#### 1 Patient iPSC models reveal glia-intrinsic phenotypes in multiple sclerosis

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#### 17 Summary

18 Multiple sclerosis (MS) is considered an inflammatory and neurodegenerative disease of the 19 central nervous system, typically resulting in significant neurological disability that worsens over 20 time. While considerable progress has been made in defining the immune system's role in MS 21 pathophysiology, the contribution of intrinsic CNS-cell dysfunction remains unclear. Here, we 22 generated the largest reported collection of iPSC lines from people with MS spanning diverse 23 clinical subtypes and differentiated them into glia-enriched cultures. Using single-cell 24 transcriptomic profiling, we observed several distinguishing characteristics of MS cultures pointing 25 to glia-intrinsic disease mechanisms. We found that iPSC-derived cultures from people with 26 primary progressive MS contained fewer oligodendrocytes. Moreover, iPSC-oligodendrocyte 27 lineage cells and astrocytes from people with MS showed increased expression of immune and 28 inflammatory genes that match those of glial cells from MS postmortem brains. Thus, iPSC-29 derived MS models provide a unique platform for dissecting glial contributions to disease 30 phenotypes independent of the peripheral immune system and identify potential glia-specific 31 targets for therapeutic intervention.

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#### 33 Introduction

34 Multiple sclerosis (MS) is a chronic inflammatory and neurodegenerative disease of the central 35 nervous system (CNS), and the leading cause of non-traumatic neurological disability in young 36 adults<sup>1</sup>. MS is a multifactorial disease resulting from a complex interplay between environmental 37 risk factors (such as EBV infection<sup>2</sup>) and genetic predisposition<sup>3,4</sup>. During the early phase of the 38 disease, MS most commonly manifests with focal neurological symptoms caused by acute 39 demyelinating lesions, with some degree of endogenous repair (relapsing remitting MS, RRMS<sup>5</sup>). 40 Some individuals with MS (less than 15%) experience a progressive course from disease onset 41 that is associated with a worse prognosis (primary progressive MS, PPMS<sup>6</sup>). Over time, most 42 RRMS individuals will exhibit a secondary progressive phenotype, characterized by steady 43 accumulation of neurological disability related to failure of repair mechanisms and consequent 44 neurodegeneration (secondary progressive MS, SPMS)<sup>7</sup>. In RRMS, infiltration of peripheral 45 immune cells and inflammation predominate and disease-modifying therapies targeting B or T

cells dramatically reduce the development of new lesions and relapses<sup>8,9</sup>. Unfortunately, these
 therapies are at best modestly effective at preventing the neurodegeneration that drives disease
 progression<sup>10</sup> suggesting disease mechanisms that are independent of peripheral immunity. The
 pathogenic mechanisms that drive chronic progression in MS are only partially understood,
 highlighting an urgent unmet need.

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52 Accumulating single-cell transcriptome profiles of postmortem brains have increased our 53 understanding of glial-specific changes in MS<sup>11–13</sup>, involving astrocytes and oligodendrocytes. In 54 addition. GWAS and epigenomic studies have highlighted glial aberrations in people with MS that are independent of the peripheral immune system<sup>14,15</sup>. Studies of postmortem brains, however, 55 cannot discern the intrinsic phenotypes of glial cells in MS from the effects of inflammatory stimuli 56 57 and peripheral immune cells. Human models based on induced pluripotent stem cell (iPSC) 58 technology serve as important systems to investigate complex, multifactorial diseases. In 59 particular, patient iPSC-based studies are used extensively to model CNS disorders that cannot be fully recapitulated by animal models<sup>16,17</sup>. iPSC modeling therefore provides the opportunity to 60 61 investigate glial cell dysfunction in MS.

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63 Here, we combined the power of iPSC disease modeling and single-cell transcriptomics to identify 64 glial cell-intrinsic MS phenotypes that occur in the absence of inflammatory stimuli or interactions 65 with peripheral immune cells. We found that iPSC-derived cultures from people with primary 66 progressive MS generated fewer oligodendrocytes. Moreover, iPSC-oligodendrocyte lineage cells 67 and iPSC-astrocytes from people with MS showed increased expression of immune and 68 inflammatory genes that match those of cells from MS post-mortem brains. This study highlights 69 the value of iPSC modeling for generating disease-relevant cell types and capturing glial cell-70 intrinsic phenotypes in MS.

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# 72 Results

# 73 Generation of an iPSC collection for MS research

We generated 17 MS iPSC lines (6 RRMS, 6 SPMS, and 5 PPMS) from skin biopsies of people 74 75 with MS<sup>18</sup>(Figure 1A). Participants with MS were categorized as as RRMS, PPMS or SPMS, 76 according to the phenotypic classification system used at the time of enrollment (Figure 1B)<sup>5</sup>. Skin 77 fibroblasts were reprogrammed by modified mRNAs using the NYSCF Global Stem Cell Array® 78 our fully automated system for generation of high-quality polyclonal iPSC lines that we have 79 previously demonstrated to reduce technical variation<sup>19</sup>(Figure 1A, S1A). A total of 22 iPSC lines 80 (including 5 healthy control iPSC lines) were used in this study. To characterize glial cells from 81 healthy individuals and people with MS, we leveraged our previously published protocol<sup>20,21</sup> to 82 differentiate iPSCs into cultures enriched in astrocytes and oligodendrocyte lineage cells 83 (encompassing all stages from oligodendrocyte progenitor cells to mature oligodendrocytes) 84 (Figure 1C, Figure S1B-S1C).

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#### 86 Single-cell transcriptional profiling of iPSC-derived neural cells from people with MS

Using 16 iPSC lines (4 ctrl, 4 RRMS, 4 PPMS, 4 SPMS), we performed single-cell RNA sequencing on glia-enriched cultures, and we characterized a total of 122,228 cells with an

89 average of 7639  $\pm$  1141 cells per line (Figure S1D). Data were first filtered to remove doublets,

90 low quality cells with less than 200 genes captured, and cells with >25% mitochondrial reads 91 (Figure S1E-S1F). Unsupervised clustering of the remaining high-quality cells identified 9 cell 92 clusters shared by all individual samples (Figure 1D, S1G). We next identified differentially 93 expressed genes enriched in each cluster and used those to assign a cell type to each cluster 94 (Table S1). The largest identified cell clusters were: astrocytes (GFAP and AQP4), 95 oligodendrocyte progenitor cells (OPCs) (OLIG1 and PDGFRA), proliferating progenitor cells 96 (MKI67 and TOP2A), oligodendrocytes (MBP and PLP1), and neurons (STMN2 and SCG2) 97 (Figure 1E, S1G). Our data were consistent with previously reported classifications of cell-specific clusters from human MS brain tissues<sup>11,12</sup>(Figure 1F, S1H). These data show that iPSCs from 98 99 people with MS and healthy controls successfully differentiate into MS-relevant cell types and can 100 be used to explore molecular and functional differences in MS that are intrinsic to glial cells.

101

# *iPSC-derived glial enriched cultures from people with PPMS generate fewer oligodendrocytes*

104 We next asked whether the frequency of cell types changed in iPSC-derived CNS cultures from 105 people with MS compared to healthy controls. Surprisingly, we found a consistent impairment in 106 the generation of oligodendrocytes in PPMS cultures (6.45%, 2061/31909) compared to healthy 107 control cultures (12.86%, 4290/33344) (Figure 1G). To confirm that this was not caused by a 108 general defect in the differentiation potential of the MS lines, we examined whether the generation 109 of astrocytes and neurons was similarly affected. Using a sorting protocol for the CD49f<sup>+</sup> astrocyte 110 marker<sup>22</sup>, and by generating cortical neurons using a distinct protocol<sup>23</sup>, we did not detect any 111 difference in the percentage of CD49f<sup>+</sup> astrocytes or MAP2<sup>+</sup> neurons generated from MS versus 112 healthy control lines (Figure S1I-K).

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114 To further explore the decreased oligodendrocyte formation in PPMS cultures we re-clustered 115 only the iPSC-derived oligodendrocyte lineage cells and identified five populations representing 116 different stages of differentiation of OPCs into oligodendrocytes (Figure 2A, Table S1). Three 117 OPC clusters (34.31% OPCs.1, 27.19% OPCs.2, and 14.73% OPCs.3) expressing OPC markers, 118 one cluster of newly formed oligodendrocytes (14.73%) expressing genes increased early in 119 oligodendrocyte formation, and one cluster of mature oligodendrocytes (9.77%) expressing 120 myelin genes (Figure 2A-D, Figure S2A). While all subtypes were present in all samples, the 121 distribution of cell subtypes for each sample confirmed the decreased number of newly formed 122 and mature oligodendrocytes, with a corresponding increase in OPCs only in PPMS cultures 123 (Figure 2E-F).

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oligodendrocyte 125 performed orthogonal validation of formation using Next. we 126 immunocytochemistry with antibodies specific for: the oligodendrocyte lineage cell marker OLIG2 127 (expressed at all stages in the oligodendrocyte lineage), O4, a marker of late adult progenitors 128 and newly formed oligodendrocytes, and myelin basic protein (MBP) a major protein component 129 of myelin and marker of mature oligodendrocytes. There was no difference between MS and 130 control cultures in the percentage of total cells stained with OLIG2; however, in agreement with 131 our scRNAseg data, PPMS cultures exhibited a significant decrease in cells stained for either the 132 immature oligodendrocyte marker O4 or the mature oligodendrocyte marker MBP (Figure 2G-I, 133 S2B). We then performed pseudotime analysis to place oligodendrocyte lineage cells along the

134 differentiation trajectory from OPCs to mature oligodendrocytes (Figure 2J). Density analysis 135 again confirmed that PPMS cultures contained fewer oligodendrocytes, but more OPCs (Figure 136 2K). We next generated gene modules with distinct expression patterns along the differentiation 137 trajectory of OPCs to oligodendrocytes (Figure 2L, Table S2). Despite PPMS cells showing a 138 delay in the progression toward mature oligodendrocytes, we could not detect differences in the 139 expression of these oligodendrocyte differentiation gene modules (Figure 2M). Furthermore, the 140 size of arborized mature oligodendrocytes was not reduced in PPMS cultures (Figure S2D,E). 141 Together these data suggest that PPMS iPSC lines generate fewer mature oligodendrocytes, but 142 morphology and gene expression of the cells that do form are not altered.

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#### 144 *iPSC-oligodendrocytes respond to myelinating drugs independently of disease state*

145 Promoting mature oligodendrocyte formation and remyelination are major clinical goals in MS<sup>24</sup>. 146 To this end, multiple groups have identified small molecule enhancers of oligodendrocyte 147 formation<sup>25–28</sup>. Nevertheless, it is not known whether OPCs from people with MS are responsive 148 to oligodendrocyte-enhancing therapies, or whether OPCs from distinct MS types might respond 149 differently to drugs that promote oligodendrocyte formation. To test this, we treated iPSC-derived 150 cultures from healthy control and MS individuals with ketoconazole and TASIN-1, two small 151 molecules that we have previously identified promote oligodendrocyte formation by inhibiting 152 specific enzymes in the cholesterol biosynthesis pathway<sup>29</sup>. We found that treatment with either 153 ketoconazole or TASIN-1 increased the formation of MBP<sup>+</sup> mature oligodendrocytes in all MS 154 cultures (Figure 2N-P, S2G), showing that MS cells are responsive to potential remyelinating 155 therapies regardless of MS type.

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#### 157 *iPSC-derived MS oligodendrocytes exhibit an immune-like transcriptome profile*

158 Recent reports have described immunological oligodendrocyte lineage cells in mouse models of MS and in human MS tissue that may contribute to oligodendrocyte lineage cell cytotoxicity, 159 160 decreased oligodendrocyte formation, and ultimately failed remyelination<sup>11,30,31</sup>. Even in the 161 absence of inflammatory stimuli or activation by peripheral immune cells, we found that iPSC-162 derived oligodendrocyte lineage cells from people with MS expressed increased levels of MHC 163 class I transcripts, with oligodendrocyte lineage cells from PPMS expressing significantly higher 164 levels of all three HLA-A, HLA-B, and HLA-C (Figure 2Q, S2F). This mirrors the increased 165 expression of MHC class I transcripts found in immunological oligodendrocyte lineage cells from 166 single-nuclei RNAseq analysis of MS brain tissue and may contribute to the decreased formation 167 of oligodendrocytes in iPSC-derived CNS cultures from people with PPMS.

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#### 169 iPSC-derived MS astrocytes exhibit an immune and inflammatory profile

170 Mounting evidence shows that reactive astrocytes contribute to the development and progression 171 of MS pathology<sup>32</sup>. To explore potential phenotypes specific to MS astrocytes, we next 172 subselected and re-clustered astrocytes from iPSC-derived healthy control and MS cultures 173 (Figure 3A-B, S3A, Table S1). We identified eight distinct subtypes of astrocytes in iPSC-derived 174 CNS cultures, with astrocyte cluster 6 consisting almost exclusively of cells from individuals with 175 MS (Figure 3C-D, S3B). Gene Ontology analysis of astrocyte cluster 6 defining genes showed 176 enrichment for antigen processing and presentation, inflammatory signaling, and Epstein-Barr 177 virus (EBV) infection (Figure 3E). In addition, astrocyte cluster 7 was enriched with cells from

178 RRMS and SPMS cultures (Figure S3C) and genes defining astrocyte cluster 7 were associated 179 with inflammation including cytokine, interferon, and NFkB signaling terms (Figure S3D). We also 180 found that MS cultures were depleted for cells in astrocyte cluster 3 (Figure S3E). Gene Ontology 181 analysis of genes defining the astrocyte cluster 3 showed enrichment for axon development, 182 neuron development, and sterol catabolism (Figure S3F). To validate our single-cell RNAseq 183 results we used RNAscope in situ hybridization to localize MS-enriched gene expression in 184 culture. This approach confirmed that HLA class II histocompatibility antigen, DR alpha chain 185 (HLA-DRA, involved in antigen presentation) is increased in PPMS cultures compared to healthy 186 controls (Figure 3F-H). Together these data suggest that, even in the absence of any 187 inflammatory stimuli, astrocytes from people with MS are more likely to acquire an inflammatory 188 state, at the expense of a neuro-supportive state, and that this may contribute to MS disease 189 progression.

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#### 191 iPSC-derived MS astrocytes mirror pathological astrocytes in MS brains

192 It has been shown that astrocytes can adopt an inflammatory pathological state in response to 193 the microglial derived cytokines TNF, IL1α, and C1q (TIC)<sup>22,33,34</sup>. These TIC-induced neurotoxic 194 reactive astrocytes have been observed in most neurodegenerative diseases including MS, Alzheimer's, Parkinson's, and amyotrophic lateral sclerosis<sup>33,35</sup>. Analysis of human iPSC-195 196 astrocytes has also shown that cells containing a common MS risk SNP express higher levels of 197 genes associated with TIC-induced astrocyte reactivity<sup>36</sup>. We therefore sought to investigate 198 whether, even in the absence of inflammatory stimuli, the iPSC-derived astrocytes in MS cultures 199 reflect a similar pathological state. To do this, we integrated iPSC-astrocytes from healthy controls 200 and people with MS, with single-cell analysis of healthy control human iPSC-astrocytes treated 201 with TIC cytokines<sup>22,23</sup>. Unbiased clustering of this integrated data set identified 12 distinct astrocyte clusters (Figure S4A, Table S3), three of which (clusters 8, 9, and 10), almost 202 203 exclusively contained iPSC-derived astrocytes from people with all clinical subtypes of MS, 204 generated in this study, and TIC-treated iPSC-derived astrocytes from healthy individuals (Figure 205 S4B-C, S4D, S4F, S4H). Moreover, Gene Ontology analysis of genes defining these clusters 206 showed enrichment for terms associated with inflammation and immune processes including 207 antigen processing and presentation, cytokine signaling, and again EBV infection (Figure S4E, 208 S4G, S4I). Together these data show that iPSC-derived astrocytes from people with all clinical 209 subtypes of MS transition to a pathological reactive state, independent of exogenous inflammatory 210 stimuli or interaction with immune cells.

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212 Finally, we sought to determine whether the iPSC-derived astrocyte subtype enriched in cultures 213 from people with MS represents a pathological astrocyte state found in the MS brain. To do this, 214 we integrated iPSC-derived astrocytes from healthy and MS cultures with publicly available single-nucleus analysis of astrocytes in MS brain tissues<sup>12</sup>. Integration of our iPSC-derived 215 216 cultures with MS brain tissue data resulted in the identification of 7 distinct integrated astrocyte 217 clusters (Figure 4A, Table S3). Two clusters, integrated astrocytes clusters 4 and 5 contained 218 almost exclusively cells from MS brains and MS iPSC-derived cultures (Figure 4B-C). We focused 219 on integrated astrocyte cluster 5 that contained cells from all clinical subtypes of MS, while cluster 220 4 was driven by cells from only two samples. Differential gene expression analysis identified MHC 221 Class I and Class II genes as significantly enriched in integrated astrocyte cluster 5 compared to

other clusters. Moreover, Gene Ontology analysis of genes specific to integrated astrocyte cluster
 5 showed enrichment for antigen processing and presentation, inflammatory signaling,
 neurodegeneration, and again EBV infection terms (Figure 4E-F). These data show that even in
 the absence of inflammatory stimuli or peripheral immune activation, iPSC-derived CNS cultures
 from people with MS generate pathological astrocyte subtypes that mirror those identified in MS
 brains.

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#### 229 Discussion

MS is a complex disease resulting from the interaction between environmental factors, for example EBV infection, and genetic predisposition<sup>3</sup> associated with peripheral immune and glial cells<sup>2,14</sup>. The role of glial cell-intrinsic dysfunction in the initiation and progression of MS remains unclear<sup>37,38</sup>. Here we leveraged the unique opportunity iPSC technologies offer to address this issue by investigating human glial cells independent of the complex *in vivo* environment, which is chronically altered by inflammation and infiltration of peripheral immune cells.

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237 A handful of studies have investigated iPSC-derived neural progenitors and oligodendrocytes 238 from people with MS; these studies used a limited number of lines (up to 3) and have produced conflicting reports on MS phenotypes in CNS cells<sup>39-43</sup>. Leveraging the NYSCF automated 239 240 platform for iPSC derivation, we generated 22 lines including healthy controls, RRMS, SPMS and 241 PPMS samples, differentiate them into glia-enriched cultures and performed single-cell 242 transcriptome analysis. Notably, single cell transcriptome profiles revealed intrinsic features of 243 MS oligodendrocytes and astrocytes, including decreased numbers of oligodendrocytes in PPMS 244 cultures. Mature oligodendrocytes in our cultures do not commit to myelination and therefore undergo cell death, similarly to what occurs in vivo44,45. Therefore, we cannot exclude that the 245 246 lower number of oligodendrocytes is a consequence of increased cell death. This hypothesis is 247 substantiated by emerging findings implicating structural myelin abnormalities as initial triggers of 248 inflammation and demyelination<sup>46–48</sup>, pointing to putative degenerative processes intrinsic to 249 oligodendrocytes. This hypothesis will be tested in the future, as soon as platforms to efficiently 250 reproduce human myelination in vitro become available. We also found increased immune and 251 inflammatory gene expression in oligodendrocyte lineage cells and astrocytes that mirrors 252 transcriptional profiles of these glia in post-mortem MS brains. The transition of oligodendrocyte 253 lineage cells to an immune-like state has been described in postmortem MS brains<sup>11,30,31</sup>; 254 nevertheless the etiology of these cells and their effect on remyelination in MS remains unclear. 255 Given that iPSC-derived oligodendrocyte lineage cells in our cultures were never exposed to 256 inflammation or peripheral immune cells, our findings indicate that in MS, oligodendrocyte lineage 257 cells are intrinsically primed to transition to an immune-like state.

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In conclusion, our study demonstrates that iPSC-derived glial enriched cultures from people with MS are a powerful model to identify CNS-intrinsic phenotypes in MS. Moving forward, future studies of iPSC-derived glia from people with MS could help identify disease mechanisms that explain, for example, why some people present with elevated inflammation and multiple relapses, while others develop a progressive course with minimal inflammatory activity. Importantly, these findings could reveal novel glia-specific targets for urgently needed therapeutics that stop or reverse disease progression in MS.

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## 267 Limitations

While this study includes the largest cohort of iPSCs from people with MS reported to date it is still too small to identify genotype-phenotype associations. The differentiation protocol used in these studies does not generate cultures with compact myelin wrapping axonal fibers or with microglia. Additional studies with myelinated cultures and iPSC-derived microglia from people with MS are warranted.

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# 274 Data and Resource Availability

- All sequencing datasets generated in this study have been deposited in Gene Expression Omnibus (https://www.ncbi.nlm.nih.gov/geo/) under accession code GSE238221.
- 277 Reviewer access code: ubwjseoivdcbjkx
- 278

We have genereated a collection of MS iPSC lines to enable investigation of molecular mechanisms of CNS dysfunction and potential glial targets for therapeutic intervention. NYSCF Research Institute iPSC lines may be made available on request through the NYSCF Research

282 Institute repository (<u>nyscf.org/repository</u>).

283

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# 295 Author Contributions

Conceptualization, B.L.L.C., L.B, P.J.T., and V.F.; Methodology, B.L.L.C., L.B; Validation,
B.L.L.C., L.B; Formal Analysis, B.L.L.C., L.B; Investigation, B.L.L.C., L.B, M.S., T.R., B.M.; K.K.;
D.M.; D.P.; K.B.; Resources, P.C, I.K.S, P.J.T., V.F., Data Curation, B.L.L.C.; Writing-original
draft, B.L.L.C., L.B., P.J.T., and V.F.; Writing-Review & Editing, all co-authors.; Project
Administration, P.J.T., V.F., Funding Acquisition, P.J.T., P.C., V.F.

301

# 302 **Declaration of Interests**

P.J.T. and B.L.L.C. are listed as inventors on issued and pending patent claims covering
 compositions and methods of enhancing glial cell function. P.J.T. is a co-founder and consultant
 for Convelo Therapeutics, which has licensed some of these claims and patents from Case
 Western Reserve University (CWRU). P.J.T. and CWRU retain equity in Convelo Therapeutics.

307 V.F. and L.B. are listed as inventors on issued and pending patent claims covering glial cell 308 generation methods.

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#### 310 METHODS

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#### 312 iPSC generation, quality control, and culture conditions

313 iPSC lines were derived by reprogramming fibroblasts from skin biopsies. Dr. Ilana Katz Sand at 314 the Corinne Goldsmith Dickinson Center for MS at Mount Sinai recruited MS patients, and 315 performed clinical characterization to distinguish RRMS, PPMS and SPMS forms (registered 316 clinical trial NCT02549703). The original study also involved collection of cerebrospinal fluid<sup>18</sup>, 317 and other MS-specific assignments and thus excluded healthy individuals. Control iPSC lines for 318 were chosen from the NYSCF Research Institute repository, selecting for age- and sex- matched 319 individuals (registered clinical trial NCT04270604). All iPSC lines were reprogrammed via 320 modified mRNA technology, using the NYSCF Global Stem Cell Array®, a fully automated 321 reprogramming process that minimizes line-to-line variability<sup>19</sup>. iPSCs were expanded onto 322 Matrigel-coated dishes in mTeSR1 medium (StemCell Technologies) and passaged using 323 enzymatic digestion with Stempro Accutase (ThermoFisher; A1110501) for 3-5 minutes and re-324 plated in mTeSR1 medium with the addition of 10µM ROCK Inhibitor (Y27632, Stemgent) for the 325 first 24 hours. A total of 22 iPSC lines were used in this study. For each line a certificate of analysis 326 (CoA) is provided, which includes the results for the following tests: sterility check, mycoplasma 327 testing, karyotyping, identity test, and pluripotency check. Table 1 summarizes the demographic 328 information of the individuals that donated the skin biopsies. Additional clinical information and 329 whole genome sequencing of the MS lines may be provided on request.

330 331

#### Table 1: List of iPSC lines used in this study.

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Code	Repository Line name	Age at time of biopsy	Se x	Ethnicity	Disease state
HC01	050659-01-MR	65	F	Ashkenazi	Healthy control
HC02	051121-01-MR	52	F	Caucasian	Healthy control
HC03	050743-01-MR	51	м	Caucasian	Healthy control
HC04	051104-01-MR	56	F	Caucasian	Healthy control
HC05	051106-01-MR	57	F	Caucasian	Healthy control
RR01	AK0007-01-MR	56	F	African-American	Relapsing remitting MS
RR02	AK0028-01-MR	26	F	Caucasian	Relapsing remitting MS
RR03	AK0024-01-MR	30	F	Caucasian	Relapsing remitting MS
RR04	AK0014-01-MR	33	м	Caucasian	Relapsing remitting MS
RR05	AK0013-01-MR	54	м	Caucasian	Relapsing remitting MS
RR06	AK0027-01-MR	69	F	Caucasian	Relapsing remitting MS
SP01	AK0015-01-MR	63	F	Caucasian	Secondary progressive MS

SP02	AK0026-01-MR	61	F	Caucasian	Secondary progressive MS
SP03	AK0008-01-MR	46	F	Caucasian	Secondary progressive MS
SP04	AK0011-01-MR	56	F	Caucasian	Secondary progressive MS
SP05	AK0005-01-MR	65	F	Caucasian	Secondary progressive MS
SP06	AK0012-01-MR	51	F	African-American	Secondary progressive MS
PP01	AK0001-01-MR	61	F	Caucasian	Primary progressive MS
PP02	AK0009-01-MR	43	F	Caucasian	Primary progressive MS
PP03	AK0004-01-MR	60	F	Caucasian	Primary progressive MS
PP04	AK0010-01-MR	46	м	Caucasian	Primary progressive MS
PP05	AK0003-01-MR	52	F	Caucasian	Primary progressive MS

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#### 334 *iPSC differentiation into glia-enriched cultures*

335 Cells were grown at 5% CO<sub>2</sub> in a 37°C incubator. hiPSCs were induced along the neural lineage 336 and differentiated using our previously published protocol<sup>21</sup>. Briefly, hiPSCs were plated at 1-2 x 337 10<sup>5</sup> cells per well on matrigel-coated six-well plates in mTeSR1 medium with 10 µM ROCK 338 inhibitor Y27632 (Stemgent; 04-0012). Starting the following day, cells were fed daily with 339 mTeSR1 medium (StemCell Technologies; 85850). Once distinct colonies of ~200 µm in diameter 340 were formed, differentiation was induced (day 0). Details for the differentiation protocol can be found in our previous publications<sup>22,49</sup> and a schematic with media composition is provided in 341 342 figure S1. Around d30 of differentiation, OLIG2<sup>+</sup> neurospheres were plated into 343 polyOrnithine/laminin-coated dishes to allow cell attachment and migration. Radial glial cells 344 anchored the sphere to the well and progenitor migrated out, generating a neurons, astrocytes 345 and oligodendrocytes in this precise order. At the end of the differentiation, between day 70 and 346 day 85, cultures were dissociated using different protocols depending on downstream analyses. 347 For exposure to myelinating compounds, RNAscope and immunofluorescence analyses, cells 348 were incubated for ~25 minutes with StemPro Accutase (ThermoFisher; A1110501) and passed 349 through a 70µm strainer. The resulting single-cell suspension was re-plated or sorted for CD49f 350 (BD Biosciences; 555736) to purify CD49f positive astrocytes and enrich oligodendrocyte lineage 351 cells within the CD49f negative fraction. The FACS protocol has been described in details 352 previously<sup>23</sup>. Single cell suspensions were re-plated onto PO/Lam coated plates and 24 hours 353 after plating, medium was switched to "glial medium", and cells were fed with two-third media 354 changes every other day. For scRNAseg analyses, cultures were dissociated using papain, as 355 detailed below.

356

#### 357 iPSC differentiation into cortical neurons

hiPSCs were plated in a 12-well plate in mTeSR1 media with 10µM ROCK inhibitor Y2732.

359 Starting the next day (d0), cells were fed daily with neural induction media with SB431542 (20

- 360 μM; Stemgent, 040010), LDN193189 (100nM; Stemgent, 040074), XAV939 (1 μM; Tocris, 3748).
- 361 Neural induction media consisted of 1:1 DMEM/F12 (ThermoFisher; 11320033) and Neurobasal

(ThermoFisher: 21103049) with 1x Glutamax (Thermo Scientific 35050061). 1x N2 supplement 362 363 (Gibco 17502-048), and 1x B27 supplement without Vitamin A (Gibco; 12587-010). On day 10, 364 the media was switched to neural induction media with XAV939 (1µM), with continuing daily media 365 changes. On day 15, cells were dissociated using Accutase and either frozen in Synth-a-freeze, 366 or plated in neuronal media at 50k/well in a PO/Lam coated 96-well plate (Corning; 353376). 367 Neuronal medium consist of Neurobasal (StemCell Technologies; 05790) with 1xB27 supplement 368 (ThermoFisher; 17504001), and 10 µM ROCK inhibitor. On day 16, the media was switched to 369 neuronal media with BDNF (40ng/mL; R&D Systems, 248-BDB), GDNF (40ng/mL; R&D Systems 370 212-GD), Laminin (1μg/mL), dbcAMP (250 μM), ascorbic acid (200 μM), PD0325901 (10 μM; 371 Reprocell, 04-0006), SU5402 (10 µM; Sigma-Adrich SML0443), DAPT (10 µM; Tocris, 2634), and ROCK inhibitor (10µM)<sup>50</sup>. Cells were fed every other day. Starting on day 25, cells were fed every 372 373 other day with neuronal medium with BDNF (40ng/mL), GDNF (40ng/mL), Laminin (1mg/mL), 374 dbcAMP (250 µM), ascorbic acid (200 µM). This differentiation protocol has been thoroughly 375 described in our previously published protocol<sup>23</sup>, with the following changes: here Neurobasal was 376 used instead of Brainphys after day 15, and PD0325901, SU5402, DAPT, and ROCK inhibitor 377 were taken out of the media at day 25.

378

#### 379 Ketoconazole and TASIN-1 treatment, immunostaining and analysis

380 CD49f negative cells (enriched of oligodendrocyte lineage cells) were seeded at 25K cells per 381 well (2-3 replicates minimum) onto Poly-ornithine/laminin-coated 96 well Perkin Elmer Cell Carrier 382 Ultra (CCU) microplates at day 75-80. Cells were cultured for 7 days in glia maturation media and 383 treated with either vehicle (DMSO, 0.1%V/V), Ketoconazole (1µM) or TASIN-1 (0.1uM, kindly 384 provided by Drew Adams, Case Western Reserve University) with feeds every other day, a total 385 of 3 treatments. On Day 8, cells were fixed in 2% PFA/PBS solution for 10 minutes. 386 Permeabilization and blocking were done in PBS with 0.1% Saponin and 5% Normal Donkey 387 Serum or Normal Goat Serum. For the ketoconazole experiment, cells were labeled with MBP. 388 For the TASIN-1 experiment, we included SOX10 and Olig2. All image acquisition was done with 389 the Opera Phenix High Content Screening system (Perkin Elmer) in confocal-mode. For the 96-390 well CCU plates, we collected 25 images per well at 10X magnification which included an average 391 of 9,000 cells per well. NUNC plates are not compatible with the Phenix and were modified with 392 a 3D printed part. Using the Opera Phenix, we acquired 60 fields, 4 Z-planes covering 21 µm at 393 10X magnification per well which included an average of 50,000 cells around each sphere. All 394 analysis was done using the Harmony software (Perkin Elmer). In summary, the analysis first 395 traced intact nuclei based on the DNA stain fluorescence and then selected nuclei that were larger 396 than 40-50µm<sup>2</sup> surface area and had intensity levels lower than the brightness of pyknotic nuclei. 397 We scored the MBP positive cells by identifying the cell type marker positive surrounding region 398 around the nuclei and selected cells based on the mean fluorescence intensity in the surrounding 399 ROI. Because the CD49f negative fraction is highly heterogeneous, we included a step in the 400 analysis that clustered nuclei by distance to minimize object splitting and overcounting of MBP+ 401 oligodendrocytes. For the TASIN-1 experiments, we used nuclear SOX10 and Olig2 labels to 402 further filter oligodendrocyte lineage cells before identifying MBP oligodendrocytes. Percentage 403 was calculated at well level: Total MBP positive cells/Total nuclei X 100 in well. Drug treated well 404 replicates were averaged for the fold change ratio calculations. Plots were generated with Prism 405 analysis software.

#### 406

### 407 Cell dissociation and library preparation for single-cell RNA sequencing (scRNAseq)

408 Day 85 cultures from 16 lines were detached enzymatically in parallel using papain (Worthington; 409 LK003153) and were filtered through 40µm Flowmi Cell Strainers (Scienceware; H13680-0040) 410 to obtain a single cell suspension. Single cells were processed using the 10X Single Cell 30 411 v3.1Rev Bprotocol. Briefly, we loaded the Chromium Single Cell Chip G (10X Genomics; PN-412 2000177) with 7,000 cells/sample and we performed library preparation as per the Chromium 413 Single Cell 30 Library & Gel Bead Kit manufacturer's recommendations (10X Genomics; PN-414 120237 and PN1000121). We used the Chromium i7 Multiplex Kit (10X Genomics; PN-120262). 415 Quality control was performed using the Qubit 4 Fluorometer (ThermoFisher; Q33227) and the 416 Agilent 4200 TapeStation system. The resulting cDNA library was sequenced on a 417 NovaSeg/HiSeg 2x150 bp, and 50,000 reads per cell were obtained.

418

#### 419 scRNAseq data processing

Sequence data were first processed by 10x Cell Ranger v3.0.2 to align reads to the human transcriptome build GRCh38, remove empty droplets, remove droplets containing multiple cells, and generate a feature-barcode matrix. Preprocessing was then performed with Seurat v3.2<sup>51</sup>.Following the standard pre-processing tutorial for the Seurat analysis package (https://satijalab.org/seurat/archive/v2.4/pbmc3k tutorial.html). For each individual sample cells with fewer than 200 genes and/or percent mitochondrial reads above 25% were removed.

426

#### 427 Identification of broad shared cell types across integrated scRNAseq samples

In order to first identify broad cell types that were shared across all of the samples we performed integration of the data at the sample level. Integration was performed with Seruat v3.2<sup>52</sup> following the standard integration tutorial (<u>https://satijalab.org/seurat/articles/pbmc3k\_tutorial.html</u>). Each individual sample was log-normalized and variable features were identified using "NormalizeData" and "FindVariableFeatures" respectively. Integration anchors were then identified using "FindIntegrationAnchors" afterwhich the individual samples were integrated using "IntegrateData". The integrated data set was then scaled using "ScaleData" while using difference in cell cycle

- 435 score, RNA count, and percent mitochondrial reads as variable to regress.
- 436

Differential gene expression analysis was performed in Seurat v3.2 using "FindMarkers" with the
Wilcoxon ranked sum test to identify differentially expressed genes between broad cell types from
RRMS v Health Control, SPMS v Healthy Controls, and PPMS v Healthy Controls.

440

#### 441 scRNAseq analysis of oligodendrocytes

Analysis of oligodendrocyte lineage cells was performed in Seurat v3.2. Oligodendrocyte lineage
cells were subsetted from the full data. These cells were then reanalyzed without integration to
identify differences between samples and disease conditions. Data was log-normalized using
"NormalizeData" and the top 2000 variable features were identified using "FindVariableFeatures".
The data set was then scaled using "ScaleData" while using difference in cell cycle score, RNA
count, percent mitochondrial reads, and culture derivation batch as variable to regress. Principal
component analysis was then ran using "RunPCA" with npcs = 50, followed by clustering using

449 "FindNeighbors" dims = 1:11, and "FindClusters" with resolution = 0.4. Finally, "RunUMAP" was
450 performed with dims = 1:11 to generate UMAP plots.

451

Differential gene expression analysis was performed in Seurat v3.2 using "FindMarkers" with the
Wilcoxon ranked sum test to identify differentially expressed genes between oligodendrocyte
lineage cells from RRMS v Health Control, SPMS v Healthy Controls, and PPMS v Healthy
Controls.

456

#### 457 scRNAseq psuedotime analysis

458 analysis was performed using the Bioconductor package SCORPIUS Pseudotime 459 (https://github.com/rcannood/SCORPIUS)<sup>53</sup> which in comparison of multiple single-cell trajectory 460 inference methods was identified as one a few methods that performed well under all conditions<sup>54</sup>. 461 Seurat UMAP embeddings for the oligodendrocyte lineage cells was used to infer a trajectory by 462 calling "infer trajectory". Candidate pseudotime genes were then called by using the Random 463 Forest algorithm to rank genes according to their ability to predict the inferred trajectory of cells. 464 Cells were then separated into 20 pseudotime bins across the oligodendrocyte lineage and the 465 average scaled expression of candidate pseudotime genes for cells in each bin was calculated 466 using the Seurat command "AverageExpression" and the result plotted on a heatmap ordered by 467 pseudotime to identify pseudotime expression modules. This was done for both healthy control 468 cells and cells from people with primary progressive MS to identify any changes in the expression 469 pattern of pseudotime genes.

470

# 471 scRNAseq analysis of astrocytes

472 Analysis of astrocytes was performed in Seurat v3.2. Astrocytes were subsetted from the full data 473 and analyzed with integration across culture derivation batches and using SCTransform 474 normalization (https://satijalab.org/seurat/articles/integration introduction.html - performing-475 integration-on-datasets-normalized-with-sctransform-1)<sup>55</sup> because exploratory analysis showed 476 significant batch effects. Following SCTransform normalization data was integrated across 477 batches by using "SelectIntegrationFeatures" to select 1000 integration features, integration 478 anchors were found with "FindIntegrationAnchors" with k.anchor = 20, and finally "IntegrateData" 479 was ran with normalization.method = "SCT". Principal component analysis was then performed 480 on the integrated data using "RunPCA" and npcs = 50, , followed by clustering using 481 "FindNeighbors" dims = 1:19, and "FindClusters" with resolution = 0.3. Finally, "RunUMAP" was 482 performed with dims = 1:19 to generate UMAP plots.

483

484 Differential gene expression analysis was performed in Seurat v3.2. First "PrepSCTFindMarkers"

485 was ran to prepare the SCTransform normalized data set for differential gene expression analysis.

486 Then "FindMarkers" with the Wilcoxon ranked sum test was used to identify genes that are 487 significantly enriched in each cluster compared to the data set as a whole.

488

#### 489 scRNAseq Integration of astrocytes with public data

490 Single-cell astrocyte data generated in this study were integrated with available single-cell raw

491 read counts and metadata for single-cell RNA of iPSC-derived astrocytes from healthy controls

492 exposed to TNF, IL1a, and C1q<sup>22</sup>. Integration was performed using SCTransform integration in

493 Seurat, Briefly, both data sets were downsampled to 1500 astrocytes per group to ensure 494 differences in cell number between groups didn't affect integration. SCTransform normalization 495 was then performed, after which data was integrated across batches by using 496 "SelectIntegrationFeatures" to select 3000 integration features, integration anchors were found 497 with "FindIntegrationAnchors" with k.anchor = 5, and finally "IntegrateData" was ran with 498 normalization.method = "SCT". Principal component analysis was then performed on the 499 integrated data using "RunPCA" and npcs = 50, followed by clustering using "FindNeighbors" dims 500 = 1:25, and "FindClusters" with resolution = 0.5. Finally, "RunUMAP" was ran with dims = 1:25 to 501 generate UMAP plots.

502

503 Single-cell astrocyte data generated in this study were also integrated with available single-cell 504 data of astrocytes from post-mortem brain tissue from people with MS<sup>12</sup>. The raw read counts and 505 metadata for single-cell RNAseq from post-mortem MS brain tissue was acquired from the UCSC 506 cell browser<sup>56</sup>. Single-cell astrocyte data from this study were integrated with MS astrocytes using 507 SCTransform integration in Seurat. Briefly, both data sets were downsampled to 1250 astrocytes 508 per group to ensure differences in cell number between groups didn't affect integration. 509 SCTransform normalization was then performed, after which data was integrated across batches 510 by using "SelectIntegrationFeatures" to select 3000 integration features, integration anchors were 511 found with "FindIntegrationAnchors" with k.anchor = 5, and finally "IntegrateData" was ran with 512 normalization.method = "SCT". Principal component analysis was then performed on the 513 integrated data using "RunPCA" and npcs = 50, followed by clustering using "FindNeighbors" dims 514 = 1:25, and "FindClusters" with resolution = 0.2. Finally, "RunUMAP" was ran with dims = 1:25 to 515 generate UMAP plots.

516

For both integrated data sets, differential gene expression analysis was performed in Seurat v3.2
using "FindMarkers" with the Wilcoxon ranked sum test to identify differentially expressed genes
between unbiased clusters.

520

# 521 *Immunofluorescence analysis*

522 At the end of the differentiation, unsorted cells were plated onto 96-well plates to perform 523 immunofluorescence analysis. Cells were fixed in 4% PFA for 10 minutes, washed 3x in PBS, 524 and stored at 4°C. For staining, cells were incubated for one hour at room temperature in blocking 525 solution consisting of PBS with 0.1% saponin and 2.5% normal donkey serum. Cells were then 526 treated with primary antibodies (see list below for further information) in blocking solution 527 overnight at 4°C. The next day, cells were washed 3x in PBS then incubated in secondary 528 antibodies (Alexa Fluor 488, 568 and 647) at a concentration of 1:500 in blocking solution for one 529 hour at room temperature and then HOECHST. Cells were washed in 3x in PBS and imaged on 530 the Opera Phenix High-Content Screening System (PerkinElmer) using the Harmony analysis 531 software.

532

#### 533 List of Antibodies used in this study:

- 534 MBP (1:250, Abcam7349)
- 535 SOX10 (1:200, R&D Systems, AF2864)
- 536 Olig2 (1:500, EMD Millipore AB9610)

#### 537 O4 (1:50, hybridoma, gift from Dr. J. Goldman)

- 538 Donkey anti-rat Alexa Fluor 555 (1:500, Invitrogen, A21434)
- 539 Donkey anti-rat Alexa Fluor 488 (1:500, Invitrogen, A21208)
- 540 Donkey anti-goat Alexa Fluor 555 (1:500, Invitrogen, A21432)
- 541 Donkey anti-rabbit Alexa Fluor 647 (1:500, Invitrogen, A31573)
- 542 Goat anti-mouse Alexa Fluor 488 IgM (1:500, Invitrogen, A21042)
- 543 Goat anti-rat Alexa Fluor 555 (1:500, Invitrogen, A21434)
- 544 Goat anti-rabbit Alexa Fluor 647 (1:500, Invitrogen, A21244)
- 545

#### 546 **RNAscope and oligodendrocyte size measurements**

547 At day 82 of the glial differentiation protocol, cells were dissociated, and replated in 96-well plates 548 as described. For measuring oligodendrocyte size, cells were fixed in 4%PFA and stained fo MBP 549 as described above. Images were acquired at 40X using the Opera Phenix High-Content 550 Screening System (PerkinElmer). Harmony softwarewas used to measure the area of MBP<sup>+</sup> 551 signal around the nucleus. For RNAscope experiments, cells were fixed 2 days after plating 552 following the protocol provided by ACDBio. In brief, cells were washed once in PBS then fixed in 553 10% Neutral Buffered Formalin for 30 minutes at room temperature. After 2x PBS washes, cells 554 were dehydrated by incubation in 50% ethanol at room temperature for 5 minutes, followed by 555 70% ethanol at room temperature for 5 minutes, then 100% ethanol at room temperature for 5 556 minutes. 100% ethanol was then removed and replaced with fresh 70% ethanol at room 557 temperature for 10 minutes. Cells were then stored at -20°C. For the RNAscope assay, cells were 558 rehydrated by incubation in 70% ethanol (200µL/well) at room temperature for 2 minutes, followed 559 by 50% ethanol (200µL/well) at room temperature for 2 minutes, followed by PBS at room 560 temperature for 1 minute, then finally in PBS for 10 minutes (200µL/well). PBS was removed, 561 plates were placed in the Humidity Control Tray provided by ACDbio, and 33uL freshly diluted 562 Protease III (1:10 in PBS) was added in each well. Humidity Control Tray was closed and 563 incubated for 10 minutes at room temperature. Cells were then washed in PBS for 2 minutes 564 (200µL/well) and this was repeated twice for a total of three washes.

565

566 Staining was then performed using the ACDbio "Tech Note for using RNAscope HiPlex Alternate 567 Display Module", and imaging was performed using the Opera Phenix High-Content Screening 568 System (PerkinElmer). To quantify the RNA within each cell, we used a custom-made Python 569 script for this experiment. First, the script calculated the maximum value of the reference wells for 570 removing the contribution from the background. Then, for each dye we computed the max 571 projection from the stack, we subtracted the background value found above, flat field corrected 572 each image and finally normalized them between 0 and 1. Once we had one single image for 573 each dye, we located the cells based on the nuclei image (using an Otsu's threshold based 574 approach). Then we similarly located the positive portion of the images for the dyes that identified 575 the cell type (GFAP, MBP and PLP1), and selected all the nuclei that were positive for any dye. 576 Then looped over each of the selected cells for each of the RNA stains and inspected whether 577 there were positive pixels within a specified region of interest. Since the size of each RNA was of 578 about 20 pixels, we divided the number of positive pixels by 20 to get the number of total RNAs. 579 This analysis generated a csv with one row for each of the analyzed cells, and one column for the 580 reported number of RNAs and positivity for each of the reference dyes.

#### 581 Statistics

582 The Graphpad Prism software was used for all statistical analyses. The statistical test used, n, 583 and meaning of each datapoint is described in the figure legends. The definition of center and 584 dispersion measures is also indicated in the figure legends. Statistical significance was 585 considered as p<0.05 (\*=p<.05; \*\*=p<.01; \*\*\*=p<.001; \*\*\*\*=p<.0001).

586

Line	HC 01	HC 02	НС 03	HC 04	HC 05	RR 01	RR 02	RR 03	RR 04	RR 05	RR 06	SP 01	SP 02	SP 03	SP 04	SP 05	SP 06	PP 01	PP 02	PP 03	PP 04	PP 05
scRNAseq	x	x	x	x		x	x	x	x			x	x	x	x			x	x	x	x	
RNAscope	x	x	x	x	x	x	x	x	x			x	x	x	x			x	x	x	x	x
Keto treatment	x		x	x		x	x	x	x	x		x	x	x	x	x	x			x	x	x
Tasin treatment	x	x	x	x	x								x	x	x			x			x	
iPSC-cortical neurons	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
IF staining in unsorted cultures	x	x	x	x	x	x	x	x	x			x	x	x	x			x	x	x	x	x
OL morphology	x	x	x	x	x	x	x	x	x			x	x	x	x			x	x	x	x	x
IF staining for OL quantification	x	x	x	x	x	x	x	x	x			x	x	x	x			x	x	x	x	x

#### 587 Table 2. iPSC lines used for each experiment

588

589 590

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592

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Figure S1. Characterization of iPSC-derived CNS cultures from people with MS.

(A) Representative images of undifferentiated iPSC cultures from all 16 lines used for scRNAseq analysis. Scale bar is 1mm.

(B) Representative images of iPSC-derived CNS cultures at the end of the differentiation from all 16 lines used for scRNAseq analysis. Cultures are stained for the mature oligodendrocyte marker MBP (teal), the astrocyte marker GFAP (yellow), and the neuron maker MAP2 (pink). Scale bar is 100µm.

(C) Protocol and media conditions for iPSC differentiation into CNS cells.

- (D) Total cells per sample used for scRNAseq analysis.
- (E) Percentage of mitochondrial genes in each scRNAseq sample.
- (F) Gene counts in each scRNAseq sample.
- (G) Distribution of cell types from scRNAseq analysis.

(H) Heatmap depicting the correlation between scRNAseq clusters identified in this study and cell types from scRNAseq analysis of MS brain tissue (Schirmer et al. PMID: 31316211). Spearman correlation values generated using the R package ClustifyR.

(I) Percentage of cells in healthy control (HC), relapsing remitting (RR), secondary progressive (SP), and primary progressive (PP) iPSC-derived CNS cultures that are positive for the astrocyte marker CD49f. Data is presented as mean +/- standard deviation for n = 5-6 lines per group (technical replicates indicated by color-coding each line) with p-values generated by one-way Anova with Dunnett's correction for multiple comparisons.

(J) Representative images of iPSC-derived neuronal cultures stained for the neuron marker MAP2 (red). Scale bar is 50µm.

(K) Percentage of cells in healthy control (HC), relapsing remitting (RR), secondary progressive (SP), and primary progressive (PP) iPSC-derived CNS cultures that are positive for the neuron marker MAP2. Data is presented as mean +/- standard deviation for n = 5-6 lines per group (technical replicates indicated by color-coding each line) with p-values generated by one-way ANOVA with Dunnett's correction for multiple comparisons.





Figure 1. An iPSC-derived model to study CNS cell intrinsic dysfunction in MS.

(A) Schematic representation of iPSC reprogramming from people with MS and healthy control skin biopsies and differentiation of iPSCs into glial CNS cultures.

(B) Select demographic information for the iPSC lines used for scRNAseq analysis.

(C) Representative images of iPSC-derived CNS cultures from healthy control and people with relapsing remitting MS, secondary progressive MS, and primary progressive MS. Cultures are stained for the mature oligodendrocyte marker MBP (teal), astrocyte marker GFAP (yellow), and neuron marker MAP2 (pink). Scale bar is 100µm.

(D) UMAP of integrated single-cell analysis from 4 healthy control lines, 4 relapsing remitting lines, 4 secondary progressive lines, and 4 primary progressive lines, showing major cell type clusters.

(E) Heatmap of the top 4 enriched genes for each cluster in (D).

(F) Heatmap depicting the correlation between clusters in (D) and cell types from scRNAseq analysis of MS brain tissue (Jakel et al. PMID: 30747918). Spearman correlation values generated using the R package ClustifyR.

(G) Distribution of cell types within iPSC-derived CNS cultures from healthy control (HC), relapsing remitting (RR), secondary progressive (SP), and primary progressive (PP) MS.



#### Figure 2

#### Figure 2. iPSC-derived cultures from people with MS generate fewer oligodendrocytes.

(A) UMAP of 47,487 oligodendrocyte lineage cells subset and re-clustered.

(B) Heatmap depicting the scaled expression of the top 5 enriched genes for each oligodendrocyte lineage cell cluster in Figure 2A.

(C) The proportion of each oligodendrocyte lineage cell type in iPSC-derived cultures from all samples.

(D) The proportion of each oligodendrocyte lineage cell type in iPSC-derived cultures from healthy control (HC), relapsing remitting (RR), secondary progressive (SP), and primary progressive lines.

(E) The percentage of cells in iPSC-derived cultures from healthy control (HC), relapsing remitting (RR), secondary progressive (SP), and primary progressive lines that are oligodendrocyte progenitor cells (OPCs). The percentage of OPCs in PP cultures is significantly higher than HC cultures. Data presented as mean +/- s.e.m. for n = 4 per group. p-value generated by Welch's ANOVA with Dunnett's T3 correction for multiple comparisons against healthy controls (HC).

(F) The percentage of cells in iPSC-derived cultures from healthy control (HC), relapsing remitting (RR), secondary progressive (SP), and primary progressive lines that are newly formed oligodendrocytes (nfOLs) or mature oligodendrocytes (mOLs). The percentage of combined nfOLs and mOLs in PP cultures is significantly lower than HC cultures. Data presented as mean +/- s.e.m. for n = 4 per group. p-value generated by Welch's ANOVA with Dunnett's T3 correction for multiple comparisons against healthy controls (HC).

(G) The percentage of oligodendrocyte lineage cells (OLIG2<sup>+</sup>) in iPSC-derived cultures from healthy control (HC), relapsing remitting (RR), secondary progressive (SP), and primary progressive lines that are positive for the early oligodendrocyte marker O4. The percentage of OLIG2 positive oligodendrocyte lineage cells in PP cultures that are O4<sup>+</sup> is significantly lower than in HC cultures. Error bars show mean ± standard deviation (n= 3 technical replicates per line for 4-5 lines per group). p-values generated by one-way Anova with Dunnett's correction for multiple comparisons.

(H) Representative images of iPSC-derived CNS cultures stained for the mature oligodendrocyte marker MBP (teal). Scale bar is 50µm.

(I) The percentage of oligodendrocyte lineage cells (OLIG2<sup>+</sup>) in iPSC-derived cultures from healthy control (HC), relapsing remitting (RR), secondary progressive (SP), and primary progressive lines that are positive for the mature oligodendrocyte marker MBP. The percentage of OLIG2<sup>+</sup> oligodendrocyte lineage cells in PP cultures that are MBP<sup>+</sup> is significantly lower than in HC cultures. Error bars show mean ± standard deviation (n= 3 technical replicates per line for 4-5 lines per group). p-values generated by one-way ANOVA with Dunnett's correction for multiple comparisons.

(J) Pseudotime plot of oligodendrocyte lineage trajectory from OPCs to mature oligodendrocytes.

(K) Cell density plot that shows the distribution of cells across the oligodendrocyte lineage trajectory from OPCs to mature oligodendrocytes for iPSC-derived cells from healthy controls (HC) or people with primary progressive MS (PP). p-value generated with a two-sample Kolmogorov-Smirnov test.

(L) Heatmap depicting the scaled expression of genes that were determined to have pseudotime specific expression profiles.

(M) Comparison of pseudotime gene expression profiles between healthy control and primary progressive oligodendrocyte lineage cells.

(N) Expression of MHC Class I genes in healthy control (HC), relapsing remitting (RR), secondary progressive (SP), and primary progressive cultures from this study. Expression of MHC Class I genes in oligodendrocyte lineage cells (OLCs) and immunological OLCs from MS postmortem brain (Jakel et al. PMID: 30747918). p-value generated by Wilcoxon ranked sum test within the Seurat R package. \* p < 0.05.

(O) Representative images of healthy control (HC), relapsing remitting (RR), secondary progressive (SP), and primary progressive cultures treated with either vehicle (DMSO) or the oligodendrocyte enhancing compound ketoconazole at 100µm.

(P) Fold-change in the percentage of MBP positive cells in all cultures treated with vehicle (DMSO) or ketoconazole (KETO) at  $1\mu$ M for 24 hours. Error bars show mean ± standard deviation (n= 17 lines). p-values generated by two-way paired t-test.

(Q) Fold-change in the percentage of MBP positive cells in healthy control (HC), relapsing remitting (RR), secondary progressive (SP), and primary progressive cultures treated with either vehicle (DMSO) or the oligodendrocyte enhancing compound ketoconazole. Data is presented as mean +/- standard deviation for n = 3-6 lines per group. p-values generated by one-way ANOVA with Dunnett's correction for multiple comparisons.



# Figure S2

# Figure S2. Characterization of iPSC-derived oligodendrocyte lineage cells from people with MS.

(A) Gene ontology analysis of genes enriched in each oligodendrocyte lineage cell type.

(B) The percentage of oligodendrocyte lineage cells in iPSC-derived cultures from healthy control (HC), relapsing remitting (RR), secondary progressive (SP), and primary progressive lines that are positive for the pan-oligodendrocyte lineage marker OLIG2. Error bars show mean ± standard deviation (n= 3 technical replicates per line for 4-5 lines per group). p-values generated by one-way ANOVA with Dunnett's correction for multiple comparisons.

(C) Cell density plot that shows the distribution of cells across the oligodendrocyte lineage trajectory from OPCs to mature oligodendrocytes for iPSC-derived cells from healthy controls (HC), relapsing remitting MS (RR), and secondary progressive MS (SP) patients. p-value generated with a two-sample Kolmogorov-Smirnov test.

(D) Representative images of mature oligodendrocytes from healthy control (HC), relapsing remitting (RR), secondary progressive (SP), and primary progressive cultures stained with the mature oligodendrocyte marker MBP. Scale bar is 50µm.

(E) Quantification of MBP<sup>+</sup> oligodendrocyte area for oligodendrocytes from healthy control (HC), relapsing remitting (RR), secondary progressive (SP), and primary progressive cultures. Data is presented as mean +/- standard deviation for n = 299; 150; 254; 234 cells, per respective group. p-values generated by one-way ANOVA with Dunnett's correction for multiple comparisons.

(F) Expression of MHC Class I genes in oligodendrocyte lineage cell types from healthy control and MS cultures. p-value generated by Wilcoxon ranked sum test within the Seurat R package. \* p < 0.05.

(G) Fold-change in the percentage of  $MBP^+$  cells in all cultures treated with vehicle (DMSO) or the oligodendrocyte enhancing compound TASIN-1 at 100nM. Data is presented as mean +/- standard deviation for n = 10 lines. p-values generated by two-way unpaired t-test.



# Figure 3. scRNAseq reveals a reactive astrocyte subtype enriched in iPSC-derived MS cultures.

(A) UMAP of 37,927 astrocytes subsetted and reclustered. Eight unique astrocyte subclusters were identified.

(B) Heatmap showing the scaled expression of the top three genes enriched in each astrocyte subcluster.

(C) UMAP plots of healthy control, relapsing remitting, secondary progressive, and primary progressive iPSC-derived astrocytes. The Astro.6 cluster is enriched only in iPSC-derived astrocytes from patients with MS and not healthy controls.

(D) Distribution of healthy control, relapsing remitting, secondary progressive, and primary progressive iPSC-derived astrocytes in the astrocyte subcluster 6.

(E) Gene ontology analysis of genes significantly increased in astrocytes subcluster 6 compared to all other astrocyte subclusters.

(F) UMAP plot overlayed with the expression of *HLA-DRA*, a gene significantly increased in Astro.6 compared to all other astrocyte clusters.

(G) Representative images of RNAscope *in situ* hybridization for *GFAP* and *HLA-DRA* in iPSCderived cultures from healthy control and primary progressive patients. Images show localization of *HLA-DRA* to *GFAP*<sup>+</sup> astrocytes in primary progressive cultures only. Scale bar,  $50\mu$ m.

(H) Quantification of RNAscope *in situ* hybridization for *GFAP* and *HLA-DRA* in iPSC-derived cultures from healthy control (HC) and primary progressive (PP) patients. Error bars show mean ± standard deviation (n= 2-3 technical replicates per line for 5 lines per group). p-value generated by one-way unpaired t-test.





#### Figure S3. Reactive astrocyte subtypes in iPSC-derived astrocytes from people with MS.

(A) The proportion of each astrocyte subtype in iPSC-derived cultures from all samples.

(B) The proportion of each astrocyte subtype in iPSC-derived cultures from healthy control (HC), relapsing remitting (RR), secondary progressive (SP), and primary progressive lines. Astrocyte subclusters 6 and 7 are enriched in cultures from people with MS while astrocyte subcluster 3 is depleted in cultures from people with MS.

(C) Distribution of healthy control, relapsing remitting, secondary progressive, and primary progressive iPSC-derived astrocytes in the astrocyte subcluster 7.

(D) Gene ontology analysis of genes significantly increased in astrocytes subcluster 7 compared to all other astrocyte subclusters.

(E) Distribution of healthy control, relapsing remitting, secondary progressive, and primary progressive iPSC-derived astrocytes in the astrocyte subcluster 3.

(F) Gene ontology analysis of genes significantly increased in astrocytes subcluster 3 compared to all other astrocyte subclusters.

#### Figure S4



# Figure S4. iPSC-derived astrocytes from people with MS share a transcriptional profile with inflammatory-driven human iPSC-derived reactive astrocytes.

(A) UMAP plot of astrocytes from this study integrated with iPSC-derived astrocytes from healthy control individuals exposed to either vehicle, or the inflammatory cytokines TNF, IL1 $\alpha$ , and C1q (TIC) (Barbar et al. PMID: 32485136).

(B) UMAP plots showing the distribution of cells from vehicle-treated and TIC-treated iPSC-derived astrocytes. Red circle highlights Clusters 8, 9, and 10 which are enriched for iPSC-derived astrocytes exposed to TNF, IL1 $\alpha$ , and C1q (TIC).

(C) UMAP plots showing the distribution of cells from iPSC-derived astrocytes from healthy control individuals and individuals with MS. Red circle highlights Clusters 8, 9, and 10 which are enriched for iPSC-derived astrocytes from people with MS.

(D) Distribution of vehicle-treated iPSC-derived astrocytes (yellow), TIC-treated iPSC-derived astrocytes (red), healthy control iPSC-derived astrocytes (light blue), and MS iPSC-derived astrocytes (dark blue) in Cluster 8 of the integrated data sets.

(E) Gene ontology analysis of the top 100 genes enriched in Cluster 8 of the integrated data set compared to all other clusters in the integrated data set.

(F) Distribution of vehicle-treated iPSC-derived astrocytes (yellow), TIC-treated iPSC-derived astrocytes (red), healthy control iPSC-derived astrocytes (light blue), and MS iPSC-derived astrocytes (dark blue) in Cluster 9 of the integrated data sets.

(G) Gene ontology analysis of the top 100 genes enriched in Cluster 9 of the integrated data set compared to all other clusters in the integrated data set.

(H) Distribution of vehicle-treated iPSC-derived astrocytes (yellow), TIC-treated iPSC-derived astrocytes (red), healthy control iPSC-derived astrocytes (light blue), and MS iPSC-derived astrocytes (dark blue) in Cluster 10 of the integrated data sets.

(I) Gene ontology analysis of the top 100 genes enriched in Cluster 10 of the integrated data set compared to all other clusters in the integrated data set.





Figure 4. iPSC-derived astrocytes from people with MS mirror astrocytes from MS brains.

(A) UMAP plot of astrocytes from this study integrated with astrocytes from healthy control individuals and people with MS (Schirmer et al. PMID: 31316211).

(B) UMAP plots showing the distribution of cells from healthy control brains and MS brains. Red circle highlights Cluster 5 which is enriched for cells from MS brains.

(C) UMAP plots showing the distribution of cells from iPSC-derived astrocytes from healthy control individuals and individuals with MS. Red circle highlights Cluster 5 which is enriched for iPSC-derived astrocytes from people with MS.

(D) Distribution of cells from healthy control brains (yellow), MS brains (red), healthy control iPSCderived astrocytes (light blue), and MS iPSC-derived astrocytes (dark blue) in Cluster 5 of the integrated data sets.

(E) Dot plot showing the scaled expression of some MHC Class I and Class II genes in each of the clusters from the integrated data sets.

(F) Gene ontology analysis of the top 100 genes enriched in Cluster 5 of the integrated data set compared to all other clusters in the integrated data set.