



# Code of Conduct

Effective Date: September 1, 2023

# Dear Colleagues,

At Simulations Plus, our mission is to create value for our customers by accelerating and reducing the costs of R&D through innovative science-based software and consulting solutions, and ultimately optimizing treatment options that improve patient lives. For more than 25 years, we have worked to fulfill that mission, pursuing new and creative solutions to help our clients drive scientific progress.

We are proud of what we have helped our customers achieve, but also recognize how we accomplish those goals is equally important. We have a responsibility to our employees, clients, industry partners, community members and shareholders to adhere to the highest levels of quality, respect and integrity in every aspect of our work.

Our Code of Conduct outlines our organization's principles and values and provides guidance for how we work. If you ever have any questions, please discuss them with your manager or supervisor. You can also use our confidential whistleblower hotline to report any concerns or compliance issues by calling +1-661-383-0940.

Every employee at Simulations Plus has the responsibility to make ethical choices that align with our mission and serve our customers and community. Thank you for doing your part to uphold our Code of Conduct and represent our company values in your work every day.

*Shawn O'Connor*

Shawn O'Connor  
CEO, Simulations Plus



# Introduction & Corporate Values

Our Code of Conduct is guided by our vision, integrity, values, and is implemented by effective governance. Simulations Plus is involved in business that is intended to help people through our products and services that serve the pharmaceutical, scientific, and academic communities. Because many of our customers are companies in the pharmaceutical and biotech industries, we aspire to abide by, and we expect our vendors to abide by, the principles of the Pharmaceutical Supply Chain Initiative (“PSCI” <https://pscinitiative.org/about>). The PSCI themes include the following.

## Leadership

*Be a respected, ethical, and influential company in interacting with our customers, our people, and the communities in which we operate. Building mutual respect and promoting integrity and ethics with our customers, employees, and our communities, makes positive impacts in our communities and contributes to the success of Simulations Plus and our customers.*

## Partnering

*Build new partnerships and look to provide additional value to our existing partnerships. Building and growing strong relationships with our customers, employees, and communities are critical to our goal of creating mutually beneficial and collaborative relationships.*

## Presence

*Establish a global presence to best reach those that could benefit from our products and services while serving the communities in which we operate. A professional commitment of Simulations Plus is to promote a sense of community by which we together can improve the environment, and wellbeing of our customers and the people in the communities in which we operate.*

## Consistency & Quality

*Promote consistency, quality, and value in our operations, and the products and services that we offer to our customers. We strive to deliver excellence in the quality and performance of our products and services.*

## Learning

*Create and deliver informative content for the scientific community to learn more about our products and services, as well as latest developments in our areas of technology. We provide webinars and distribute information about the advancements in science and technology which support our products and services.*

## Innovation & Diversity

*Continue to innovate, in providing a variety of services, tools and models that can be used by our customers to streamline and advance their product development. By valuing diversity in our people, products, and services, we provide the skills, knowledge, and ideas that enable us to generate new solutions to the evolving needs of our customers.*

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# 1. Following this Code of Conduct (the “Code”)

This Code applies across our organization (Board of Directors, officers, employees, and affiliates) as well as governs conduct between our employees and our customers and vendors who assist us in our business. The Code may not directly address every issue that may arise but provides a guideline for decision-making that can be paired with our values. In doing business with Simulations Plus, we should:

- Understand the principles covered by the Code, and conduct ourselves in the ways that are consistent with the Code, Simulations Plus policies, and applicable law.
- Follow the legal requirements in the locations in which we conduct our business.
- When requested, certify that we have reviewed, understand, and agree to the Code.
- Understand that following the Code is an integral part of working with Simulations Plus.

## 2. Avoiding Conflicts of Interest

What is a conflict of interest?

A conflict of interest exists when an individual engages in activities, investments, or associations that compete with the interests of Simulations Plus, or interferes with one’s judgment concerning Simulations Plus’s needs or exploits one’s position with Simulations Plus for personal gains.

We must avoid any relationship or activity that might impair, or even appear to impair, our ability to make objective and fair decisions when performing in a working relationship with Simulations Plus. Complying with the following principles will help avoid a conflict of interest.





## 2. Avoiding Conflicts of Interest (cont.)

- Do not hold a financial interest in or accept employment from an entity doing business with Simulations Plus if it would or could conflict with the performance of your duties with Simulations Plus.
- Do not take any business-related action for your personal benefit which competes with the business interests of Simulations Plus.
- Do not serving as a board member for an outside commercial company or an official for an organization that competes with Simulations Plus.
- Do not accept gifts, discounts, favors or services from a customer/potential customer, competitor or supplier of Simulations Plus.
- While you are employed with Simulations Plus, do not hire or supervise family members or closely related persons.
- Do not use Simulations Plus property or information for improper personal gain, or to compete with
- Simulations Plus directly or indirectly.

Employees with a conflict of interest question should seek advice from Simulations Plus management. Before engaging in any activity, transaction or relationship that might give rise to a conflict of interest, employees must seek review from their managers or the HR department to determine steps to avoid creating a conflict of interest or the appearance of one. Conflicts of Interest may be reported to Simulation Plus's confidential whistleblower hotline (available at +1-661-383-0940).

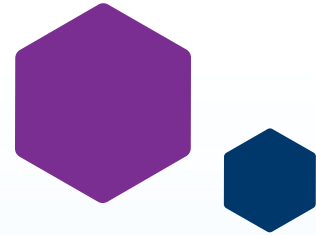
## 3. Safety, Security, Health, and the Environment

Safety, security, health and environmental protection are integral parts of Simulations Plus operations. Simulations Plus operations are conducted in compliance with applicable health, security, safety and environmental laws and regulations, and our company policies. We strive to provide a safe, secure, healthy and clean working environment using the necessary technical, organizational and personnel measures. We proactively review our existing operations and seek to employ new, more sustainable technologies and processes in our operations to minimize the impact of our operations on people and the environment. We implement initiatives to reduce resource consumption, waste generation and environmental pollution and to address global warming and climate change.

### 3. Safety, Security, Health, and the Environment (cont.)

Every employee is personally responsible for safety, security, health and environmental protection to the extent required by his/her duties and to the best of his/her knowledge, ability and experience. All at Simulations Plus have overall responsibility for reviewing our existing operations to identify any opportunities to improve and implement processes to minimize the impact of our operations on the environment, and continuously work towards improved safety and a better environment.

## 4. Act with Integrity and Transparency



Acting with integrity and transparency means that that we act with integrity, fairness, and honesty in all of our transactions. Everyone must conduct the business of Simulations Plus with honesty and integrity. Our employees and company affiliates should act in a professional manner that protects Simulations Plus's good public image and reputation.

- Keep Accurate, Complete, And Honest Records

All communications that are generated or received that are related to Simulations Plus business are business records. Each employee is responsible for maintaining necessary records related to Simulations Plus's business in compliance with all regulatory and legal requirements. All corporate records must be true, accurate and complete; and Simulations Plus generated data must be promptly and accurately entered in our records and books in accordance with Simulations Plus's and other applicable recording and accounting principles. We must not improperly influence, manipulate or mislead any authority having the right to audit records of Simulations Plus, nor interfere with any such auditor engaged to perform an internal independent audit of Simulations Plus's books, records, processes or internal controls for compliance purposes. The business records should always be complete and truthful and reflect the true nature of transactions and events.

Never intentionally falsify a record or try to disguise what actually happened; and avoid including unnecessary comments or conclusions in the records. Maintain all business records in accordance with the applicable provisions of the Simulations Plus Records Retention Policy.



## 5. Commitments to Our Customers

In creating value for our customers, and in the interest of building our relationships with our customers, we strive to:

- Also consider our business arrangements from the customer's perspective;
- Consistently work to improve customer service and satisfaction;
- Deal fairly with our customers in our business transactions; and
- Respect information entrusted to us by our customers.





## 6. Anti-Bribery and Anti-Corruption Commitment

Simulations Plus prohibits giving, offering, promising or receiving anything of value (including cash, goods and services, travel, hospitality, meals, favors, donations, gifts, or anything that confers a personal benefit), directly or indirectly, with the intent to obtain an improper business advantage for Simulations Plus (e.g., influence a decision affecting Simulations Plus's business) or a Simulations Plus customer.

In working with Simulations Plus, employees, customers, and vendors must understand and comply with Anti-Bribery and Anti-Corruption Laws. These are international and local laws that prohibit bribery and corruption, and commonly require an organization to have an adequate system of internal financial controls, and to keep accurate and detailed books and records, to guard against bribery and corruption. Examples of such laws include the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act. Violation of these laws may give rise to criminal offenses punishable by fines and imprisonment, and may include individual liability for those participating in or condoning such violations. Anti-Bribery and Anti-Corruption Laws are strict when dealing with government officials.

A government official is any:

- Individual elected or appointed to a governmental entity,
- Official or employee of a government,
- Official or employee of a company wholly or partially controlled by a government (such as state owned companies),
- Candidate for political office,
- Political party or official of a political party, or
- Person acting in an official capacity for any of the above regardless of rank or position.

Reasonable corporate hospitality that is acceptable with other business associates might not be allowable when government officials are involved.

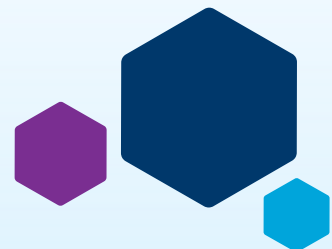


## 6. Anti-Bribery and Anti-Corruption Commitment (cont.)

Thus, a bribe to a government official is interpreted broadly and can occur even when the benefit being offered is small, such as gifts, entertainment, and even business meals. Also, facilitation payments to government officials are prohibited. Facilitation payments are payments that facilitate a normal governmental function, such as to expedite processing paperwork.

If offered a bribe from a person or entity doing business with or seeking to do business with Simulations Plus, report it immediately to your manager and Simulations Plus Legal. We must clearly convey to third parties working with Simulations Plus that we expect them to comply with Anti-bribery and Anticorruption Laws. Employees should seek clarification with Simulations Plus management and Legal on any questions or concerns regarding activities with or payments which could appear or could be construed to be an offer of something of value to gain an improper advantage for the business of Simulations Plus or our customers. Violations or suspected violations of Anti-Bribery and Anti-Corruption Laws in related to the business of Simulations Plus or our business with customers are to be reported to Simulations Plus Legal and/or Simulation Plus's confidential whistleblower hotline (available at +1-661-383-0940).

## 7. Fraud, Dishonesty, Criminal Conduct



Our commitment to integrity begins with complying with laws, rules and regulations applicable to our business. If we are unsure of whether a contemplated action is permitted by law or Simulations Plus policy, we should seek the advice from Simulations Plus Management and/or Legal. We are responsible for preventing violations of applicable law and for speaking up if we see possible violations. Simulations Plus values ethics and integrity in its operations and business transactions and, thus, does not tolerate fraud, dishonesty, or criminal conduct.

We expect our employees, customers and vendors to act ethically and honestly in all activities for or on behalf of Simulations Plus. Simulations Plus prohibits fraud or dishonesty in connection with Simulations Plus business or while performing work for Simulations Plus, including taking unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair dealing practice, or criminal conduct.

## 7. Fraud, Dishonesty, Criminal Conduct (cont.)

If any fraud, dishonesty, or criminal conduct is detected or suspected of any employee or anyone doing business with Simulations Plus, such activities should be reported to Simulations Plus Legal and/or Simulation Plus's confidential whistleblower hotline (available at +1-661-383-0940). Any use of fraudulent or illegal tactics violates the responsibilities entrusted in our employees, and carries potentially severe consequences, including discipline by Simulations Plus and/or prosecution under applicable laws.

## 8. Safeguarding Data & Confidential Information



**Company Confidential Information** is one of our most valuable assets and is essential to our business and operations. Simulations Plus Confidential Information is information not available to the public, and includes sensitive business information (e.g., operations information and procedures, software code, proprietary data, personal information, and financial information) of ours or which has been entrusted to us, and which may give us a competitive advantage. We all are responsible for keeping this information confidential. Unless Simulations Plus has provided its specific consent, or there is a legal requirement for disclosure, we are prohibited from disclosing or using Confidential Information of Simulations Plus. Any confidential or proprietary information that is gained through access from employment or business interactions with Simulations Plus may not be used for personal gain or for the benefit of third parties.

Expectations and actions for safeguarding Simulations Plus Confidential Information include:

- Confidential Information belonging to Simulations Plus may not be used for your own personal gain.
- Confidential information may only be shared with employees, officers, and directors of Simulations Plus who need the information in order to do their job.
- Confidential information must not be shared outside Simulations Plus without a confidentiality agreement approved by Simulations Plus Legal. Obligations for protecting Simulations Plus continue even after your employment with Simulations Plus.
- Any unauthorized disclosure of Confidential Information, whether unintentional or not, must be reported immediately to Simulations Plus Legal.



## 8. Safeguarding Data and Confidential Information (cont.)

- Prohibitions on disclosing Simulations Plus Confidential Information are not intended to prevent or dissuade employees from engaging in communications or activities protected by state or federal law or from disclosing confidential information when required by applicable law or legal process.

### **Confidential Information and data of Customers and Third Parties**

In our business transactions, customers provide us access to information and data that may not be available to the public, and that we are required to preserve as confidential. Our internal policies on Confidential Information require us to maintain the confidentiality of information that customers share with us under confidentiality obligations. Such customer information of a confidential, private and sensitive nature must be used responsibly and controlled and protected to prevent its unauthorized disclosure or use. Unless the customer has provided its specific written consent, or there is a legal duty to use or disclose, we are prohibited from using or disclosing confidential customer information or data other than for the purposes permitted by the customer for providing them with our products and services.

Confidential or proprietary information, including personal information, about or provided by our customers, as a result of interactions with Simulations Plus, may not be used for personal advantage or for the benefit of third parties.

## 9. Responsible Use of Company Assets and Resources



Simulations Plus has devoted significant time and resources in developing our technology (e.g., software platforms, models, simulations, databases, processes, code, etc.) and related intellectual property. Use of any of these assets for individual profit or any unlawful, unauthorized, or unethical purpose is prohibited. Such assets may be used for Simulations Plus's business purposes only, and be protected from potential destruction, theft, or misuse using the appropriate physical, technical and organizational security measures.

## 9. Responsible Use of Company Assets and Resources (cont.)

Company resources such as computers, printers, and copiers, are provided for Company business use. Nonetheless, occasional personal use is permissible as long as it does not violate specific policies of Simulations Plus, affect job performance or cause a disruption to the workplace. Employees and those who represent Simulations Plus are trusted to behave responsibly and use good judgment to conserve and protect Company resources. Managers are responsible for such resources assigned to their departments and are empowered to resolve issues concerning their proper use.

## 10. Personal Data Privacy

In our business transactions with customers, and in our business operations, we are provided access to personal information. We are committed to using personal information in an ethical, lawful, fair, and legitimate manner, and to respect the privacy of individuals whose personal information is entrusted to us. Any information related to an identified or identifiable person must be collected and processed in compliance with applicable personal data privacy laws.

Our employees are trained to apply the personal data privacy principles of processing personal information, including fair and lawful processing; processing for the purpose for which the personal information was received or collected; and minimizing personal information collected for a specific purpose (“business purpose”) for use and storage only to the extent necessary to accomplish the business purpose. Simulations Plus is committed to protect such personal information by implementing adequate technical and organizational measures, and by making all employees, agents, consultants, suppliers, and contractors aware of their responsibility for proper use of personal information. Simulations Plus has a Data Protection Officer, a Personal Data Privacy Coordinator, and policies to ensure and support the integrity, privacy, protection and appropriate use of personal information.





# 11. Securities Transactions



Because Simulations Plus is a publicly listed company, trading Simulations Plus securities is governed by securities laws. In interacting with Simulations Plus, employees, customers, and vendors may become aware of material non-public information about Simulations Plus (e.g., information about us that is not in the public domain, and that an investor would find useful to decide whether to trade in securities of Simulation Plus). Some examples of such information include financial results, mergers or acquisitions, business expansion, or changes in key personnel of Simulations Plus. Under applicable securities laws, it is unlawful for a person who has such information to trade in the securities of Simulations Plus or to disclose such information to others who may trade in the securities of the Simulations Plus (commonly referred to as “insider trading”). Employees, consultants, customers, or vendors who are aware of any material non-public information of Simulations Plus and uses such information to buy or sell Simulations Plus securities in violation of insider trading laws, may be subject to penalties under such laws. Simulations Plus has an Insider Trading Policy providing more details on trading shares of Simulations Plus.

# 12. International Trade Laws - Export Control

Countries often have laws for controlling into which countries may be exported certain items or data (“export control laws”). Under these laws, an ‘export’ occurs when a product, service, software, or technical knowledge is transferred from one country to another country or to any citizen or representative of another country. An export can also occur, for example, when a foreign citizen is given access to controlled information or software through a network. Simulations Plus’s products and services may be subject to export control laws such as those maintained by the United States. In engaging customers or potential customers from countries outside of the United States, employees should carefully consider the obligations of Simulations Plus and the customer with respect to export controls. There are certain countries sanctioned by the US government (“sanctioned countries”), meaning that the US government prohibits transfer of or access to our software to such sanctioned countries. Contact Simulations Plus Legal for more information on export controls applicable to our software.



# 13. Environmental Responsibility

At Simulations Plus, we strive to recognize the environmental impacts and responsibilities associated with all aspects of our business operations. We look for opportunities to reduce energy consumption and overall carbon footprint of our business activities; minimize the environmental impacts from our business operations; implement processes to enforce responsible environmental management in the workplace; and engage our employees, customers, and vendors to achieve our environmental goals.

# 14. Treating People with Dignity and Respect



Our business and employment relationships with people are key to our continued success. It is important to Simulations Plus that relationships with customers, vendors, and fellow employees are based on trust, and that we treat every individual with respect and dignity in the conduct of business with Simulations Plus. Simulations Plus is an equal employment/affirmative action employer and is committed to providing a workplace that is free of discrimination of all types and from abusive, offensive or harassing behavior. Simulations Plus prohibits discrimination against our customers, employees, and vendors based on sex, gender, race, creed, color, nationality, citizenship, ethnicity age, marital status, disability, religion, political affiliation or opinion, sexual orientation, socioeconomic status, or any other basis protected by applicable international, federal, state or local laws.

Simulations Plus provides Anti-Discrimination and Anti-Harassment training to all persons involved in the operations of Simulations Plus and prohibits harassment by any employee towards other employees as well as outside vendors and customers. Simulations Plus has a commitment to Human Rights, ensuring that, in our day-to-day business practices, our business relationships, and in matters of employment, we support the principles set forth in the United Nations International Bill of Human Rights, specifically the Universal Declaration of Human Rights, and the ILO Declaration on Fundamental Principles and Rights at Work. Such principles include safeguards against child labor and discrimination, and promotion of employee health and safety, safe working conditions, reasonable working hours and compensation, the right to association, and the right to choose and accept work.



# 15. Accountability and Whistleblower Hotline


Everyone working with Simulations Plus is responsible for knowing and adhering to the values and standards set forth in this Code. Simulations Plus will investigate all reported instances of questionable or unethical behavior. In every instance where improper behavior is found to have occurred, Simulations Plus will take appropriate action, including the appropriate disciplinary action. Any disciplinary action depends on the nature, severity, and frequency of occurrence of the violation of this Code. With the foregoing in mind, disciplinary action may include a verbal or written warning, suspension of employment, or in the most serious of violations, termination of employment. We will not tolerate retaliation against employees who raise genuine ethics or conduct concerns in good faith. For reporting violations of this Code, Simulation Plus's confidential whistleblower hotline is available at +1-661-383-0940.

# 16. Audits

Simulations Plus reserves the right to conduct ongoing due diligence to ensure vendors/suppliers are complying with the principles outlined in this Code. Vendor audits are an important mechanism that can be utilized to ensure ongoing vendor compliance with this Code.





 [www.simulations-plus.com](http://www.simulations-plus.com)