

Schrödinger Reports Inducement Grants under Nasdaq Listing Rule 5635(c)(4)

8/11/2023

NEW YORK--(BUSINESS WIRE)--Aug. 11, 2023-- Schrödinger, Inc. (Nasdaq: SDGR), whose physics-based computational platform is transforming the way therapeutics and materials are discovered, today reported that on August 9, 2023, the company granted (i) a non-statutory stock option to purchase 90,000 shares of the company's common stock and (ii) restricted stock units (RSUs) with respect to 15,000 shares of the company's common stock to the company's newly appointed chief medical officer, Margaret Dugan, M.D. As previously announced, Dr. Dugan joined the company on July 31, 2023.

In addition, on August 9, 2023, the company granted (i) non-statutory stock options to purchase 3,375 shares of the company's common stock to three newly hired employees and (ii) RSUs with respect to 4,125 shares of the company's common stock to five newly hired employees.

The grants to Dr. Dugan and the other newly-hired employees were made pursuant to the company's 2021 Inducement Equity Incentive Plan, were approved by the compensation committee of the board of directors pursuant to a delegation by the company's board of directors, and were made as a material inducement to such employees' acceptance of employment with the company in accordance with Nasdaq Listing Rule 5635(c)(4) as a component of his or her employment compensation.

The stock options, including the stock options granted to Dr. Dugan, have an exercise price of \$39.89 per share, equal to the closing price of Schrödinger's common stock on August 9, 2023. The stock options have a ten-year term and vest over four years, with 25 percent of the shares underlying the option vesting when the employee completes 12 months of continuous service measured from the employment start date and the balance of the shares vesting in a series of successive equal monthly installments of 1/48 of the original number of shares upon the employee's completion of each additional month of service over the 36-month period following the first anniversary of the

employment start date.

The RSUs, including the RSUs granted to Dr. Dugan, vest over four years, with 25 percent of such RSUs vesting when such employee completes 12 months of continuous service measured from the vesting commencement date, and the balance of the RSUs vesting in a series of successive equal yearly installments of 1/4 of the original number of RSUs upon each such employee's completion of each additional year of service over the three-year period following the first anniversary of the vesting commencement date.

The inducement grants are subject to the terms and conditions of award agreements covering the grants and the company's 2021 Inducement Equity Incentive Plan.

About Schrödinger

Schrödinger is transforming the way therapeutics and materials are discovered. Schrödinger has pioneered a physics-based computational platform that enables discovery of high-quality, novel molecules for drug development and materials applications more rapidly and at lower cost compared to traditional methods. The computational platform is licensed by biopharmaceutical and industrial companies, academic institutions, and government laboratories around the world. Schrödinger's multidisciplinary drug discovery team also leverages the software platform to advance a portfolio of collaborative and proprietary programs to address unmet medical needs.

Founded in 1990, Schrödinger has approximately 800 employees and is engaged with customers and collaborators in more than 70 countries. To learn more, visit www.schrodinger.com, follow us on LinkedIn, or visit our blog, Extrapolations.com.

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