



Affordable Medicines Pledge
and
Long-Term Benefit-Sharing Pledge
(updated October 10, 2022)

Variant Bio was created from the ground up with ethics at its foundation and is committed to partnering with individuals, communities, and researchers around the world in a way that respects the privacy, beliefs, cultures, and data of study participants. Variant Bio believes in a long-term commitment to partner communities and in providing product access and long-term benefit sharing to those communities who have contributed to Variant’s genomics database. To help achieve those objectives, Variant Bio hereby makes the following Pledges:

Affordable Medicines Pledge

Variant Bio pledges to use its reasonable best efforts to make any Variant Product that Variant Bio ultimately develops and brings to market available, at an affordable price, to the communities that participated in the genomic research that led to identification of the Variant Product. The details of the pledge will be contained in the applicable collaboration agreements.

Long-Term Benefit-Sharing Pledge

At the end of each calendar year, Variant Bio will donate 4% of the Total Net Revenue we received during the year. We will make this donation in the form of grants to locally- and community-run Selected Organizations that provide services or other benefits to communities among Active Partner Populations, including support for local healthcare, environment, education, and/or culture-related initiatives. Our payments under this Pledge will be made only to Selected Organizations, which will be chosen each year by a Benefit-Sharing Committee established and operated in collaboration with Active Partners and Active Partner Populations. To that end, a portion of the Benefit-Sharing Committee’s members will be representatives nominated by Active Partners or Active Partner Populations, and the Benefit-Sharing Committee will solicit input from Active Partners and Active Partner Populations regarding potential organizations to receive these grants. This Total Net Revenue sharing will continue each calendar year until the year in which Variant is Acquired or completes an IPO.

At the time Variant Bio is Acquired or completes an IPO, Variant Bio will make a one-time distribution of the Net Proceeds from such Acquisition or IPO that are attributable to 4% of the fully-diluted shares of Variant Bio’s common stock. This final one-time distribution will be made in the form of either a one-time grant of such Net Proceeds to Selected Organizations chosen by the BenefitSharing Committee,



or to a non-profit foundation established by Variant Bio, and no further grants will be required by this Pledge after we make this one-time distribution. We hope and intend that this final distribution will provide continuing benefits to Active Partners and their respective Active Partner Populations.

We are committed to administering the Affordable Medicines Pledge and Long-Term Benefit-Sharing Pledge in a manner that brings meaningful benefits to partner populations. If questions arise in the future regarding interpretation or application of the Pledges, the matter will be determined in good faith by Variant's Board of Directors, in consultation with the Benefit-Sharing Committee, to achieve that objective.

Capitalized terms used in the Pledges will have the meanings defined in the attached Glossary of Terms.



Glossary of Terms

“**Acquired**” means the first time that Variant Bio is acquired by a Third Party as a result of: (a) a merger or consolidation of Variant Bio with such Third Party that results in the voting securities of Variant Bio outstanding immediately prior thereto, or any securities into which such voting securities have been converted or exchanged, ceasing to represent at least fifty percent (50%) of the combined voting power of the surviving entity or the ultimate parent of the surviving entity immediately after such merger or consolidation; (b) a transaction in which a Third Party, together with its Affiliates, acquires fifty percent (50%) or more of the combined voting power of the outstanding securities of Variant; or (c) the sale or other transfer to a Third Party of all or substantially all of Variant’s business or assets, in each case, other than in connection with the issuance or sale of equity securities for capital raising purposes. Any such transaction is referred to as an “**Acquisition.**”

“**Active Partner**” means a Third Party that has entered into a Partnership Agreement with Variant Bio and for which, as of the applicable date (e.g., as of the date of an annual distribution of Total Net Revenue or the date Variant is Acquired or completes an IPO) all Samples to be provided under such Partnership Agreement have been collected and provided to Variant, at least eighty percent (80%) of such Samples continue to be Active Samples, and Variant Bio has sequenced the Samples. Projects that are explicitly agreed to be pilots to determine if a larger study should be executed will not qualify as an Active Partner eligible for long-term benefit sharing. A pilot project cannot be larger than 1,500 participants.

“**Active Partner Population**” means a population of individuals with respect to which, as of the applicable time, Variant Bio has sequenced the Samples from the project and at least eighty percent (80%) of all Samples received by Variant Bio pursuant to the applicable Partnership Agreement remain Active Samples. Projects that are explicitly agreed to be pilots to determine if a larger study should be executed will not qualify as an Active Partner eligible for long-term benefit sharing. A pilot project cannot be larger than 1,500 participants.

“**Benefit-Sharing Committee**” means a committee comprised of representatives from Variant Bio, Active Partners and/or Active Partner Populations, as established and constituted from time to time by Variant Bio. Individuals may be added to or replaced as members of such committee from time to time.

“**Fully Diluted Capitalization**” means the sum of (i) the outstanding shares of common stock of Variant Bio; (ii) the shares of common stock of Variant Bio directly or indirectly issuable upon conversion or exchange of all outstanding securities directly or indirectly convertible into or exchangeable for common stock of Variant Bio and the exercise of all outstanding options and warrants; provided that Fully Diluted Capitalization shall not include the shares of common stock of Variant Bio reserved, but neither issued nor the subject of outstanding awards, under any equity incentive or similar plan of Variant Bio.

“**IPO**” means the closing of Variant Bio’s first firm commitment underwritten public offering of Variant Bio’s common stock registered under the Securities Act of 1933, as amended.

“**Net Proceeds**” means an amount equal to N times \$P, where:



(a) N means a number of shares of Variant Bio’s common stock equal to four percent (4%) of Variant Bio’s Fully Diluted Capitalization, as adjusted from time to time in the same manner as the common stock of Variant is adjusted in the event of a reverse or forward split of Variant Bio’s capital stock, the issuance of any dividends, recapitalization or other similar adjustment applicable to all common stock of Variant Bio as a class.

(b) \$P means: (i) in the case of an IPO of Variant Bio, the per share offering price of Variant Bio’s common stock at the closing of the IPO (the “**IPO Price**”); or (ii) in the case of an Acquisition of Variant Bio, the per share consideration actually received by holders of Variant Bio’s common stock with respect to such shares, calculated on an as-converted basis (assuming full conversion of all then-outstanding preferred stock and convertible securities and full exercise of any then-outstanding options and warrants) after taking into account the payment of any liquidation preferences with respect to shares of Variant Bio’s preferred stock in preference to distributions, and any other amounts required to be paid or deducted before calculating the proceeds to be paid, with respect to such shares of common stock. For clarity, any consideration placed into escrow or retained as holdback or subject to the occurrence of future events such as an earnout, shall be included in Net Proceeds only as and to the extent such amounts are actually paid to Variant Bio’s common stockholders.

(c) Net Proceeds may be paid: (i) in the case of an IPO, in either cash or shares of common stock, with such shares of common stock valued at the IPO Price; and (ii) in the case of an Acquisition, either in the same form as such Net Proceeds were actually distributed to holders of Variant Bio’s common stock, or in cash in an amount equal to the value of such Net Proceeds, as such value is determined under Variant Bio’s Certificate of Incorporation in effect as of the closing of such Acquisition. In the case Net Proceeds are paid in shares of common stock or other securities, such shares of common stock or other securities will be subject to any restrictions that apply to such shares, such as standard lock-up restrictions in the case of an IPO, and in the case of an IPO, at Variant Bio’s election, may be first distributed to the Selected Organizations only after such lock up restrictions would otherwise expire.

“**Partnership Agreement**” means a research collaboration agreement entered into by Variant Bio and a Third Party for the novel collection and transfer of Samples from a particular population. Notwithstanding the foregoing, Partnerships Agreements exclude any agreement under which Variant Bio (a) receives Samples in exchange for consideration paid or provided by Variant Bio, (b) obtained access to Samples or genetic information that are generally made generally available for similar purposes (such as the UK Biobank) or (c) obtained access to Samples for only a limited time or purpose.

“**Sample**” means human biological materials (e.g., whole blood, extracted DNA or RNA, urine, saliva) collected from an individual, together with information associated with such human biological materials (e.g., phenotypic information, medical records, anthropometric measurements) and information derived from or generated using such human biological materials (e.g., DNA sequence information, metabolomics data). “**Active Sample**” means a Sample that was obtained from an Active Partner under a Partnership Agreement and for which (a) Variant Bio retains the full right to utilize the same in accordance with the applicable Partnership Agreement and informed consent, and (b) genetic sequences derived from such Sample have not become available in the public domain or obtained from a source other than under a Partnership Agreement.

“**Selected Organization**” means a governmental or non-governmental, non-profit organization selected by the Benefit-Sharing Committee, in consultation with one or more Active Partners, and approved by the



Variant Bio Board of Directors to benefit one or more Active Partner Populations. “Selected Organization” excludes any for-profit entity.

“**Third Party**” means any entity other than Variant Bio and its Affiliates. For such purposes and as used herein, an “**Affiliate**” is any entity which, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with Variant Bio, where “control” means: (a) to possess, directly or indirectly, the power to affirmatively direct the management and policies of a person, corporation, or other business entity, whether through ownership of voting securities or by contract relating to voting rights or corporate governance; or (b) direct or indirect beneficial ownership of more than fifty percent (50%) of the voting share capital in such entity.

“**Total Net Revenue**” means all payments received by Variant Bio from a Third Party (“**Licensee**”) during the Revenue Sharing Term in the form of cash or securities specifically in consideration for the grant of a license to commercialize Variant Products, or to access findings from the analysis of Active Samples, including any upfront payments, annual fees, maintenance payments, milestone payments or running royalties or profit share payments received with respect to a Variant Product in consideration of such a license. Notwithstanding the foregoing, Total Net Revenue excludes: (a) amounts to reimburse or fund costs incurred prior to or in connection with such agreement or in the research, development or exploitation of Variant Products, including a reasonable reserve for such costs expected to be incurred for such purposes; (b) loans or advances, unless and until such amounts are actually forgiven (at which time the forgiven amount shall be deemed to have been received); (c) amounts received for supplies of product or other tangible materials or to fund establishment or operation of manufacturing facilities; (d) amounts received for securities sold to such Licensee; (e) amounts payable to a Third Party by reason of the grant to, or exercise by or under the authority of, Licensee of rights with respect to Variant Products or with respect to amounts included in Total Net Revenue; (f) withholding taxes or other amounts actually withheld from the amounts paid to Variant Bio; and (g) amounts received in connection with an Acquisition of Variant Bio or any of its Affiliates. To the extent a payment comprising Total Net Revenue represents a combined unallocated payment for both a license to commercialize Variant Products or to access findings from the analysis of Active Samples, as well as with respect to other products, intellectual property, data, undertakings or the like, such payment shall be allocated between such rights with respect to such Variant Products and Active Samples, and such other items, based on their relative value, as determined by Variant Bio’s Board of Directors. As used herein, “**Revenue Sharing Term**” means the period beginning on the date of this Pledge and ending upon the earliest of the closing of an Acquisition or IPO of Variant Bio, or the dissolution, liquidation or winding up of Variant.

“**Variant Product**” means: (a) a product for the treatment or prevention of a disease or condition in humans or animals, whose primary mechanism of action for treatment or prevention of the disease or condition for which such product is intended is achieved by directly or indirectly modulating a Genetic Factor or factors associated with it (i.e. in the same molecular pathway) that was first identified by Variant Bio through the use of Active Samples received pursuant to a Partnership Agreement, and would not have been identified but for such use; or (b) a product to diagnose or monitor the progression of disease or condition caused by or associated with such a Genetic Factor or to select patients to receive a particular therapy for such a disease or condition, in each case based on the detection or measurement of such Genetic Factor or factors associated with it. For such purposes, “**Genetic Factor**” means a genetic variation or combination that is a primary cause of or is definitively associated with a particular trait, disease or condition, where the potential modulation, detection or measurement of such variation or combination to treat, diagnose, monitor



or guide the choice of therapy for such disease or condition was not in the public domain at the time such mutation, variation or combination, or such use thereof, was first identified by Variant Bio. As used herein, references to Genetic Factor include the gene products directly expressed by a gene comprising such Genetic Factor.