

Insider Trading

Background

Illegal insider trading involves the wrongful purchase or sale, or recommendation for the purchase or sale, of a security (e.g., shares of stock, options, warrants or bonds) using material nonpublic information. Information is considered "material" if a reasonable investor would consider it important to a decision to buy or sell the security. Information is considered "nonpublic" if it has not been broadly disseminated in the marketplace. Furthermore, the sharing or disclosure of material nonpublic information, called "tipping", may lead to violations of laws by both the "tipper" and the "tippee."

As an HHMI employee, officer, Trustee, or advisor, you should not use or share information in a way that violates this policy or laws against insider trading. The list below includes some examples of sensitive information which might become available to you in connection with your work for HHMI. Depending on the specific circumstances, these types of information could be "material nonpublic information" for purposes of the laws against insider trading:

- A major new discovery or research advance that affects a company or its products
- Significant nonpublic results of clinical trials or studies (positive or negative)
- Significant changes in a company's management or operations
- Significant litigation or government investigations involving a company or its products
- Possible mergers or acquisitions, or purchases or sales of significant corporate assets
- Award or loss of significant contracts
- Earnings forecasts, proposed dividends, liquidity problems, or other financial information
- Plans by an investor, such as HHMI, to buy or sell a large block of a company's securities
- Other unpublished information about HHMI's investments, financial matters, personnel, or research results

Policy

To help ensure compliance with insider trading laws, as an HHMI employee, officer, Trustee, or advisor you must abide by the following restrictions:

- You may not buy, sell, or recommend the purchase or sale of a security if you are aware of material nonpublic information relating to that security or the issuing company.
- You may not disclose material nonpublic information relating to a security or issuing company, or otherwise "tip" any other person regarding such information for the purpose of trading securities on the basis of material nonpublic information.
- If you work outside of the Investment department, you must be careful not to disclose information described in this policy to members of the Investment department. Similarly, if

you work in the Investment department, you must not seek such information from HHMI employees in other departments.

If you have any questions about this policy or situations in which it may apply, please contact HHMI's Office of the General Counsel.

If you are a Trustee, a member of HHMI's Senior Executive Team, or an employee in the Investment department, you must certify at the start of your appointment as a Trustee or your employment by HHMI, and annually thereafter, that you have read and understand this policy and will comply with it.

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