Employee Well-Being

value to our company

- Supports employees' mental, physical, and emotional well-being
- Helps employees bring their best selves to work
- Boosts reputation as an employer of choice for prospective talent

value for the world

- Enables employees to provide for their families and loved ones
- Creates better work-life balance with advantages that extend to family and friends
- May positively influence how employees engage at home and in their communities

Celebrating Our People

Our company's culture is deeply rooted in the understanding that a healthy workforce is productive and fulfilled. Schrödinger appreciates the contributions and creativity of our employees and provides a best-in-class work environment. We recognize that people thrive in a community of wellness, belonging, and support. That is the environment we work hard to cultivate and why we have implemented initiatives and resources to support mental wellness.

Supporting Well-Balanced Lives

Schrödinger recognizes the value of in-person collaboration and relationship building while being mindful of our employees' needs and priorities outside the workplace. We have long supported a hybrid work schedule, and our employees have the option of working remotely three days per week. This allows employees to develop a work schedule that best suits their individual needs.

Each of our U.S. offices provides a rotation of wellness sessions that may include cardiovascular fitness classes (in-person and virtually), virtual yoga classes, meditation, and more. Our teams also plan social events in and out of the office, including volunteer opportunities, get-togethers, and team building.

To facilitate connections throughout our global employee population, we continued our RandomCoffee platform for the fourth consecutive year, which randomly matches colleagues across departments and office locations for biweekly introductory coffee chats.

Investing in Employee Mental Health

All Schrödinger employees have access to mental health resources through a leading provider, including therapy, guided coaching, and self-care strategies to navigate stress, anxiety, depression, and other mental health challenges.

In partnership with Lyra Health, we have conducted Noticing and Responding workshops for people managers to learn to identify the signs of employees struggling with their mental health. The workshops highlight warning signs to look for, proactive strategies to monitor employee mental health, and tools to navigate conversations with direct reports.

Occupational Health and Safety Policy

We are committed to fostering a safe and healthy work environment for all employees, contractors, and visitors across our global operations. Our new Occupational Health and Safety Policy outlines our dedication to preventing incidents while ensuring compliance with applicable operational health and safety regulations. For more information on this policy, please visit our website.

Expanding Employee Benefits*

Schrödinger provides an array of benefits designed to advance the health and well-being of our employees and support their diverse and evolving needs.

Infertility Benefits
Our medical plan covers services for the enrolled employees' diagnosis and surgical or medical infertility treatment.

Tuition Reimbursement
Full-time employees are eligible for reimbursement of up to $3,000 annually for tuition costs associated with courses and degree paths related to their current position at Schrödinger.

Family Planning
Our medical plan offers enrolled members a personalized program that supports growing families at every stage, from family planning and pregnancy through the toddler years.

Short-Term Disability
All active full-time employees are covered under this policy, which is 100% employer-paid. The benefit covers 60% of weekly earnings up to a maximum of $1,000 per week.

Long-Term Disability
All active full-time employees are covered under this policy. The benefit covers 60% of the monthly salary up to a maximum of $15,000 per month. Employees have the option of either a pretax or posttax contribution.

Travel Reimbursement for Reproductive Healthcare
Schrödinger provides up to $4,000 in travel expense reimbursement to all benefits-eligible employees and their dependents who must travel to a different state to access reproductive healthcare.

Compassionate Leave
We offer up to five days of paid leave if an employee (or the employee's spouse/partner) experiences a failed fertility treatment, failed surrogacy, or a miscarriage or to travel for reproductive healthcare, irrespective of whether it is deemed medically necessary.

Vaccination Leave
We offer all benefits-eligible employees annual Vaccination Leave to obtain vaccinations and recover from any side effects. In 2024, we also offered free on-site flu and COVID-19 vaccinations.

Family Care Benefits
All benefits-eligible employees can access Care.com, the world's largest online network of background-checked caregivers for long-term, short-term, and backup care. This allows our employees to manage their family care needs and professional obligations.

Mindful Return
Our enhanced Mindful Return platform helps new parents find the balance between dedicated caregiver and empowered employee as they return to the workplace. The four-week, cohort-based program provides a safe, private online space for new parents to connect and support one another in their new life stage. In 2023, we added a Mindful Return 201 course to our program offerings to support working parents who are past the parental leave phase but may still struggle with work-life balance.

Mental Healthcare
Benefits-eligible employees and their dependents have access to confidential mental healthcare support from Lyra Health. This includes therapy, guided coaching, and self-care apps to navigate issues like stress, anxiety, depression, substance use, or other challenges. In 2024, our medical plan provider conducted an online educational demonstration of other emotional well-being resources our employees can access, including the Headway, Talkspace, and Talkiatry behavioral health providers.

Pet Care Benefits
In 2024, we began offering Wishbone Pet Insurance, which provides high-value, easy-to-use pet health insurance at discounted employee benefit rates. Additionally, to provide increased flexibility for employees returning to the office or participating in business travel, our Care.com offerings include pet backup care.

Holistic Health Benefits
Acupuncture services are covered under our medical plan for enrolled employees.

*Stated benefits apply to U.S. employees

Academic and Community Outreach

Schrödinger Material Topic Definition: As a company, Schrödinger believes in working toward the greater good. We participate in research collaborations focused on critical public health needs, and we offer our platform to certain stakeholders, like academics, at substantial discounts. We also work with universities and K-12 schools to further STEM education and careers. Additionally, we offer an employee matching gift program and paid time off for volunteering.

Engaging in Academic and Community Outreach

value to our company

- Empowers employees to contribute to causes they are passionate about
- Creates a talent pipeline of prospective employees at all levels
- Aids employee engagement and job satisfaction
- Exposes employees to new perspectives and ways of working

value for the world

- Contributes to a more educated society
- Sparks early interest in science
- Provides educational opportunities in STEM
- Generates awareness of opportunities within computational chemistry
- Creates immersive opportunities for people at the postdoctoral level
- Supports vulnerable populations in our local communities

Advancing Our Commitment to Education and Community Enrichment

Schrödinger recognizes the importance of engaging the next generations of scientists to give back and build a more robust scientific community. With this in mind, Schrödinger puts resources into educational outreach and engagement at all levels, from K-12 through post-graduate levels. We believe that increasing access to education raises the quality of life for all and provides the STEM fields with a continuous, broad pipeline of potential talent. We also support employees who work to positively impact their communities through education and address critical needs.

Educating the Next Generation

At Schrödinger, we believe that our unique computational platform can help spur a fascination with STEM. We emphasize outreach and STEM education efforts, working with academic institutions, from elementary schools to graduate programs, to spread awareness of technology and science careers and to help ensure the next generation of scientists has the necessary skills to succeed.

The Joy of Science. In grades K-12, our efforts center around making science fun and accessible to encourage interest in STEM careers. One way we support this is through our work with Skype a Scientist, an educational program that connects scientists with classrooms around the globe. The program aims to spark students' interest in the sciences from a young age and break down the barriers to considering a career in the field. Schrödinger volunteers highlight computer-aided drug and materials design to illustrate how we accelerate the research process and bring molecules to life on the computer — no expensive laboratory equipment required.

Supporting Teachers

In addition to our student-focused outreach, we work directly with educators to build awareness about computational molecular modeling.

In 2024, we continued our successful Educator's Week program. This multiday model features virtual and in-person workshops designed to build a global community of educators who use computational modeling. Nearly 3,000 people attended the two-day virtual sessions in 2024.

Dr. Ashley Ringer McDonald, a professor of chemistry at the California Polytechnic State University in San Luis Obispo, led virtual keynote discussions on teaching students programming in discipline-specific contexts. Dr. Ringer McDonald serves on the Board of Directors at the Molecular Sciences Software Institute and is a nationally recognized leader in developing curricula and resources to integrate programming across the chemistry disciplines.

Setting the Platform for Education. In 2024, we completed the third year of our Teaching with Schrödinger program, which adds industry-leading computational tools to school curriculums through a web-based version of our computational platform.

For the 2024-2025 academic year, we expanded the software capabilities within the program to include GPU-based molecular dynamics calculations, enabling students to make even more use of Schrödinger software. Guided by 22 free lesson plans aligned to national and international learning standards, educators and students were empowered to create and interact with 3D molecular structures, understand how molecular physical and chemical characteristics are predicted on a computer, and see how these predictions impact multidisciplinary scientific progress.

The web-based version of our software is available for teachers at a low cost, allowing educators to create lesson plans and use Schrödinger software flexibly in their classes for teaching purposes.

We hosted students from the Harvard Medical School Therapeutics Graduate Program at Schrödinger's Cambridge office to share how our computational platform is deployed to accelerate collaborative and internal drug discovery projects. This gave students a better understanding of real-world industry challenges.

1,500+ students and teachers in 50 classes at 36 schools used Teaching with Schrödinger to integrate industry-leading molecular modeling into their learning in 2024, doubling participation from the previous year.

Forging Paths for STEM Career Opportunities

In 2024, Schrödinger, New York City College of Technology (City Tech), and LaGuardia Community College (LaGuardia) instituted a $1 million National Science Foundation grant to increase access to computational molecular modeling education and to increase students' access to industry-leading technology and paid internships.

The three-year grant will support approximately 480 STEM associate degree students from LaGuardia and up to 240 Biomedical Informatics bachelor's degree students from City Tech. In 2024, 29 students interned at Schrödinger through full-time, part-time, or micro-internship programs. These internships helped students gain meaningful work experience that led to longer-term opportunities.

Schrödinger also hosted the first related symposium in September 2024. The event showcased work completed during fellowships at Schrödinger through presentations and a poster session.

Making Our Introductory Course More Accessible. As part of our ongoing efforts to make quality molecular modeling education more accessible, Schrödinger reduced the price of our 2024 introductory courses for students and post-docs to $140.[17] We also awarded 81 online course scholarships for full-time students in 2024.

Internship Program. The internship program at Schrödinger is designed to connect students, ranging in experience from high school to Ph.D. candidates, with meaningful projects that can be completed within three months to a year, while also establishing a safe space to learn and grow in a corporate setting. The projects involve rewarding, educational work tailored to the specific interests and skill sets of the intern. In recognition of their work, all Schrödinger interns receive a competitive monthly salary.

"The course helped me to have a working knowledge of the software and go into the details of both the preparation of proteins and their ligands and the subsequent analysis process, in addition to being given an array of relevant literature to delve into."

– Jody Pacalon, University of Copenhagen student in High Throughput Virtual Screening for Hit Finding and Evaluation

Empowering College Students

To help equip the next generation of college graduates with critical skills, Schrödinger collaborates with LabCentral Ignite's Career Forge program. This 80-hour introduction to basic lab skills is geared toward recent STEM curriculum graduates, particularly students who are underemployed or unemployed in their field of study due to a lack of experience or technical skills.

Schrödinger leads presentations for these "Forgers" on the fundamental concepts of drug discovery and development, helping expose students to a broad range of careers in healthcare delivery. Schrödinger worked with three LabCentral Ignite Career Forge program cohorts on two events in 2024.

Re-imagining Computational Medicinal Chemistry. Schrödinger is a founding sponsor of the inaugural Computational Medicinal Chemistry School hosted by Novartis in Cambridge, Massachusetts. This three-day school event aims to prepare the next generation for the transition from an academic setting to fully participating in drug discovery projects, with input directly from scientists who have built successful commercial careers.

Beyond financial support, two Schrödinger Therapeutics Group members spoke during the event, and one Schrödinger Education team member was part of the school's organizing committee.

Engaging the Next Generation of Gulf-Coast Scientists

At the first-ever Computation Drug Discovery Pitch Competition hosted by Schrödinger and the Gulf Coast Consortia, research students were invited to showcase their work to a broad crowd. The Gulf Coast Consortia is a collaboration of scientists, researchers, clinicians, and students in the quantitative biomedical sciences who help advance the region's scientific progress through participation in joint training and research programs.

Visualizing Science with PyMOL 3

PyMOL is an open-source model visualization tool that is available for use in structural biology. In 2024, we launched a free, self-guided, three-week online certification course to introduce new and experienced PyMOL users to PyMOL 3. Users learned how to:

- Navigate the PyMOL 3 interface
- Create quick and easy scenes-based movies
- Use course workflows to tell a captivating visual scientific story

Mobilizing Our People for Positive Community Impact

A cornerstone of our company culture is empowering employees to be a positive force in our local communities and worldwide. We encourage employees to get involved and give back through companywide initiatives, office programs, and individual efforts.

Supporting Our Communities

Schrödinger is a member of Life Science Cares (LSC) in Boston, New York, and San Diego. Our membership contributes to promoting community engagement, STEM education, and opportunity for all. LSC makes impactful contributions to local community nonprofits focused on poverty reduction, education, and economic sustainability.

As part of our partnership, in 2024, we hosted a lunch and learn in New York City for local Life Science executives. Following a presentation covering computational drug discovery and our platform, educational initiatives, and business strategy, there was a Q&A session, networking, and a hands-on demo of our platform.

A Dual Focus: Our Social Impact Strategy

Giving:

- Corporate Giving
- Matching Gifts
- In-kind Donations

Volunteering:

- Paid Volunteer Time Off
- Business-based Volunteering
- Employee-led Initiatives

Furthering Our Social Impact

In 2024, we expanded our charitable sponsorships and activities to cultivate longer-standing partnerships and hosted our first-ever Volunteer Month. Our efforts center around the priority focus areas highlighted in our Global Social Impact Policy:

Healthcare | **STEM Education** | **Technological and Scientific Innovation** | **Disaster Relief**

Volunteer Month

In 2024, we hosted our first companywide Volunteer Month.
Every Schrödinger office worldwide participated in local community service activities.

USA
New York City

Colleagues volunteered with students through the BioBus afterschool program and assembled prenatal kits with essentials for expectant mothers, delivered through The Bridge Community Foundation.

SOUTH KOREA
Seoul

Colleagues supported Anna's House by preparing and serving meals to local unhoused and elderly people.

JAPAN
Tokyo

Colleagues volunteered to clean up public spaces in Shiokaze Park.

USA
San Diego, CA

Colleagues packaged healthcare kits donated to low-income senior citizens through Serving Seniors and packed boxes of fresh produce and pantry staples for local community members to support Feeding San Diego.

USA
Cambridge and Framingham, MA

Colleagues supported Community Servings by preparing medically tailored meals for community members. They also assembled Clean Energy Kits for STEAM Ahead participants to learn about renewable energy.

GERMANY
Mannheim and Munich

Colleagues cleaned up playgrounds and surrounding parks near the Rhine and Isar rivers.

USA
Portland, OR

Colleagues assembled care packages for families staying at the Ronald McDonald House. They assisted with the organization's Freezer Friends program by preparing meals for families at Ronald McDonald East House.

INDIA
Bangalore and Hyderabad

Supporting community and STEM education (see next page) ▶

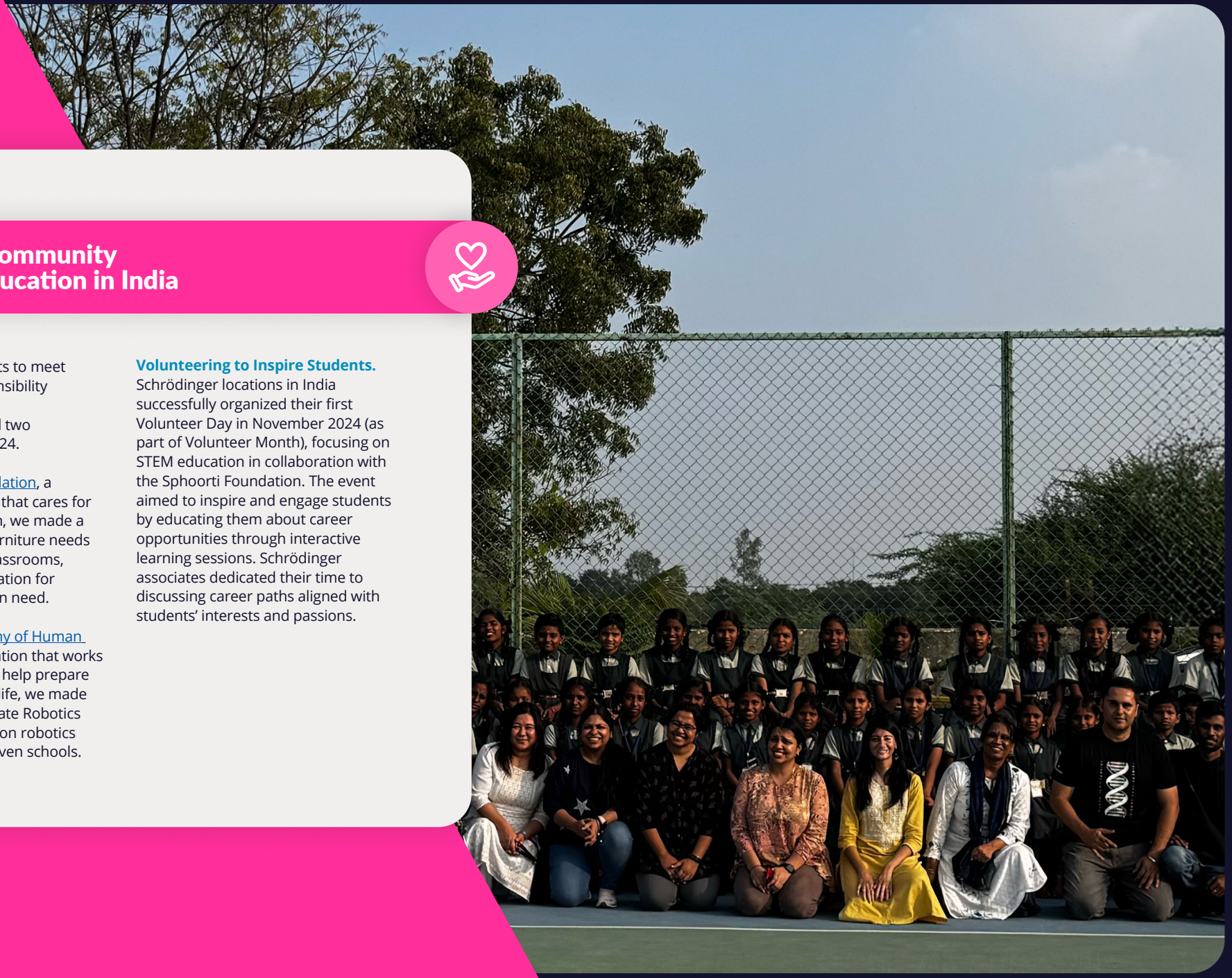
Supporting Community and STEM Education in India

As part of our efforts to meet corporate social responsibility requirements in India, Schrödinger supported two worthy programs in 2024.

For the Sphoorti Foundation, a nonprofit organization that cares for disadvantaged children, we made a donation to support furniture needs for laboratories and classrooms, supporting STEM education for for up to 200 children in need.

For the Soham Academy of Human Excellence, an organization that works with school children to help prepare them for a purposeful life, we made a donation to help initiate Robotics in Academics, a hands-on robotics training program, in seven schools.

Volunteering to Inspire Students. Schrödinger locations in India successfully organized their first Volunteer Day in November 2024 (as part of Volunteer Month), focusing on STEM education in collaboration with the Sphoorti Foundation. The event aimed to inspire and engage students by educating them about career opportunities through interactive learning sessions. Schrödinger associates dedicated their time to discussing career paths aligned with students' interests and passions.



STEM Education 2024

In 2024, we increased participation in volunteer and mentorship opportunities across a variety of schools and independent STEM programs, and contributed to charitable sponsorships across education and healthcare.

Brooklyn Technical High School (BTHS)
Schrödinger contributed to the BTHS Science Olympiad team's building materials fund.

Women in STEM Portland
Schrödinger served as an annual sponsor of this nonprofit organization. Its mission is to build an empowered workforce by providing connections, community, and career development in STEM.

Montgomery County, Pennsylvania Science Research Competition
Schrödinger contributed to the Middle and High School Division prize funds for the Chemistry, Computational Chemistry, Biochemistry, Computer Science, and Microbiology awards in the 67th annual science research competition, which allowed public and private school students to present projects in person.

Oregon MESA
Schrödinger participated as a "Builder Sponsor" in this organization's efforts to equip teachers in schools that may not have robust STEM offerings, to help middle and high school students excel in STEM through hands-on invention education.

STEM Like a Girl
Schrödinger was a "silver level" sponsor, supporting STEM Like a Girl's mission to excite and empower girls with knowledge and confidence in STEM to become future problem-solvers and leaders.

MassBioEd (Massachusetts Biotechnology Education Foundation)
Schrödinger sponsored the organization's Annual Champions for Biotechnology Education Awards Gala, Life Sciences College to Career events, and Career Hub workshops.

Schrödinger Kids Day

Colleagues across all U.S. office locations participated in our Kids Day event by bringing children in their lives to work with them. Participants enjoyed a variety of hands-on experiments and STEM-related activities designed to captivate the imaginations of all ages, showcasing our dedication to inspiring young minds and nurturing a passion for science. Continuing this annual tradition allows us to connect with the next generation of innovators in a fun and meaningful way.

End-of-Year Activities

Child's Play. Schrödinger donated to Child's Play Charity, a nonprofit organization that delivers therapeutic games and technology directly to pediatric hospitals to improve patient lives through the power of play.

Linux Foundation. Schrödinger became a member of the Linux Foundation, a prominent nonprofit that provides a neutral, trusted hub for developers and organizations to code, manage, and scale open technology projects and ecosystems.

Advancing the Industry Through MassBio

Schrödinger is a member of MassBio (Massachusetts Biotechnology Council), a nonprofit organization that represents and provides services and support for the Massachusetts biotechnology industry.

Environmentally Beneficial Solutions

Schrödinger Material Topic Definition: Our computational platform is transforming the discovery of high-quality, novel molecular solutions for drug development and materials applications. By consuming far fewer chemicals, compounds, and resources than conventional methods and supporting the development of new materials, we aid our customers in reducing their own environmental footprint.

Offering Environmentally Beneficial Solutions

value to our company

- Generates income for the company and value for shareholders
- Provides opportunities to apply Schrödinger's platform in new and different ways
- Reduces the environmental impact of in-house drug and materials discovery efforts by reducing chemical use and energy requirements
- Produces smarter approaches and product formulations

value for the world

- Helps customers reduce their own environmental impact
- Reduces global energy consumption, carbon emissions, and waste
- Enables recycling, reuse, and other beneficial disposition of materials
- Contributes to longer-lasting, more sustainable materials

Driving Innovation in Healthy, Sustainable Materials Discovery

A growing global population and increased industrialization have significantly strained the world's finite resources. At Schrödinger, our work helps protect the planet by making chemical discovery faster and less resource-intensive.

The development of molecules, high-performance materials, and medicines have two main characteristics in common: They are highly resource-intensive and have traditionally required significant trial and error to create. Whether through materials that help reduce energy use and carbon emissions or by drastically reducing the time, resources, and impact of creating new medicines — Schrödinger's predictive computational platform helps our customers shrink the environmental footprint of their products and processes through the exploration of formulations for a wide range of material applications. ▶

Mobility. By developing new structural polymers, our platform enables a shift away from metal-alloy materials and toward organic-based, lighter-weight materials that help reduce the energy required to power today's vehicles and aircraft.

Pharmaceuticals. In drug discovery, our platform helps pharmaceutical companies bring potentially life-altering and lifesaving treatments to the clinic faster and with less environmental impact through the use of digital prediction technology that enables us to use fewer chemicals and synthesize only the most promising molecules for evaluation in a traditional wet lab setting.

Exploring Recycling Solutions for Tomorrow

Schrödinger is also helping industry and academic partners identify and develop materials that have a finite and application-specific service life to be more recyclable. Our quantum mechanics tools allow us to assess the chemical stability of different bonds in materials to determine how they will break down. Along with environmental benefits, recycling certain materials can reduce costs.

Through our platform, we enable expanded modes of materials recycling, develop high-performance materials derived from sustainable sources, reduce energy consumed and waste produced in various industrial processes, and increase the performance of rechargeable batteries and how they store energy. We help the world think smarter about sustainability and recycling.

Lowering Production Barriers via Catalysts

Schrödinger enables customers to design alternative catalysts that reduce the energy required for chemical reactions. Our platform allows customers to develop these improved catalysts with fewer experiments and resources, leading to more efficient chemical processing, reduced energy consumption, and a lower environmental footprint.

Ammonia synthesis represents a critical frontier in sustainable catalysis, given its essential role in fertilizer and chemical production. Conventional synthesis, which relies heavily on fossil fuels, accounts for approximately 1% of global carbon emissions. Schrödinger has established an exclusive research partnership with Copernic Catalysts to tackle this environmental challenge.

The collaboration has already yielded promising results: Copernic's first proprietary ammonia catalyst, developed with a combination of Schrödinger's advanced computational methods and Copernic's experimental discovery process. The combination of experiments with simulation enabled this remarkable success. The partnership is now focusing on two key objectives: scaling up its innovative ammonia synthesis catalyst and developing a second catalyst specifically for Fischer-Tropsch conversion of syngas into sustainable aviation fuel.

Moving From Petro to Bio to Make Materials More Sustainable

Companies and consumers in every sector and market are reassessing their reliance on fossil fuel-based materials to address the urgent need to cut carbon emissions and reduce waste. Schrödinger facilitates that shift by enabling our customers to move away from petrochemicals and toward biomanufacturing in their search for materials suitable for many different purposes.

Saving Time and Resources with Physics-Based Modeling

German startup Cambrium uses machine-learning algorithms to find novel biomaterials with unique functions that don't occur in nature. The ability of Cambrium's generative AI models to swiftly design new proteins is greatly enhanced when using our physics-based modeling to simulate how those proteins behave under different conditions. With our help, Cambrium can develop ingredients for personal care products with sustainable biomaterials using a much more resource- and energy-efficient process.

Improving Packaging Materials

The environmental impact of single-use packaging materials containing polymers continues to raise global concern. Designing polymers with ideal sustainability and performance properties via trial-and-error experimentation is time-consuming and expensive.

Schrödinger's molecular simulations and platform insights accelerate this process through machine learning and physics-based models that, even with limited data, can help identify new polymers with target materials properties.

Using machine learning models trained on data from just 200 known polymers, Schrödinger and SABIC scientists demonstrated in a paper the possibilities for screening and validating 10,000 potential new polymers using physics-based simulations and real-world experiments.

"On average, applying Schrödinger's technology has expedited timelines up to 10 times compared to a purely experimental approach. As a result, we are adopting digital simulation as part of our fundamental innovation strategy. We have enjoyed our collaboration, and we are eager to continue to apply the approach across more brands for innovation, sustainability, and problem-solving."

– Mariam Hussain and Martin Settle, Reckitt Benckiser

Efficient Methods for Screening Complex Formulations

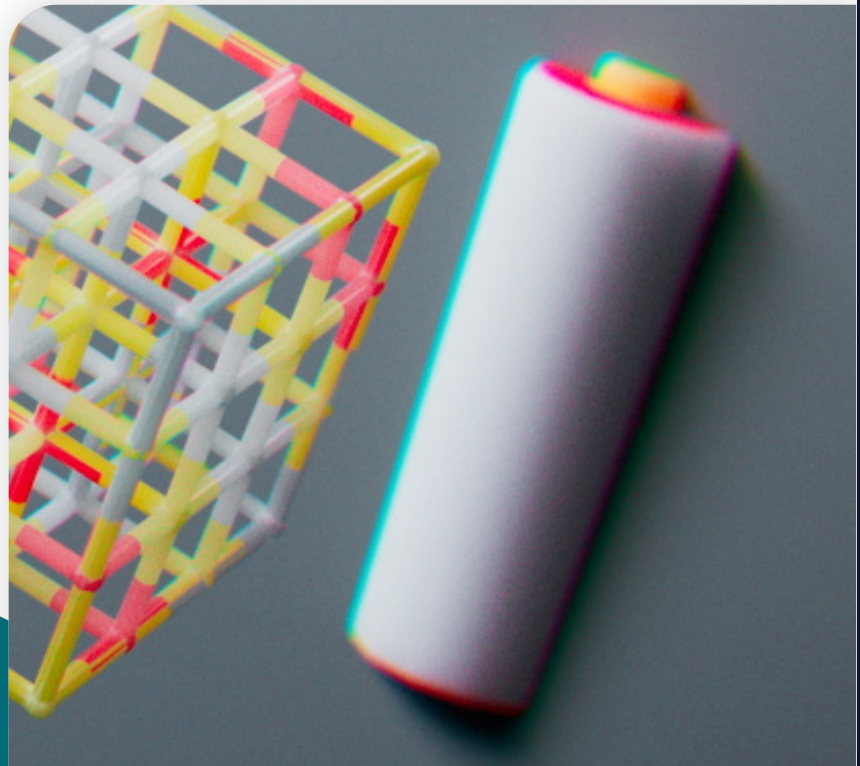
Complex chemical mixtures are used in various energy, consumer goods, and pharmaceutical applications. The vast number of potential formulations, evolving regulatory requirements, and increasing consumer demand for sustainable products require innovative and cost-effective solutions for designing enhanced formulations.

Schrödinger developed a state-of-the-art machine learning formulation tool that accelerates the identification of promising formulations and reduces costly experiments. The capability enables R&D teams to train and deploy machine learning models quickly to explore the broad design space of formulations by varying the chemical ingredients, compositions, and external features.

Lighter Materials for Greener Mobility

By replacing metals with organic polymer composites, manufacturers in the automotive and aerospace industries are creating lighter, more robust, high-performing materials. Schrödinger's simulation technology is helping aerospace manufacturers, like Boeing and the U.S. Air Force Research Laboratory, develop new, lighter-weight composites.

In 2024, Schrödinger forged a new partnership with Ansys to scale molecular modeling for transportation applications. Linking materials properties to system behavior, Ansys and Schrödinger have developed a multiscale modeling solution for the predictive performance of fiber-reinforced composites that can reduce cost, accelerate development, improve design accuracy, and enable the ability to prototype new, lighter-weight composite materials more efficiently.



Operational Environmental Footprint

Schrödinger Material Topic Definition: Our operational environmental footprint primarily results from the energy used to run our computational software, energy consumption in our offices and lab spaces, business travel, and the procurement of goods and services.

Reducing Our Operational Environmental Footprint

value to our company

- Reduces costs and waste
- Demonstrates to employees that Schrödinger lives its values
- Helps protect the health and safety of our employees
- Provides opportunities to collaborate with customers and suppliers on impact reduction

value for the world

- Helps to protect and preserve the planet and human health
- Helps customers and suppliers gain new capabilities in reducing their own footprint
- Contributes to a low-carbon future

Formalizing Our Dedication to Responsible Operations

In 2024, Schrödinger published our first formal Environmental Policy, setting forth our commitments and the methods for achieving them. This policy applies to all employees, contractors, and suppliers and details our resolve to:

- Comply with all applicable environmental laws, regulations, and other requirements relevant to our global operations
- Reduce our energy consumption and greenhouse gas emissions
- Purchase and use recycled and recyclable materials
- Minimize waste generation and water usage through recycling and composting practices and the use of resource-efficient fixtures and appliances
- Promote sustainable practices throughout our global operations

Prioritizing Healthy, Environmentally Responsible Workplaces

Doing the right thing is a principle ingrained in our company culture. That includes ensuring our work environments inspire and comfort employees and align with best practices for minimizing our environmental impact. Schrödinger made significant progress in our environmental sustainability journey in 2024. We built upon our commitment to greener workplaces, took steps to better understand our carbon footprint, signaled our intention to establish science-based emissions reduction targets, and established a formal environmental, health, and safety (EHS) function.

This is in addition to our long-standing efforts to offer recycling and composting where we can around the world, donate used office furniture, ensure electronics are disposed of properly, and limit office printers to discourage unnecessary paper usage. We also source supplies and other goods and services locally whenever possible.

Carbon-Neutral Computing

Our platform runs on high-performance computation, which requires significant amounts of energy. We strive to make these processes as green as possible, even as we push them to do more. For example, our internal high-performance computing cluster runs on 100% renewable energy and integrates next-generation GPUs, which require three-and-a-half times less power to deliver twice the performance, maximizing energy efficiency.

We also access the cloud for a portion of our computational capacity to boost our computing power while accessing cleaner energy sources. We contract with cloud providers that are increasing their reliance on renewable energy and using ever-more efficient hardware. Our cloud computing footprint is hosted with providers that are either carbon-neutral or have publicly committed to achieving carbon neutrality.

Giving Aging Servers a Second Life with Computing for Humanity

High-performance computing drives innovation in the lab, but the cost of the specialized hardware it requires can be a significant hurdle for academic and noncommercial researchers. In 2024, when upgrading our computing infrastructure for faster, more efficient performance, we contributed 108 end-of-life servers to the nonprofit Computing for Humanity for refurbishment and donation. Instead of becoming e-waste, the repurposed servers will now have a second life, powering academic research in climate change, disease analysis, and other complex global challenges.

"This donation of equipment demonstrates that companies are keen on advancing research and accelerating discoveries. It's the outcome of a virtuous equation. Organizations like Schrödinger play a crucial role in enabling our work to progress."

– Elisabeth Sheppard, Executive Director, Computing for Humanity

2024 Environmental Sustainability Milestones

Strengthening Supply Chain Sustainability

Schrödinger published a revised Supplier Code of Conduct, defining our expectations and requirements for suppliers to operate in an environmentally responsibly manner.

Tracking Science-Based Reduction Targets

With our emissions baseline established, Schrödinger is reporting Scope 1, 2, and 3 emissions in this report, and is on track to declare our emissions reduction targets aligned with the Science Based Targets initiative by the end of 2025.

Expanded Our Commitment to Greener Workplaces

Continuing our commitment to environmentally sustainable facilities, Schrödinger offices in Framingham, Seoul, and Tokyo earned LEED® green building certifications (see Page 49 for more information).

Formalizing Our OHS Policy

In 2024, Schrödinger adopted our first Operational Health and Safety (OHS) Policy, outlining our commitments to a safe and healthy work environment for employees, contractors, and visitors globally.

Greening Our Facilities

Schrödinger pursues workplaces around the world that meet the highest standards for environmental sustainability and employee well-being. We are committed to regularly renewing our Fitwel and WELL Health-Safety certifications.

In 2024, we earned LEED® certifications for three of our facilities.

Framingham, MA

LEED® Gold designation for our 17K sq. ft. lab (Schrödinger's only wet lab).

Tokyo

LEED® Silver designation for our completely renovated and expanded office space.

Seoul

LEED® Certified designation for our 4K sq. ft. office.

These new designations are in addition to certifications received in 2022 and 2023.

New York City

LEED® Gold designation received for our 100K+ sq. ft. headquarters (2022) and for our 27K sq. ft. expansion (2023).

Cambridge, MA

LEED® Gold designation for our 17K sq. ft. office.

San Diego

LEED® Gold designation for our 15K+ sq. ft. office.

Assuring Our Environmental Footprint

Schrödinger has an opportunity to reduce our carbon footprint by using energy more efficiently, both in our operations and through computational software provided to our clients.

Our 2024 global greenhouse gas (GHG) emissions inventory was externally assured for the first time, aligning with investor expectations, adhering to the Greenhouse Gas Protocol's (GHGP) best practices, and preparing for potential future regulatory requirements.

GHG Emissions and Energy Use. Calculation standards and sources used include: U.S. EPA, UK DEFRA, and GHGP. GWP Intergovernmental Panel on Climate Change (IPCC), Sixth Assessment Report (AR6), 2013.

Waste. Schrödinger obtained waste and recycling data from the majority of its portfolio through landlords. For sites without data, waste was estimated using an industry average based on square footage.

Water Usage. Schrödinger obtained water consumption data from the majority of its portfolio through landlords. For sites without data, waste was estimated using an industry average based on square footage.

2024 Environmental Footprint Data	
Energy Consumption GIGAJOULES (GJ)	
Total Energy Consumption (Nonrenewable sources)	19,414
Natural Gas	8,773
Purchased Electricity	10,641
Energy Intensity GIGAJOULES (GJ) PER SQUARE FOOT (GJ/SQ. FT.)	
Energy Intensity (Nonrenewable sources)	0.06
Scope 1 and 2 GHG Emissions METRIC TONS CO_2e (MT CO_2e) Gases used in calculation: CO_2, CH_4, N_2O	
Total Scope 1 and 2 (Market-based)	1,591
Total Scope 1 and 2 (Location-based)	1,734
Scope 1: Stationary Combustion Sources - Natural Gas	446
Scope 2: Purchased Electricity (Market-based)	1,144
Scope 2: Purchased Electricity (Location-based)	1,288
GHG Emissions Intensity METRIC TONS CO_2e PER SQUARE FOOT (MT CO_2e/SQ. FT.)	
Scope 1, Scope 2 Market-based and Scope 3	0.0735
Scope 3 GHG Emissions METRIC TONS CO_2e (MT CO_2e) Gases used in calculation: CO_2, CH_4, N_2O	
Total Scope 3	20,576
Category 1: Purchased Goods and Services + Category 2: Capital Goods	6,282
Category 3: Fuel- and Energy-Related Activities	433
Category 5: Waste Generated in Operations	257
Category 6: Business Travel	1,323
Category 7: Employee Commuting	205
Category 11: Use of Sold Products	12,075
Waste METRIC TONS (MT)	
Total Nonhazardous Waste	364
Water Usage MEGALITERS (ML)	
Total Water Usage	9.49

Ethics, Transparency, and Compliance

Schrödinger Material Topic Definition: We believe in always doing the right thing. We maintain the highest ethical standards in our interactions with colleagues, partners, and investors and are compliant with all applicable laws and regulations. We place high importance on being transparent with all of our stakeholders.

Sustaining a Commitment to Ethics, Transparency, and Compliance

value to our company

- Ensures good standing with relevant governmental authorities and regulatory bodies
- Maintains reputation as a responsible employer
- Provides assurance to customers, investors, and other stakeholders
- Leads by example and provides structure and guidance for employees and their decision-making

value for the world

- Protects against potential negative external consequences associated with ethics or compliance breaches
- Models integrity for others in the industry and beyond
- Bolsters stakeholder confidence in Schrödinger

Conducting Ourselves with Ethics and Integrity

Acting with integrity is at the core of everything we do. Building and maintaining trust with our stakeholders is a business and ethical imperative. The foundational document that guides our conduct is Schrödinger's Global Code of Business Conduct and Ethics (the Code), which is updated periodically to ensure business relevance and comprehensiveness.

Employees are asked to certify annually that they have read and complied (and will continue to comply) with the Code. As of January 2025, all of our employees had done so. The Code requires that all Schrödinger employees worldwide follow the outlined standards and comply with all legal requirements in each country where we conduct business.

Keeping Current: 2024 Corporate Policy Updates

As Schrödinger continues to evolve and expand, we continually evaluate and update company policies in response to emerging needs, new regulations, or identified gaps.

Supplier Code of Conduct

We are committed to conducting business ethically and responsibly and require our suppliers to abide by the same high standard. We value our relationships and the contributions of our suppliers, and we believe that adherence to guidelines that meet our standards will help to achieve success collectively.

Global Export Compliance Policy

We updated our Global Export Compliance Policy and introduced mandatory training for all employees involved in the sales and orders process to ensure compliance with not only the letter, but also the spirit and intent, of all U.S. export controls, sanctions, and anti-boycott laws and regulations, as well as those of other countries where we do business.

Global Equal Opportunity Employer Policy

We are an Equal Opportunity Employer, and it is the company's policy to take action to ensure that applicants and employees have equal opportunity for recruitment, selection, advancement, and every other term and privilege associated with employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, national origin, disability or status as a protected veteran.

Clinical Trial Transparency and Subject Protection Policy

Schrödinger is dedicated to advancing science and improving patient outcomes through innovative drug discovery and development. We acknowledge the critical importance of transparency in clinical trials, ethical practices, and the protection of human rights, including informed consent and participant data protection. Schrödinger's Policy on Clinical Trial Transparency and Subject Protection outlines our commitment to publicly posting ongoing clinical trials, sharing trial results, and adhering to best practices, regulatory requirements, and the principles of human rights in the context of human subject protection.

Global Human Rights Policy

Schrödinger and its global subsidiaries are committed to respecting and promoting human rights and freedoms across all facets of our operations and interactions. In 2025, we adopted the Schrödinger Global Human Rights Policy, guided by the United Nations (UN) Universal Declaration of Human Rights, UN Guiding Principles (UNGP) on Business and Human Rights, and International Labour Organization (ILO) Standards, to complement and expand upon existing policies.

Outside Activities and Conflicts Policy and Consensual Relationship in the Workplace Policy

In 2024, we rolled out these policies to colleagues in the U.S. and have since expanded to cover employees in India.

To avoid potential or actual conflicts of interest and help protect Schrödinger's confidential information, as well as other business interests, the Outside Activities and Conflicts Policy sets forth guidelines and procedures for outside activities that must be disclosed and submitted for review and preapproval.

To mitigate the risk of conflicts of interest and promote fairness, Schrödinger maintains the Consensual Relationship in the Workplace Policy with respect to workplace romantic and/or physical relationships.

Reinforcing Our Culture of Ethics and Compliance

At Schrödinger, our commitment to compliance is enterprisewide. We continue to build on our efforts to develop a centralized compliance function to unite all subject matter experts and their compliance efforts into one cohesive and comprehensive global program.

Engaging Employees to Learn about Ethics

We hosted Ethics & Compliance events at our U.S. and India offices. The events aimed to:

- Ensure employees are aware of compliance policies and know where to find them
- Encourage employees to read policies carefully
- Increase visibility for the Ethics & Compliance function
- Decrease any perceived stigma of Ethics & Compliance
- Encourage employees to think about compliance in the "real world"

In October, our U.S. offices hosted an Ethics & Compliance Trivia Day, which brought together employees across functions and departments, in person and virtually, to compete individually or in teams. At our offices in India, we hosted two events: an online compliance trivia and a live "fireside chat" with internal leaders from the U.S. Approximately 70 employees participated in trivia in the U.S., and more than 30 employees participated in the online trivia in India.

Our Ombuds Office

As a global company with operations in Europe, we have established an Ombuds Office to comply with local laws, data privacy rules and regulations, and the recently implemented German Supply Chain Due Diligence Act. The Ombuds Office is a neutral and independent third-party reporting channel for employees, business partners, customers, and members of the public to report concerns regarding Schrödinger's business activities, suppliers, compliance with laws and regulations, or human rights and environmental risks. Additionally, the Ombuds Office provides an anonymous reporting mechanism for reporting any suspected violations of the Code of Business Conduct and Ethics.

Educating to Uphold Our Ethical Standards

Ensuring employees are equipped with the knowledge required to uphold our high standards for ethics and compliance is a business priority. As of the end of January 2025, we recorded completion rates of 99% or higher across all trainings.

We require training globally on the following key topics:

- Maintaining a Respectful and Harassment-Free Workplace
  - Employees who are supervisors also attend manager-specific training on this subject.
- Drug Discovery Firewall Policy
- Insider Trading
- Anti-bribery, Anti-corruption, and Anti-money laundering

Responsible Use of Technology

Schrödinger Material Topic Definition: We recognize that the power of our platform comes with great responsibility. We use discretion when deciding what types of organizations can license our software, and we have governance safeguards in place to help ensure that it is not used for malicious or questionable ends.

Applying Technology Responsibly

value to our company

- Guards against potential nefarious uses of Schrödinger's platform
- Protects Schrödinger's reputation as a company that strives to always do the right thing
- Assures employees that the company is focused on doing good

value for the world

- Prevents potential misuse of Schrödinger's platform
- Advances general reputation of the technology sector

Guarding Against Misuse

We carefully evaluate all potential partners to help ensure our software will be used in ways that align with and advance our mission. Using our platform requires significant training and technical support from Schrödinger software experts and computational scientists. We will refuse to provide such consultation on projects we deem to have the potential to be misaligned with our mission.

We have a policy to refuse to license our software to prospective customers in countries subject to U.S. export restrictions, individuals or entities on a Denied Party List maintained by the U.S. government, or for developing, producing, or using nuclear or biological weapons or missiles.

Enabling the Work of Medicinal and Computational Chemists

Technologies like machine learning (often called AI) continue to receive considerable attention and scrutiny as media, regulators, and businesses explore their impact on the future of human employment. In its study, The Future of Jobs Report, the World Economic Forum predicted that these technologies would create more jobs than lost, especially in skilled fields.

At Schrödinger, we believe that rather than replacing chemists, our platform will enable them to be more productive and effective in their work. By combining the accuracy of physics with the speed of machine learning, our computational platform helps chemists design and test their ideas faster, leading to more high-quality ideas generated with less time spent synthesizing compounds.

Contributing to Open-Source Technologies

One aspect of applying technology in a responsible manner is helping to make it better and more accessible to scientists and others who can use it for their own benefit, and the benefit of society. That's why we contribute regularly to open-source software initiatives such as the following:

- RDKit, an open-source cheminformatics toolkit
- Fixed Data Table 2, a widely used Javascript web table
- PyMOL, our molecular visualization system offered in both open-source and commercial versions

Further underscoring our commitment, Schrödinger also assists with small fixes to approximately a dozen additional open-source projects.

Intellectual Property

Schrödinger Material Topic Definition: We have spent many years and have invested substantial monetary resources in developing our computational platform and other key assets, including our pipeline of proprietary drug discovery programs. It is essential that we protect our intellectual property so that we can continue to invest, innovate, and return value to our colleagues and shareholders.

Protecting Intellectual Property

value to our company

- Protects Schrödinger technology and innovations
- Gives employees confidence their work is making a difference to Schrödinger's success
- Safeguards company innovations for further growth
- Generates value for our shareholders

value for the world

- Generates value for customers and other stakeholders
- Enables continuation of solutions that improve human health and quality of life
- Helps ensure the integrity of our technology when used to further societal needs

Advancing Our Ability to Innovate

Schrödinger's ability to maintain our market position is primarily based on the continued enhancement of our proprietary platform and the pursuit of intellectual property protection (where applicable) related to the platform, including relevant improvements and innovations. These protections are also critically important for the drug discovery candidates created using the company's platform, whether as part of a research collaboration or our proprietary pipeline.

We rigorously protect our intellectual property through timely preparation, filing, prosecution, maintenance, and enforcement of related patent and/or trademark applications. Patent and trademark protection, directed to various inventions, is pursued globally. In addition, we obtain copyright registrations for our proprietary platform.

We make our platform available at significant discounts to certain end-users, including nonprofit entities and organizations, academic institutions, educators, and life science and drug discovery collaborators. Even in such instances, the company retains intellectual property rights to its platform and improvements.

Cybersecurity and Data Privacy

Schrödinger Material Topic Definition: Schrödinger is committed to being a good steward of our own and our customers' digital data, ensuring that our internal systems and platform are secure, and that we are operating with the highest levels of integrity. We are compliant with all local and regional regulations related to data and privacy.

Committing to Cybersecurity and Data Privacy

value to our company

- Protects data, systems, and platform from external threats
- Safeguards the business and investments
- Enables compliance with regulations and accepted external standards

value for the world

- Protects clients' data
- Protects personal data
- Guards against potential misuse of our platform

Safeguarding Data and Systems

Business's and society's increasing reliance on technology and data has led to vast amounts of confidential and sensitive information being stored, transmitted, and shared electronically. This information and the systems they rely upon are targets for increasingly sophisticated cybercriminals.

Schrödinger's business depends heavily on creating and processing confidential and sensitive data. Therefore, we must have the necessary systems, processes, and policies to guard against theft or destruction of our data, our customers' data, and that of current, former, and prospective employees. Our Information Security Department takes leadership in implementing our cybersecurity policies, processes, and technology in alignment with the National Institute of Standards and Technology Cybersecurity Framework (NIST CSF). ▶

While Schrödinger does not process or control large amounts of personally identifiable information as part of our core business, we have essential processes to ensure personal data privacy. All employees must complete an annual security awareness training to provide an enterprisewide understanding of our policies and procedures.

We also have a Data Protection Officer in Germany with whom we consult on data protection issues impacting European Union citizens under the EU General Data Protection Regulation (GDPR). In addition, Schrödinger adheres to all local data privacy regulations, including the California Consumer Privacy Act, as amended.

Schrödinger's Organizational Firewall

Schrödinger maintains an organizational firewall that separates personnel who work on our internal drug discovery programs from other customer data. This enables us to pursue our internal drug discovery and development collaborations while ensuring the confidentiality and integrity of customer data.

All employees participate in awareness training to understand the importance of this firewall, with more in-depth training for employees whose job responsibilities include working with molecular structures.

Schrödinger's Cybersecurity Program Functions

- **Establishment and review of policies and procedures aligned with NIST Cybersecurity Framework 1.1 (NIST CSF), audited annually**
- **Compliance with applicable laws and regulations**
- **Development of cybersecurity incident response policies, procedures, and awareness trainings**
- **Penetration tests and vulnerability management**

Reporting Appendix

About This Report

This report references the GRI Standards 2021. We have also included disclosures from the Sustainability Accounting Standards Board (SASB) Biotechnology & Pharmaceuticals Standard and the SASB Software & IT Services Standard. The report covers data and activities primarily from our fiscal year ending Dec. 31, 2024 but also includes some information preceding and shortly following that date.

GRI Index

Disclosure	GRI Standards Disclosure Title	2024 Location/Response
General Disclosures		
2-1	Organizational details	Schrödinger 2024 Corporate Sustainability Report, About Schrödinger, Pages 6-10 Schrödinger 2024 Annual Report on Form 10-K, Item 1. Business
2-2	Entities included in the organization's sustainability reporting	Schrödinger 2024 Annual Report on Form 10-K, Exhibit 21.1, List of Subsidiaries
2-3	Reporting period, frequency and contact point	Unless otherwise stated, quantitative and qualitative data contained in this report covers our fiscal year ending Dec. 31, 2024. Some anecdotal information from before and following the reporting period is also included. We intend to report annually on our Corporate Sustainability performance. For more information, contact: corporateaffairs@Schrödinger.com.
2-4	Restatements of information	Not applicable
2-5	External assurance	Schrödinger obtained limited external assurance on our Scope 1, 2, and 3 GHG emissions data, stating that we have established appropriate systems for the collection, aggregation, and analysis of quantitative data for determination of our GHG emissions for the stated period of Jan. 1, 2024 to Dec. 31, 2024.
2-6	Activities, value chain, and other business relationships	Schrödinger 2024 Corporate Sustainability Report, About Schrödinger, Pages 6-12; Drug Discovery and Life Science Collaborations, Pages 17-21; Academic and Community Outreach, Pages 35-42; Environmentally Beneficial Solutions, Pages 43-45 Schrödinger 2024 Annual Report on Form 10-K, Item 1. Business
2-7	Employees	Schrödinger 2024 Corporate Sustainability Report, Schrödinger at a Glance, Page 7; Diversity, Equity, and Inclusion, Pages 30-31 (Workforce Metrics)
2-8	Workers who are not employees	Schrödinger 2024 Corporate Sustainability Report, Diversity, Equity, and Inclusion, Pages 30-31 (Workforce Metrics)
2-9	Governance structure and composition	Schrödinger 2024 Corporate Sustainability Report, ESG Governance, Pages 13-16 Schrödinger 2025 Proxy Statement, Corporate Governance, Pages 16-24 Schrödinger Website, Corporate Governance
2-10	Nomination and selection of the highest governance body	Schrödinger 2025 Proxy Statement, Corporate Governance, Page 20

Disclosure	GRI Standards Disclosure Title	2024 Location/Response
General Disclosures		
2-11	Chair of the highest governance body	The Schrödinger Board of Directors is led by an independent director. Schrödinger Website, Schrödinger Board of Directors
2-12	Role of the highest governance body in overseeing the management of impacts	Schrödinger 2024 Corporate Sustainability Report, ESG Governance, Pages 13-16 Schrödinger Nominating and Corporate Governance Committee Charter
2-13	Delegation of responsibility for managing impacts	Schrödinger 2024 Corporate Sustainability Report, ESG Governance, Pages 13-16 Schrödinger Nominating and Corporate Governance Committee Charter
2-14	Role of the highest governance body in sustainability reporting	Schrödinger 2024 Corporate Sustainability Report, ESG Governance, Pages 13-16 The Board reviews the annual Corporate Sustainability Report prior to publication.
2-15	Conflicts of interest	Schrödinger 2025 Proxy Statement, Pages 15, 20, 68
2-16	Communication of critical concerns	Schrödinger Global Code of Business Conduct and Ethics
2-17	Collective knowledge of the highest governance body	Schrödinger 2024 Corporate Sustainability Report, ESG Governance, Pages 13-16
2-18	Evaluation of the performance of the highest governance body	Schrödinger 2025 Proxy Statement, Pages 19-20
2-19	Remuneration policies	Schrödinger 2025 Proxy Statement, Pages 25-63
2-20	Process to determine remuneration	Schrödinger 2025 Proxy Statement, Pages 25-63
2-21	Annual total compensation ratio	Schrödinger 2025 Proxy Statement, Page 46
2-22	Statement on sustainable development strategy	Schrödinger 2024 Corporate Sustainability Report, Message from Our CEO, Page 5
2-23	Policy commitments	Schrödinger 2024 Corporate Sustainability Report, Ethics, Transparency, and Compliance, Page 52 (Keeping Current: 2024 Corporate Policy Updates) Corporate policies at Schrödinger are developed, approved, and embedded at varying levels within the company based on the policy topic. Schrödinger Nominating and Corporate Governance Committee Charter
2-24	Embedding policy commitments	Schrödinger 2024 Corporate Sustainability Report, Ethics, Transparency, and Compliance, Pages 51-52 (Conducting Ourselves with Ethics and Integrity, Keeping Current: 2024 Corporate Policy Updates) Corporate policies at Schrödinger are developed, approved, and embedded at varying levels within the company based on the policy topic. Schrödinger Nominating and Corporate Governance Committee Charter
2-25	Processes to remediate negative impacts	Schrödinger Global Human Rights Policy Schrödinger 2024 Corporate Sustainability Report, ESG Governance, Pages 13-16; Operational Environmental Footprint, Pages 46-50; Ethics, Transparency, and Compliance, Pages 51-53; Responsible Use of Technology, Pages 54-55 Schrödinger Supplier Code of Conduct
2-26	Mechanisms for seeking advice and raising concerns	Schrödinger Global Code of Business Conduct and Ethics Schrödinger 2024 Corporate Sustainability Report, Ethics, Transparency, and Compliance, Page 52 (Keeping Current: 2024 Corporate Policy Updates) Schrödinger Website, Corporate Governance (Ethics & Compliance Hotline)

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General Disclosures		
2-27	Compliance with laws and regulations	During our fiscal year ending Dec. 31, 2024, Schrödinger was not subject to any material legal proceedings.
2-29	Approach to stakeholder engagement	Schrödinger 2024 Corporate Sustainability Report, ESG Governance, Pages 13-16; Drug Discovery and Life Science Collaborations, Pages 17-21; Diversity, Equity, and Inclusion, Pages 28-29; Academic and Community Outreach, Pages 33-35
2-30	Collective bargaining agreements	Globally, 22 employees in Japan, seven employees in South Korea, and seven employees in France are covered by some type of a collective bargaining agreement.
Material Topics		
3-1	Process to determine material topics	Schrödinger 2024 Corporate Sustainability Report, ESG Governance, Page 16 (ESG Materiality Assessment)
3-2	List of material topics	Schrödinger 2024 Corporate Sustainability Report, ESG Governance, Page 16 (ESG Materiality Assessment)
3-3	Management of material topics	Schrödinger 2024 Corporate Sustainability Report, ESG Governance, Page 13-16 See also, each respective material topic section of this report.
Economic Performance		
201-1	Direct economic value generated and distributed	Schrödinger 2024 Annual Report on Form 10-K, Item 8. Financial Statements and Supplementary Data
201-2	Financial implications and other risks and opportunities due to climate change	Schrödinger 2024 Annual Report on Form 10-K, Risks Related to Regulatory and Other Legal Compliance Matters, Page 97
201-4	Financial assistance received from government	During the reporting period, Schrödinger did not receive any significant financial support from government.
Indirect Economic Impacts		
203-1	Infrastructure investments and services supported	Schrödinger 2024 Corporate Sustainability Report, Drug Discovery and Life Science Collaborations, Pages 17-21; Academic and Community Outreach, Pages 33-35; Responsible Use of Technology, Pages 54-55
203-2	Significant indirect economic impacts	Schrödinger 2024 Corporate Sustainability Report, Drug Discovery and Life Science Collaborations, Pages 17-21; Academic and Community Outreach, Pages 33-35; Responsible Use of Technology, Page 55
Anti-corruption		
205-1	Operations assessed for risks related to corruption	Partially reported: Schrödinger 2024 Corporate Sustainability Report, Ethics, Transparency, and Compliance, Pages 51-53
205-2	Communication and training about anti-corruption policies and procedures	Partially reported: Schrödinger 2024 Corporate Sustainability Report, Ethics, Transparency, and Compliance, Pages 51-53
205-3	Confirmed incidents of corruption and actions taken	In 2024, Schrödinger recorded no monetary losses as a result of legal proceedings associated with corruption or bribery. There were no confirmed incidents of corruption.

Disclosure	GRI Standards Disclosure Title	2024 Location/Response
Anti-competitive Behavior		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	In 2024, Schrödinger recorded no monetary losses as a result of legal proceedings associated with anti-competitive behavior, anti-trust, and monopoly practices.
Energy		
302-1	Energy consumption within the organization	Partially reported: Schrödinger 2024 Corporate Sustainability Report, Operational Environmental Footprint, Page 50 (2024 Environmental Footprint Data)
302-3	Energy intensity	Schrödinger 2024 Corporate Sustainability Report, Operational Environmental Footprint, Page 50 (2024 Environmental Footprint Data)
302-4	Reduction of energy consumption	Partially reported: Schrödinger 2024 Corporate Sustainability Report, Operational Environmental Footprint, Pages 46-49
302-5	Reductions in energy requirements of products and services	Partially reported: Schrödinger 2024 Corporate Sustainability Report, Operational Environmental Footprint, Page 47 (Carbon-Neutral Computing)
Water and Effluents		
303-5	Water consumption	Schrödinger 2024 Corporate Sustainability Report, Operational Environmental Footprint, Page 50 (2024 Environmental Footprint Data)
Emissions		
305-1	Direct (Scope 1) GHG emissions	Partially reported: Schrödinger 2024 Corporate Sustainability Report, Operational Environmental Footprint, Page 50 (2024 Environmental Footprint Data)
305-2	Energy indirect (Scope 2) GHG emissions	Schrödinger 2024 Corporate Sustainability Report, Operational Environmental Footprint, Page 50 (2024 Environmental Footprint Data)
305-3	Other indirect (Scope 3) GHG emissions	Schrödinger 2024 Corporate Sustainability Report, Operational Environmental Footprint, Page 50 (2024 Environmental Footprint Data)
305-4	GHG emissions intensity	Schrödinger 2024 Corporate Sustainability Report, Operational Environmental Footprint, Page 50 (2024 Environmental Footprint Data)
Waste		
306-3	Waste generated	Schrödinger 2024 Corporate Sustainability Report, Operational Environmental Footprint, Page 50 (2024 Environmental Footprint Data)
Supplier Environmental Assessment		
308-1	New suppliers that were screened using environmental criteria	Partially reported: Schrödinger Supplier Code of Conduct

Disclosure	GRI Standards Disclosure Title	2024 Location/Response
Employment		
401-1	New employee hires and employee turnover	Schrödinger 2024 Corporate Sustainability Report, Diversity, Equity, and Inclusion, Page 31 (Workforce Metrics)
401-3	Parental leave	Partially reported: Full-time U.S. employees are eligible for up to 13 weeks of fully paid parental leave during the first 12 months after the birth, adoption, or foster placement of their child. Employees in global offices are offered enhanced or statutory parental leave, as available in their country of employment.
Occupational Health and Safety		
403-2	Hazard identification, risk assessment, and incident investigation	Schrödinger's commitment to occupational health and safety is detailed in the Schrödinger Occupational Health and Safety Policy, available on our website. This policy outlines Schrödinger's dedication to fostering a safe and healthy work environment for all employees, contractors, and visitors across global operations. In 2023, a safety audit was conducted across all global office and laboratory facilities. Given the static nature of our operations and footprint, with no new facilities or expansions in 2024, the risk profile of our office environments remains unchanged. Similarly, our laboratory operations have remained consistent, with no changes that would necessitate another full-scale safety audit. However, as part of an ongoing commitment to lab safety, we engage a health and safety consultant at our lab facility who conducts monthly on-site visits to support the on-site safety manager and safety committee in ensuring ongoing adherence to best practices and safety policies. If material changes to our facilities or operations occur, Schrödinger will conduct additional safety audits as needed. Schrödinger provides multiple channels for employees worldwide to report work-related hazards and hazardous situations. These include reporting to their manager, a senior manager, Human Resources, the Environmental, Health, and Safety (EHS) department, or anonymously via Schrödinger's whistleblower hotline. All reports are handled in accordance with Schrödinger's Whistleblowing Policy, which is accessible in the Employee Handbook and protects those who report concerns in good faith.
403-5	Worker training on occupational health and safety	Partially reported: Schrödinger employees working in lab settings participate in occupational health and safety training. New employees working in an office setting are required to complete a training module about safety in an office setting as part of their onboarding process. All employees, office and lab, can take part in optional yearly CPR and ergonomics training.
403-6	Promotion of worker health	Schrödinger 2024 Corporate Sustainability Report, Employee Well-Being, Pages 32-33 Schrödinger provides ergonomic training annually in the United States and India, and all employees worldwide have access to standing desks, and ergonomic chairs and monitors. In addition, the company promotes physical health with different events scattered throughout the year that vary by location, including activities like vaccinations, massages, and health fairs. In the United States, employees have access to a mental health benefit, and the company supports an ERG related to promoting employee mental health and wellness that is open to all employees worldwide.
403-8	Workers covered by an occupational health and safety management system	Partially reported: In 2023, we completed a health and safety audit of our sites, implemented corrective actions identified in the audits, and intend to repeat this process in the future. See also, GRI 403-2.
403-9	Work-related injuries	There were no work-related injuries in facilities controlled by the company. Our lab facility is classified as BSL-2, which has been verified by an outside contractor.
403-10	Work-related ill health	There were no work-related ill-health incidents in 2024 in facilities controlled by the organization. Our lab facility is classified as BSL-2, which has been verified by an outside contractor.

Disclosure	GRI Standards Disclosure Title	2024 Location/Response
Training and Education		
404-1	Average hours of training per year per employee	Partially reported: Schrödinger 2024 Corporate Sustainability Report, Ethics, Transparency, and Compliance, Page 53 (Educating to Uphold Our Ethical Standards)
404-2	Programs for upgrading employee skills and transition assistance programs	Schrödinger 2024 Corporate Sustainability Report, Company Culture and Employee Engagement, Pages 26-27 (Ongoing Learning and Development)
404-3	Percentage of employees receiving regular performance and career development reviews	Schrödinger 2024 Corporate Sustainability Report, Company Culture and Employee Engagement, Page 27 (Reviewing Performance)
Diversity and Equal Opportunity		
405-1	Diversity of governance bodies and employees	Schrödinger 2024 Corporate Sustainability Report, ESG Governance, Page 14 (Engaged Board of Directors); Diversity, Equity, and Inclusion, Pages 30-31 (Workforce Metrics) Schrödinger 2025 Proxy Statement (Board Diversity Matrix), Page 23
Freedom of Association and Collective Bargaining		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Partially reported: Schrödinger Global Human Rights Policy
Child Labor		
408-1	Operations and suppliers at significant risk for incidents of child labor	Partially reported: Schrödinger Global Human Rights Policy
Forced or Compulsory Labor		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Partially reported: Schrödinger Global Human Rights Policy
Local Communities		
413-1	Operations with local community engagement, impact assessments, and development programs	Schrödinger is currently in the planning stage for conducting supply chain audits.
413-2	Operations with significant actual and potential negative impacts on local communities	Schrödinger is currently in the planning stage for conducting supply chain audits.
Supplier Social Assessment		
414-1	New suppliers that were screened using social criteria	Partially reported: Schrödinger Supplier Code of Conduct
414-2	Negative social impacts in the supply chain and actions taken	Schrödinger is currently in the planning stage for conducting supply chain audits.

Disclosure	GRI Standards Disclosure Title	2024 Location/Response
Public Policy		
415-1	Political contributions	In 2024, Schrödinger did not engage in political contributions.
Marketing and Labeling		
417-3	Incidents of non-compliance concerning marketing communications	In 2024, Schrödinger recorded no incidents of non-compliance concerning marketing communications.
Customer Privacy		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	In 2024, Schrödinger recorded no substantiated complaints concerning breaches of customer privacy or losses of customer data.

SASB - Biotech

Topic	Accounting Metric	Category	Code	Location/Response
Safety of Clinical Trial Participants	Discussion, by world region, of management process for ensuring quality and patient safety during clinical trials	Discussion and Analysis	HC-BP-210a.1	All trial activity in the United States is conducted according to the ethical principles of the Declaration of Helsinki and ICH GCP, including health Canada regulations.
Safety of Clinical Trial Participants	Number of FDA Sponsor Inspections related to clinical trial management and pharmacovigilance that resulted in: (1) Voluntary Action Indicated (VAI) and (2) Official Action Indicated (OAI)	Quantitative	HC-BP-210a.2	In 2024, Schrödinger recorded no FDA Sponsor Inspections related to clinical trial management and pharmacovigilance.
Safety of Clinical Trial Participants	Total amount of monetary losses as a result of legal proceedings associated with clinical trials in developing countries	Quantitative	HC-BP-210a.3	In 2024, Schrödinger recorded no monetary losses as a result of legal proceedings associated with clinical trials in developing countries.
Access to Medicines	Description of actions and initiatives to promote access to health care products for priority diseases and in priority countries as defined by the Access to Medicine Index	Discussion and Analysis	HC-BP-240a.1	Partially reported: Schrödinger 2024 Corporate Sustainability Report, Drug Discovery and Life Science Collaborations, Page 17
Access to Medicines	List of products on the WHO List of Prequalified Medicinal Products as part of its Prequalification of Medicines Programme (PQP)	Discussion and Analysis	HC-BP-240a.2	Not applicable
Affordability & Pricing	Number of settlements of Abbreviated New Drug Application (ANDA) litigation that involved payments and/or provisions to delay bringing an authorized generic product to market for a defined time period	Quantitative	HC-BP-240b.1	Not applicable
Affordability & Pricing	Percentage change in: (1) average list price and (2) average net price across U.S. product portfolio compared to previous year	Quantitative	HC-BP-240b.2	Not applicable
Affordability & Pricing	Percentage change in: (1) list price and (2) net price of product with largest increase compared to previous year	Quantitative	HC-BP-240b.3	Not applicable
Drug Safety	List of products listed in the Food and Drug Administration's (FDA) MedWatch Safety Alerts for Human Medical Products database	Discussion and Analysis	HC-BP-250a.1	Not applicable
Drug Safety	Number of fatalities associated with products as reported in the FDA Adverse Event Reporting System	Quantitative	HC-BP-250a.2	There were no fatalities reported to the FDA with Schrödinger products in 2024.
Drug Safety	Number of recalls issued, total units recalled	Quantitative	HC-BP-250a.3	Not applicable
Drug Safety	Total amount of product accepted for takeback, reuse, or disposal	Quantitative	HC-BP-250a.4	Not applicable
Drug Safety	Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP), by type	Quantitative	HC-BP-250a.5	Not applicable
Counterfeit Drugs	Description of methods and technologies used to maintain traceability of products throughout the supply chain and prevent counterfeiting	Discussion and Analysis	HC-BP-260a.1	Not applicable

Topic	Accounting Metric	Category	Code	Location/Response
Counterfeit Drugs	Discussion of process for alerting customers and business partners of potential or known risks associated with counterfeit products	Discussion and Analysis	HC-BP-260a.2	Not applicable
Counterfeit Drugs	Number of actions that led to raids, seizure, arrests, and/or filing of criminal charges related to counterfeit products	Quantitative	HC-BP-260a.3	Not applicable
Ethical Marketing	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	Quantitative	HC-BP-270a.1	In 2024, Schrödinger recorded no monetary losses as a result of legal proceedings associated with false marketing claims.
Ethical Marketing	Description of code of ethics governing promotion of off-label use of products	Discussion and Analysis	HC-BP-270a.2	Not applicable
Employee Recruitment, Development & Retention	Discussion of talent recruitment and retention efforts for scientists and research and development personnel	Discussion and Analysis	HC-BP-330a.1	Schrödinger 2024 Corporate Sustainability Report, Company Culture and Employee Engagement, Pages 26-27
Employee Recruitment, Development & Retention	(1) Voluntary and (2) involuntary turnover rate for: (a) executives/senior managers, (b) midlevel managers, (c) professionals, and (d) all others	Quantitative	HC-BP-330a.2	Schrödinger 2024 Corporate Sustainability Report, Diversity, Equity, and Inclusion, Page 31 (Workforce Metrics)
Supply Chain Management	Percentage of (1) entity's facilities and (2) Tier I suppliers' facilities participating in the Rx-360 International Pharmaceutical Supply Chain Consortium audit program or equivalent third party audit programs for integrity of supply chain and ingredients	Quantitative	HC-BP-430a.1	Not applicable
Business Ethics	Total amount of monetary losses as a result of legal proceedings associated with corruption and bribery	Quantitative	HC-BP-510a.1	In 2024, Schrödinger recorded no monetary losses as a result of legal proceedings associated with corruption or bribery. There were no confirmed incidents of corruption.
Business Ethics	Description of code of ethics governing interactions with health care professionals	Discussion and Analysis	HC-BP-510a.2	Not applicable
Activity Metric	Number of drugs (1) in portfolio and (2) in research and development (Phases 1-3)	Quantitative	HC-BP-000.B	Schrödinger Website, Therapeutic Pipeline

SASB - IT and Software

Topic	Accounting Metric	Category	Code	Location/Response
Environmental Footprint of Hardware Infrastructure	Total energy consumed, percentage grid electricity, percentage renewable	Quantitative	TC-SI-130a.1	Schrödinger 2024 Corporate Sustainability Report, Operational Environmental Footprint, Page 50 (2024 Environmental Footprint Data)
Environmental Footprint of Hardware Infrastructure	Total water withdrawn, total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	TC-SI-130a.2	Schrödinger 2024 Corporate Sustainability Report, Operational Environmental Footprint, Page 50 (2024 Environmental Footprint Data)
Environmental Footprint of Hardware Infrastructure	Discussion of the integration of environmental considerations into strategic planning for data center needs	Discussion and Analysis	TC-SI-130a.3	Schrödinger 2024 Corporate Sustainability Report, Operational Environmental Footprint, Page 50 (2024 Environmental Footprint Data)
Data Privacy & Freedom of Expression	Description of policies and practices relating to behavioral advertising and user privacy	Discussion and Analysis	TC-SI-220a.1	Not applicable
Data Privacy & Freedom of Expression	Total amount of monetary losses as a result of legal proceedings associated with user privacy	Quantitative	TC-SI-220a.3	0
Data Privacy & Freedom of Expression	Number of law enforcement requests for user information, number of users whose information was requested, percentage resulting in disclosure	Quantitative	TC-SI-220a.4	0
Data Privacy & Freedom of Expression	List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring	Discussion and Analysis	TC-SI-220a.5	0
Data Security	Number of data breaches, percentage involving personally identifiable information, number of users affected	Quantitative	TC-SI-230a.1	0
Data Security	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	Discussion and Analysis	TC-SI-230a.2	Schrödinger 2024 Corporate Sustainability Report, Cybersecurity and Data Privacy, Page 57
Recruiting & Managing a Global, Diverse & Skilled Workforce	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	Quantitative	TC-SI-330a.3	Schrödinger 2024 Corporate Sustainability Report, Diversity, Equity, and Inclusion, Page 31 (Workforce Metrics)
Intellectual Property Protection & Competitive Behavior	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Quantitative	TC-SI-520a.1	In 2024, there were no monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations.
Managing Systemic Risks from Technology Disruptions	Number of (1) performance issues and (2) service disruptions, and (3) total customer downtime	Quantitative	TC-SI-550a.1	Schrödinger did not record any instances of performance issues, service disruptions, or customer downtime.

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