

SIMULATIONS PLUS, INC.
NOMINATING & CORPORATE GOVERNANCE COMMITTEE
CHARTER

Revised: March 28, 2024

Purpose:

The Board of Directors (the “Board”) of Simulations Plus, Inc. (the “Company”) has established a Nominating & Corporate Governance Committee (the “Committee”), whose purpose is to seek and nominate qualified candidates for election or appointment to the Company’s Board, recommend to the Board, from time to time, directors to serve on each of the Board’s committees, oversee matters of corporate governance, and oversee the evaluation of the Board.

Membership:

The Committee shall consist of a minimum of three members of the Board, all of whom shall be “Independent Directors” (as defined under Rule 5605(a)(2) of the Nasdaq Stock Market), and meet the “independence” criteria (as defined under IM-5605 – Rule 5605(a)(2)) and other applicable requirements of the Nasdaq Stock Market.

The members of the Committee and the Committee Chair will be appointed by and serve at the discretion of the Board, may be removed at the Board’s discretion, and serve on the Committee until their resignation or removal.

Candidate Nomination & Appointment Requirements:

The Committee believes that it is in the best interest of the Company and its shareholders to obtain highly qualified candidates to serve as members of the Board. The Committee will seek candidates for election and appointment that possess the integrity, leadership skills and competency required to direct and oversee the Company’s management in the best interests of its shareholders, customers, employees, communities it serves and other affected parties. In addition, the Committee is committed to consideration of qualified directors of diverse gender, race, age, color, religion, national origin, sexual orientation, genetic information, marital status, disability or covered veterans’ status. The Committee will accomplish this by actively seeking nominees from a broad variety of sources, and will consider suggestions provided by Company shareholders.

A candidate must be willing to regularly attend Committee and Board meetings; to participate in Board development programs; to develop a strong understanding of the Company, its businesses and its requirements; to contribute their time and knowledge to the Company and to be prepared to exercise their duties with skill and care.

In addition, each candidate should have an understanding of all governance concepts and the legal duties of a director of a public company.

Responsibilities:

To assist in the conduct of its responsibilities, the Committee, to the extent it deems necessary or appropriate, may consult with or request assistance from management and, as appropriate, other Company employees.

The responsibilities of the Committee shall include:

1. Developing general criteria for the experience of and qualifications desirable in members of the Board, including, but not limited to the following: the candidate's integrity; reputation; judgment; leadership skills; knowledge and experience, specifically in public company matters, capital-raising activities, mergers and acquisitions, corporate governance, cybersecurity, relevant industries and related legal and regulatory regimes; diversity; and ability to be cognizant of the Board's civic and social responsibilities.
2. Developing a pool of potential directorial candidates for consideration in the event of a vacancy on the Board, including considering nominees recommended by the Company's shareholders. Shareholders may contact the Committee Chair, the Board Chair or the Corporate Secretary in writing when proposing a nominee. This correspondence should include a detailed description of the proposed nominee's qualifications and a method to contact that nominee if the Committee so chooses.
3. Following the guidelines and criteria for the screening of directorial candidates as outlined in the Candidate Nomination & Appointment Requirements policy above and Candidate Selection Process below.
4. Recommending nominees to the full Board.
5. Reviewing and making recommendations about the functioning of the Board and Board committees, including reviewing the size and composition of the Board and of each committee; recommending changes to the composition of the Board and its committees, including the chairs thereof; recommending to the Board a director to serve as lead independent director; and conducting annual evaluations of the Board and of each committee.
6. Reviewing and maintaining oversight over matters relating to the independence of Board and committee members, including to ensure compliance with the applicable independence standards of the Nasdaq Stock Market and the Sarbanes-Oxley Act of 2002.
7. Developing and recommending to the Board the Company's Corporate Governance Guidelines. The Committee will, from time to time as it deems appropriate, review and reassess the adequacy of such corporate governance guidelines and recommend any proposed changes to the Board for approval.
8. Developing, and overseeing the implementation of, the Company's Corporate Code of Conduct for all directors, executive officers and employees of the Company. The Committee will, from time to time as it deems appropriate, review and reassess the adequacy of such Corporate Code of Conduct.
9. Reviewing succession planning for key executive positions.
10. In a manner the Committee deems appropriate, the Committee shall review the overall adequacy of, and provide oversight with respect to, the Company's Corporate Social Responsibility ("CSR") and Environmental, Social and Governance ("ESG") strategies, initiatives and policies, including communications with employees, investors and other stakeholders of the Company with respect to such CSR & ESG matters.
11. Making recommendations to the Board regarding governance matters, including, but not limited to, the Company's articles of incorporation, bylaws, corporate policies and procedures, and the charters of the Company's other committees.
12. Reviewing and revising this Charter from time to time, but at least annually.

Candidate Selection Process:

1. Names of candidates for election to the Board will be solicited by the Committee from sources deemed reasonable by the Committee. Candidates suggested by shareholders will be considered as described in “Responsibilities” above. At the sole discretion of the Committee, a third party consultant may be engaged at an appropriate fee, to help identify and evaluate candidates for membership to the Board, in accordance with “Engagement of Third Parties,” below.
2. Candidates viewed by the Committee as potentially qualified will be contacted to determine interest in being considered to serve on the Board and, if interested, will be interviewed and qualifications established.
3. Qualified candidates will be contacted in order of preference.
4. If the candidate accepts, appropriate background checks will be considered and conducted, as deemed necessary.
5. If successful, the Committee will make a formal recommendation to the Board.
6. If approved, the Board will instruct the Corporate Secretary to include the candidate’s name as a nominee for election as a director in the Company’s Notice of Annual Meeting of Shareholders and Proxy Statement at the appropriate time.
7. The Corporate Secretary, with the assistance of counsel, will begin the candidate orientation process at the appropriate time.

Meetings and Reports:

The Committee shall meet at least twice annually, including prior to the Company’s annual preparation of its proxy statement to shareholders, and at such other times as it deems appropriate to fulfill its responsibilities as outlined above. The Committee will recommend qualified candidates for nomination for election to the Board by the Company’s shareholders at its Annual Meetings of Shareholders.

The Committee shall provide the Board with a report of the Committee’s activities and proceedings, as appropriate. The Committee will maintain written minutes of its meetings, which will be filed with the minutes of the meetings of the Board.

The Committee may act by unanimous written consent in lieu of a meeting.

Engagement of Third Parties:

The Committee may, in its sole discretion, engage and terminate any search firm to assist in the identification of candidates to serve as director. The Committee shall have the sole authority to oversee and approve the fees and other engagement terms with respect to such a search firm. The Committee also has the authority, as necessary and appropriate, to consult with other outside advisers to assist in its duties to the Company. The Committee must receive appropriate funding from the Company, as determined by the Committee, for the payment of reasonable compensation to any search firm, independent legal counsel or other advisers. The Committee must conduct an independence assessment prior to engaging any compensation consultant, independent legal counsel or other adviser.

Delegation of Duties:

In fulfilling its responsibilities, the Committee has the authority to delegate any of its responsibilities to a subcommittee as the Committee may deem appropriate in its sole discretion.