1 **Temporally discordant chromatin accessibility and DNA demethylation define**

2 **short and long-term enhancer regulation during cell fate specification**

3

4 Lindsey N. Guerin[1], Timothy J. Scott[1], Jacqueline A. Yap[1], Annelie Johansson[2], Fabio Puddu[2],

5 Tom Charlesworth[2], Yilin Yang[3,4], Alan J. Simmons[3,4], Ken S. Lau[3,4,5,6,7], Rebecca A. Ihrie[3,6,8,9],

6 Emily Hodges[1,6,10]*

7

8

9 [1]Department of Biochemistry, Vanderbilt University School of Medicine, Nashville, TN, USA

10 [2]biomodal, Chesterford Research Park, Cambridge, UK

11 [3]Department of Cell and Developmental Biology, Vanderbilt University School of Medicine,

12 Nashville, TN, USA

13 [4]Epithelial Biology Center, Vanderbilt University Medical Center, Nashville, TN, USA

14 [5]Department of Surgery, Vanderbilt University Medical Center, Nashville, TN, USA

15 [6]Vanderbilt-Ingram Cancer Center, Vanderbilt University Medical Center, Nashville, TN, USA

16 [7]Program in Chemical and Physical Biology, Vanderbilt University School of Medicine, Nashville,

17 TN, USA

18 [8]Department of Neurological Surgery, Vanderbilt University Medical Center, Nashville, TN, USA

19 [9]Vanderbilt Brain Institute, Vanderbilt University School of Medicine, Nashville, TN, USA

20 [10]Vanderbilt Genetics Institute, Vanderbilt University School of Medicine, Nashville, TN, USA

21

22

23

24

25 *Correspondence: emily.hodges@vanderbilt.edu

**SUMMARY**

Epigenetic mechanisms govern the transcriptional activity of lineage-specifying enhancers; but recent work challenges the dogma that joint chromatin accessibility and DNA demethylation are prerequisites for transcription. To understand this paradox, we established a highly-resolved timeline of DNA demethylation, chromatin accessibility, and transcription factor occupancy during neural progenitor cell differentiation. We show thousands of enhancers undergo rapid, transient accessibility changes associated with distinct periods of transcription factor expression. However, most DNA methylation changes are unidirectional and delayed relative to chromatin dynamics, creating transiently discordant epigenetic states. Genome-wide detection of 5-hydroxymethylcytosine further revealed active demethylation begins ahead of chromatin and transcription factor activity, while enhancer hypomethylation persists long after these activities have dissipated. We demonstrate that these timepoint specific methylation states predict past, present and future chromatin accessibility using machine learning models. Thus, chromatin and DNA methylation collaborate on different timescales to mediate short and long-term enhancer regulation during cell fate specification.

**KEY WORDS**

DNA Methylation, Chromatin Accessibility, Epigenetics, Neural Progenitor Cells, Differentiation, 5-hydroxymethylation, Enhancers, Machine Learning, ATAC-Me, 6-base sequencing

**INTRODUCTION**

Normal cell differentiation depends on the coordinated regulation of lineage-specifying gene enhancers to drive transcriptional programs. Epigenetic mechanisms mediate this process on multiple levels, from DNA methylation (DNAme) to chromatin accessibility (ChrAcc). Canonical models of gene regulation assume that both ChrAcc and DNA demethylation are inherent to gene transcription. However, we and others have demonstrated that DNAme and chromatin dynamics are not as tightly linked as previously thought, challenging the causal relationship between DNAme, gene enhancer regulation and transcription.[1-3]

DNAme has been classically defined as transcriptionally repressive, playing an essential role in transposable element silencing and heterochromatin formation.[4-9] Whole genome methylation data across distinct cell types and developmental stages have shown that, whereas most of the genome is methylated, hypomethylated regions denote gene regulatory elements.[10-16] Promoters are largely hypomethylated across cell types, while hypomethylation of enhancers is

57    cell-type specific and differentiation-dependent.[17-20] Accordingly, gene enhancers commonly

58    acquire both ChrAcc and DNA hypomethylation to promote transcription of lineage-specifying

59    genes; but whether these two epigenetic changes occur on similar timescales or how the timing

60    of demethylation affects enhancer function relative to accessibility is unknown.

61    Previous studies report that TET oxidase activity, rather than passive demethylation, is

62    responsible for establishing hypomethylation at most enhancers[21, 22], and the by-product of TET

63    activity, 5-hydroxymethylcytosine (5-hmC), is enriched at enhancers in embryonic stem cells.[23]

64    Constitutive disruption of TET activity results in cell differentiation defects in both embryonic and

65    adult cells.[24-30] For example, loss of TET2 leads to increased methylation of neural progenitor

66    cell (NPC) enhancers, delaying the induction of NPC differentiation genes.[31, 32] Likewise, TET2

67    plays a specific role in hematopoiesis[33], and loss of TET2 leads to transcriptional skewing of

68    hematopoietic stem cells.[34] DNAme restricts the binding of certain transcription factors (TFs) to

69    DNA;[29, 35-41] thus, failure to demethylate lineage-specifying enhancers precludes the expression

70    of critical genes, blocking cell differentiation cascades.[42]

71    Despite these important findings, prior work comparing steady state data revealed

72    transcriptionally "discordant" gene enhancers that are at once accessible and methylated or

73    inaccessible and hypomethylated.[1, 19, 43] Contrary to dogma, the implications of these studies are

74    that ChrAcc and DNAme dynamics are not always concurrent and DNAme does not invariably

75    repress enhancer activity. Moreover, in time course studies, we previously discovered that

76    ChrAcc and gene activation occur irrespective of enhancer demethylation, and demethylation is

77    not required for successful terminal differentiation of human macrophages.[1, 44] Similarly, a

78    separate study showed that gene activation precedes DNA demethylation during infection of

79    post-mitotic dendritic cells.[45] Whether this decoupling of DNAme, ChrAcc, and transcriptional

80    dynamics extends to replicating cells must be determined.

81    The maintenance and modification of DNAme patterns are subject to the kinetics of enzyme

82    activity and DNA replication.[22, 46] TET initiated 5-hmC represents an intermediate state that is

83    eventually resolved through active base-excision repair mechanisms involving thymine DNA

84    glycosylase (TDG) or by passive dilution during replication.[47, 48] The demethylation mechanism

85    depends on the developmental setting. In certain cell types , replication is required for the

86    majority of methylation loss through either passive dilution of 5-mC or its oxidized

87    intermediates.[48, 49] Other cell types, such as post-mitotic neurons, rely on active removal of

88    oxidized 5-mC products entirely.[50, 51] Moreover, demethylation mechanisms may be fully

89    dispensable in late differentiation settings.[25, 49, 52, 53] Thus, the observation of DNAme dynamics

90    is likely affected by the temporal properties and mechanism of demethylation acting in the
91    model system.

92    Additionally, while ChrAcc is dictated by TF binding activities, some, but not all, TF interactions
93    with DNA are methylation sensitive.[2, 38] In fact, some TFs bind methylated, and even
94    inaccessible, DNA.[53] Single molecule studies probing DNAme and TF occupancy found that
95    only a small subset of enhancers depends on DNA demethylation for transcriptional activity.[2]
96    Further, dynamic transcriptional responses have been observed without DNA demethylation of
97    regulatory sequences, suggesting transcriptional activity, at least in the short-term, supersedes
98    DNA demethylation mechanisms.[45, 54, 55]

99    These collective findings highlight a contradictory understanding of how DNAme relates to
100   ChrAcc and transcription that is, to some extent, at odds with phenotypes observed in DNAme
101   modifier mutants. Moreover, the temporal resolution to understand the significance of mixed,
102   and in some cases "discordant", epigenetic states is lacking in most datasets – especially for
103   fate-specifying enhancers experiencing epigenetic transitions. The role of DNAme on gene
104   regulation may be time and context dependent; thus, a key to understanding the *causal*
105   relationship between DNAme, gene regulation, and cell differentiation is to determine the timing
106   and order of DNAme changes compared to TF occupancy, ChrAcc, and transcription.

107   Here, we simultaneously quantified DNAme, ChrAcc, and TF footprints from single DNA
108   fragment libraries[56] to construct a high-resolution timeline of their dynamics during NPC
109   differentiation. Overall, we show a majority of lineage-specifying enhancers undergo periods of
110   DNA demethylation that are temporally distinct from chromatin. In fact, a substantial subset of
111   enhancers loses DNAme despite transient opening and closing of chromatin. The greatest loss
112   in DNAme occurs several days after initial ChrAcc and transcriptional changes, primarily
113   between two and 6 days of differentiation. Furthermore, hypomethylation of these enhancer
114   regions persists after these activities subside. Measuring site-specific 5-hmC[57], we identified
115   regions and periods of active demethylation that initiate before, and continue after, TF binding,
116   suggesting the arc of DNA demethylation from beginning to end occurs outside of TF activity.
117   Finally, using machine learning, we show that 5-hmC accumulation forecasts future ChrAcc,
118   while 5-mC logs past activity. Our findings clarify how enhancers are regulated on different
119   timescales by ChrAcc and DNAme, arguing that DNAme is not a gatekeeper of transcription, but
120   serves to stabilize enhancer transitions during cell fate specification. Understanding the
121   timescale over which DNAme exerts its regulatory function is fundamental to interpreting the
122   functional consequences of epigenetic patterns in normal and disease states.

4

## RESULTS

### Directed differentiation of HESCs to NPCs displays extensive DNA demethylation within chromatin accessibility loci

We used a well-established dual-SMAD inhibition protocol to differentiate human embryonic stem cells (HESCs) to neural progenitor cells (NPCs) (**Figure 1A**).[58] With this system, two SMAD inhibitors, Noggin and SB431542, are applied to HESCs grown in a monolayer on Matrigel, allowing for robust, feeder-free generation of NPCs in less than two weeks. In contrast to our previous work[1], this differentiation system has several important characteristics: 1) a longer differentiation timeline allows for frequent sampling of timepoints, 2) cells continue to proliferate throughout a 12-day time course, 3) NPCs retain the potential to be further differentiated into functionally specialized neural cells, and 4) the resulting cells can be characterized at each stage of differentiation using known HESC and NPC markers including Oct4, Sox1/2, Nestin and Pax6 (**Figure S1A**). Finally, using single cell RNA-seq for a subset of timepoints (0-, 2-, and 6-days post-induction), we observed cell clustering by timepoint. Within each time point, no distinct subclusters were observed, indicating homogeneous/synchronous differentiation of cells and ruling out cell heterogeneity as a potential confounder in our results, especially for genomic regions with mixed epigenetic states (**Figure 1B**).

We performed ATAC-Me and bulk RNA-seq in parallel for two biological replicates of nine timepoints following NPC induction, including 0 hours, 6 hours, 12 hours, 24 hours, 48 hours, 3 days, 4.5 days, 6 days, and 12 days (**Figure 1A, Table S1-2**). These timepoints were chosen to capture early, intermediate, and late events in the gene regulatory cascade as well as transient ChrAcc and DNAme states. For all timepoints, ATAC-Me and RNA-seq replicate libraries were reproducible and showed similar sequence complexities (**Figure S1B-D**; Spearman $\rho$: 0.86-0.98).

Capturing ChrAcc and DNAme from a single DNA fragment source with ATAC-Me combined with deep sampling of timepoints permits quantification of their relationship with high spatiotemporal precision (**Figure 1C**). Initial genome-wide analysis identified a total of 101,215 chromatin accessibility loci from all time points collected. The majority of these loci remained static and open for the duration of the time course (n=63,026), whereas a substantial subset (n=38,189) displayed dynamic accessibility over time (**Figure 1D, S1E**). Dynamic regions are predominantly located in intronic and intergenic genomic locations (~85%) where cell specific

154    gene enhancers typically reside, while static regions locate to a greater degree near promoters,

155    where accessibility is stable across cell and tissue types (**Figure 1E**).

156    Contrary to data obtained from terminally differentiated (and post-mitotic) hematopoietic cells[1],

157    we captured extensive DNAme changes within these dynamic ChrAcc regions (**Figure 1D,**

158    **S1E**). This result is expected given the differentially methylated regions previously identified

159    from comparisons of steady state HESCs and NPC methylomes[16], as well as the length of the

160    time course and the extent of reprogramming required to achieve the cell phenotype transition in

161    this model system. However, our initial analysis further demonstrates that, whereas chromatin

162    accessibility changes are bidirectional, DNAme changes are not. Many early hypomethylated

163    regions remain hypomethylated despite closing chromatin, and most opening sites lose rather

164    than gain DNAme. Altogether, our approach reveals new insights regarding the unique timing of

165    these epigenetic transitions, the direction of change, and the regulatory elements involved at a

166    scale and resolution that have not been previously determined.

167    **Unsupervised clustering of chromatin accessibility reveals temporally distinct regulatory**

168    **groups with divergent changes in enhancer states**

169    To identify temporal patterns across individual chromatin accessibility loci, we performed

170    unsupervised clustering on the 38,189 dynamic regions using normalized read counts for each

171    time point (**Figure 2A**).[59] Using a combination of methods to determine the optimal number of

172    C-means groups (**Figure S2A-C**), we defined seven clusters each containing unique

173    accessibility regions that track closely with the nine selected time points (n=3929-7520 regions).

174    Within 6 hours after differentiation induction, there are notable changes in chromatin

175    accessibility and each subsequent timepoint is associated with a specific cluster of accessibility

176    regions, illustrating how rapidly and transiently chromatin responds to differentiation signals.

177    Chromatin accessibility represents one of the first steps in the regulatory cascade of enhancer

178    regulation[60], and we show that chromatin accessibility occurs in multiple waves over the time

179    course; thus, we classified each cluster into three major categories: *Opening*, *Closing*, and

180    *Transient*. These broad classifications can be further separated by specific temporal behaviors.

181    The *Gradual Closing* cluster contains approximately 6,000 regions which begin closing almost

182    immediately while *Delayed Closing* regions remain open for the first 12-24 hours (**Figure 2A**).

183    The *Transient* groups each reach peak accessibility at different times but close by 12 days.

184    *Gradual Opening* and *Late Opening* regions are both open at the NPC stage, but the rate of

185    accessibility differs with *Gradual Opening* regions undergoing a gradual increase where *Late*

186    *Opening* regions do not become accessible until 6 days post induction.

187    The temporal resolution of our time course enables dissection of accessibility dynamics and

188    assignment of gene regulatory elements to discrete stages of HESC-to-NPC differentiation.

189    Accordingly, each dynamic accessibility cluster is enriched for gene ontologies that draw a clear

190    distinction between early, transient, and late events such as negative regulation of

191    developmental processes like circulatory system development (early), neuron differentiation

192    (transient), and forebrain and cerebral cortex development (late, **Figure S2B-C**). By contrast,

193    static regions are enriched for genes involved in general housekeeping processes (**Figure**

194    **S2C**).

195    Overlap of dynamic regions with 18-state chromHMM annotations[61] trained on data from either

196    HESCs or NPCs revealed substantial overlap of enhancer and repressor states with dynamic

197    regions compared to static regions (**Figure 2B**). Comparing the ESC chromHMM to NPC

198    chromHMM annotations for the same regions shows that, in *Opening* regions, enhancer

199    annotations increase substantially while quiescent annotations are lost (**Figure S2D**). *Transient*

200    and *Closing* regions undergo substantial switching from enhancer states in HESCs to repressor

201    and quiescent states in NPCs (41% and 45%, **Figure 2C, S2E**).

202    Motif enrichment analysis revealed strong correspondence between distinct sets of TF motifs

203    and time-point associated accessibility clusters (**Figure 2D, Table S3**). These TFs include

204    canonical pluripotency factors like Oct4/Sox2/Nanog in *Closing* regions and NPC marker Pax6

205    in *Late Opening* regions. *Transient* regions demonstrated staggered opening and closing

206    dynamics, suggesting short-lived TF activity within those regulatory elements. The *4.5-day*

207    *Transient* regions, for example, are enriched for Otx2, a TF shown to drive neural fate during

208    early differentiation.[62]  In total, we observed 14 different TF families that defined the sequence

209    content of the cluster behaviors.

210    Given that CpGs are the major substrate for DNA methylation, we considered the CpG content

211    of each accessibility cluster. Whereas static regions have a higher CpG density

212    (observed/expected~0.4, **Figure S2F**) supported by their higher CpG island promoter content,

213    dynamic regions display a range of CpG densities (mean obs/exp=0.174-0.50, **Figure S2F**). We

214    determined whether CpG density could be attributed to specific TF motifs, finding that CpG

215    containing TF motifs were associated with *Opening* and *Closing* clusters, rather than *Transient*

216    regions (**Figure 2D**). This apparent dearth of CpG containing motifs in *Transient* clusters is
217    supported by the significantly lower CpG density in these regions compared to *Opening* (p-value
218    <2e-16) and *Closing* (p-value=3.06e-9) clusters, suggesting an underlying link between
219    sequence and methylation kinetics (**Figure 2D, S2G**).

220    **DNAme dynamics are unidirectional and temporally discordant with chromatin**
221    **accessibility**

222    To gain a detailed understanding of the temporal relationship between ChrAcc and DNAme, we
223    quantified DNAme of regions within each accessibility group for every timepoint (**Figure 3A**).
224    These data revealed that, whereas chromatin and transcriptional changes begin as early as 6
225    hours post-induction, notable changes to DNAme do not begin until 48 hours (**Figure 3A, S3A**).
226    Overall, open regions that remain constant are constitutively hypomethylated throughout the
227    time course (*Static* regions, **Figure 3A**). Among the dynamic accessibility regions, many display
228    "concordant" changes with DNAme, where decreases in DNAme accompany increases in
229    ChrAcc (**Figure 3B-C, S3B**). In fact, DNAme loss is the most prevalent pattern across all
230    dynamic regions; however, unlike rapid and transient changes in ChrAcc that occur in both
231    directions, the greatest loss of DNAme occurs during a distinct window of time between 2-6
232    days (**Figure S3A-B**). This delay creates a subset of regions that pass through a "discordant"
233    state in which they are open and methylated during enhancer activation.

234    Gain of DNAme was a less common occurrence in our dataset (15.3% of dynamic ChrAcc
235    regions, **Figure 3B-C**). We hypothesized that this may be due to the slower kinetics of DNAme
236    gain and loss. However, extended time does not result in substantial gain of methylation for
237    newly closed regions, as demonstrated by *Closing* ChrAcc groups that remained
238    hypomethylated after 12 days of differentiation (**Figure 3D, S3B-C**). Moreover, both *Transient*
239    and *Closing* regions continue to lose DNAme even after the regions return to a closed state.
240    These dynamics create another "discordant" epigenetic state whereby regions are inaccessible
241    and hypomethylated or where regions are demethylated and remain hypomethylated despite
242    opening and closing of chromatin (**Figure 3C-D**, **S3C**). We performed unsupervised clustering
243    analysis on DNAme of all accessible regions to obtain groups based on similarity of their
244    methylation dynamics rather than ChrAcc dynamics (**Figure S3D**). These data confirm that the
245    DNAme patterns emerge independently of ChrAcc, but largely recapitulate the patterns
246    observed when regions are clustered by accessibility.

247   To determine whether this observation is due to a sampling bias (DNA fragments derived from
248   closing regions are less abundant in ATAC-Me), we performed whole genome methylation
249   profiling using 6-base sequencing[57], an orthogonal method to bisulfite-based sequencing, at 0, 4
250   and 8 days of differentiation. This approach showed high correlation with methylation measured
251   by ATAC-Me and recapitulated the methylation patterns observed across the 7 accessibility
252   behaviors (Pearson=0.83-0.9, **Figure 3D, S3E**).

253   In line with previous studies[1], gene expression changes tracked more closely with ChrAcc than
254   DNAme (**Figure S3F**). For many genes associated with closing clusters, expression decreased
255   in tandem. Likewise, gene expression increased for genes proximal to opening regions. In fact,
256   these changes occurred long before associated DNAme changes appeared. These findings
257   suggest a general decoupling of DNAme from the ChrAcc and gene expression changes that
258   drive the ESC to NPC transition. Overall, we observed three major types of DNAme trends
259   during differentiation: slow response relative to ChrAcc, limited restoration of DNAme to closed
260   enhancer regions, and continued demethylation of *Transient* and *Closing* accessible regions.
261   The combination of these DNAme characteristics with rapid ChrAcc responses produces
262   enhancer regions with discordant epigenetic signatures, contradicting the textbook model that
263   DNAme (or lack thereof) is immediately synonymous with chromatin and gene expression
264   changes (**Figure 3E**). These data also demonstrate the role of DNA hypomethylation as a
265   record of current and historically active enhancers.

266   **Enhancer demethylation appears prior to, and is maintained independently of, TF binding**

267   Using Tn5 cut site frequencies generated in the ATAC-Me libraries, we performed TF
268   footprinting to estimate TF occupancy of dynamic accessibility regions (**Figure 4A**).[63] We then
269   calculated the average methylation at these binding sites for all timepoints (**Figure 4B**).  We
270   considered identified sequence motifs in the JASPAR CORE Vertebrates collection, which
271   allowed us to reduce redundancy and consolidate patterns generated from TFs with high
272   degrees of similarity– especially those within the same family.[64, 65]  From our timepoint-paired
273   RNA-seq data, we determined that patterns of TF expression specifically produce analogous
274   groups to those produced by accessibility (**Figure 4C, Table S4**). Example footprint profiles of
275   the POU family displayed in Figure 4A include footprints of OCT4, POU3F1, and BRN2, which
276   are expressed at different times during differentiation (**Figure S4A**). These expression profiles
277   follow a clear switch in binding events between 2-6 days across the different accessibility
278   regions. This switch coincides with a window during which the highest level of DNAme loss

279    occurs and is representative of a larger trend we observe across TFs (**Figure S3**). Thus, to
280    better predict the footprint source, we used TF expression to narrow the scope of TFs
281    considered in our analysis. Integrating TF footprints and TF expression enabled us to calculate
282    methylation of regions before, during, and after a predicted binding event, giving a clearer
283    picture of the timing of regulatory changes.

284    We plotted the distribution of methylation across all timepoints for all binding events observed at
285    each timepoint (**Figure 4D,E**). Overall, TF binding sites are both hypomethylated and accessible
286    (**Figure S4B, S4C**); however, 30% of all accessible regions undergo some type of transition
287    over the 12-day time course, both at the level of TF binding and DNAme. For all sites that lose
288    TF binding at any timepoint, we find that hypomethylation is maintained long after binding sites
289    are lost (**Figure 4D**). These data suggest that hypomethylation is intentionally maintained
290    regardless of TF binding and accessibility. Furthermore, the transcriptional silencing of these
291    regions cannot be attributed to the gain of DNAme, as transcription of neighboring genes closely
292    follows TF binding activities. By contrast, for regions that gain a TF binding site at any timepoint
293    during NPC differentiation, loss of DNAme begins to appear just prior to TF binding and, in
294    general, this loss steadily continues after the binding event (**Figure 4E**). This was unexpected
295    considering that TF binding is thought to be the initiator of demethylation and that resulting
296    hypomethylation allows for stable TF binding. Overall, these data allowed us to resolve the
297    order of events related to TF expression, binding and DNAme, revealing that demethylation
298    activities start before appreciable TF binding is observed.

**Early and sustained accumulation of 5-hmC demarcates demethylation timing at lineage specifying enhancers**

301    Of the three TET family members, TET1 and TET3 are highly expressed throughout the
302    duration of our time course, in line with previous studies.[66] While TET2 is less abundant than
303    TET1/3, it is significantly upregulated (p-value = 0.0143) along with its co-factor IDAX (CXXC4,
304    p-value = 0.0464) around 48 hours into differentiation, coinciding with the onset of substantial
305    demethylation (**Figure S5A**). Likewise, global levels of 5-hmC increase significantly during
306    differentiation, peaking at 4.5 days and decreasing to near baseline levels by day 12 (**Figure
307    5A,** ANOVA p=0.0228, Tukey's HSD 0/108 p=0.0114, 6/108 p = 0.05069). Given the specific
308    timing of demethylation and its apparent decoupling from ChrAcc changes, we examined the
309    relationship between 5-hmC and cell cycle dynamics, as replication rates also change during
310    hESC differentiation. We combined BrdU labeling and 5-hmC staining in a single flow cytometry

10

311    panel to evaluate relative per-cell 5-hmC levels at each cell cycle stage (**Figure S5B, S5C**). We

312    reasoned that**,** if 5-hmC is diluted during DNA synthesis, then levels of 5-hmC would be highest

313    in G0 and G1 cells and would decrease as new DNA is synthesized. However, at all timepoints,

314    cells in G2 displayed the highest 5-hmC, followed by S phase cells. These results support that a

315    continuous, active demethylation mechanism is resolving 5-hmC to cytosine, as 5-hmC tracks

316    more closely with total DNA content (**Figure 5B**).

317    To quantify 5-hmC at nucleotide resolution, we performed 6-base sequencing, which is a whole

318    genome sequencing approach capable of distinguishing between 5-mC and 5-hmC. We

319    collected three timepoints in duplicate including 0 days, 4 days, and 8 days post-induction, as

320    these timepoints capture the key phases of 5-hmC dynamics that we observed globally (**Figure

321    5A, 5C**). We quantified 5-hmC levels within our dynamic accessibility regions, finding that,

322    unlike 5-mC, gain and loss of 5-hmC tracks closely with accessibility changes (**Figure 5D**).

323    Example loci are depicted in **Figure 5E** to illustrate these trends at higher resolution. Moreover,

324    5-hmC levels increase prior to demethylation and then decrease as the demethylation process

325    resolves, which is indicated by the decreased proportion of 5-mC in reads measured from the

326    same locus (**Figure 5E, F**). This pattern is most clearly captured in *4.5 Transient* and *Gradual

327    Opening* clusters, likely due to the timeframe when these regions are most accessible (**Figure

328    5E**). Regions that are open early show the highest level of 5-hmC at 0 days, prior to accessibility

329    changes, but steadily decrease at 4 and 8 days (*Early Transient* and *2-day Transient*). In *4.5-

330    day Transient*, *Gradual Opening*, and *Late Opening* groups, 5-hmC also increases prior to peak

331    chromatin accessibility (**Figure S5D**). These regions display the greatest increase in 5-hmC

332    between 0 and 4 days (**Figure 5G, S5D**). Closing regions display low levels of 5-hmC that

333    decreases moderately over the time course, which supports the observation that closing regions

334    continue to lose methylation even after returning to a closed state (**Figure 3D, S5E**). This

335    means that demethylase activity begins early in the process to generate the 5-hmC levels that

336    anticipate accessibility changes. 5-hmC also lingers as regions are returning to a closed state or

337    as accessibility stabilizes, supporting the observation that complete loss of DNAme is delayed in

338    regions that open.

339    Among dynamic regions, we observe a range of 5-hmC levels, indicating certain regions have

340    greater 5-hmC than others (**Figure S5F**). We classified regions as "5-hmC high" if their regional

341    average 5-hmC proportion was in the top 25% of all accessible regions. 5-hmC high regions

342    were enriched within dynamic accessibility clusters compared to static regions, demonstrating a

343    link between 5-hmC and ChrAcc dynamics (chi-squared: 0-day p-value < 2.2e-16, 4-day p-value

344  < 2.2e-16, 8-day p-value < 2.2e-16, **Figure 5H**). We further observed that distinct subsets of

345  TFs were specifically enriched in dynamic regions with high 5-hmC (**Figure 5I**). To examine 5-

346  hmC and TF binding activity, we focused on dynamic regions with high 5-hmC at 4 days that

347  contain BHLHA15 root motifs, which includes NeuroD2 (**Figure 5J, S5G**).[67] While both bound

348  and unbound sites display an accumulation of 5-hmC at 4 days, bound sites, but not unbound

349  sites, displayed a dearth of 5-hmC in the region immediately surrounding the binding site which

350  becomes more prominent by 8 days. This result, combined with the progressive loss of DNAme

351  signal, suggests demethylase activity begins early, prior to TF binding, but that complete

352  demethylation follows TF binding. These data raise the possibility that 5-hmC can forecast

353  accessibility changes and TF binding, at critical enhancers prior to being resolved through

354  demethylation.

355  **A machine learning approach predicts chromatin accessibility patterns from timepoint**

356  **specific DNA methylation states**

357  Previous machine learning approaches have used DNAme[68-71], and more recently

358  hydroxymethylation[72, 73], to train models that predict gene expression or disease state. We

359  developed a machine learning approach to test whether timepoint specific DNAme states can

360  be used to predict past, present and future chromatin accessibility. Using XGBoost[74-76], we

361  began by training models separately on 5-mC, 5-hmC, and 5-mC + 5-hmC measured using 6-

362  base sequencing (0, 4, and 8 days) for either dynamic or static ChrAcc regions. Timepoints

363  were matched to their nearest temporal neighbor, such that predicted ChrAcc values from

364  models trained on 0-, 4-, and 8-day methylation data were compared with observed ChrAcc

365  values from 0, 4.5, and 12 days, respectively (**Figure S6A**). We tested each timepoint specific

366  model on itself as well as other timepoints, generating a total of 9 models and 27 tests

367  comparing observed vs. predicted ChrAcc (**Figure S6B**). For comparison, we also trained

368  models on ChrAcc of enhancer and promoter regions using ENSEMBL annotations for NPCs or

369  ESCs, irrespective of accessibility trend. Promoter trained models performed better at predicting

370  promoter accessibility than those trained and tested on enhancers, with each timepoint

371  performing equally well, especially when using models trained on both 5-mC and 5-hmC

372  (**Figure S6C**). Similarly, we observed that models trained and tested on static ChrAcc regions

373  performed better, on average, than models trained on dynamic regions (**Figure 6A, B, S6D**). In

374  fact, static region models performed well at all timepoints, regardless of their training dataset

375  (Spearman $\rho>0.7$). This is not surprising considering the prevalence of CpG dense promoter

376    regions and other CpG islands in static regions, which are predominantly constitutively
377    hypomethylated; thus, stable methylation states are highly predictive of stable ChrAcc states.

378    To understand whether DNAme can predict ChrAcc in dynamic regions, we focused on models
379    trained on 4-day methylation data (**Figure 6A, B**), which represents the timepoint for which 5-
380    hmC was most frequently observed and coincides with the regions experiencing the greatest
381    demethylation. While models trained on a combination of 5-mC and 5-hmC generally performed
382    best at predicting ChrAcc, 5-mC and 5-hmC contributed differently to the model's strength. For
383    example, models trained on 5-mC alone performed best when tested at 0 days. This is
384    especially true for 0-day trained data (**Figure S6E, F**). The strong model performance seen with
385    '5-mC only' models (compared to '5-hmC only') tested on 0-day accessibility is likely due to the
386    shortage of 5-hmC at 0 days, not to mention that most open chromatin regions are stably
387    hypomethylated in HESCs. As expected, 0-day trained data performed poorly at predicting
388    ChrAcc at 4 and 12 days.

389    By contrast, 4-day 5-mC + 5-hmC predictions showed higher correlations with observed
390    accessibility levels at 0, 4 and 12 days (**Figure 6A**). Moreover, predictions from 5-hmC only
391    models showed increasing correlation with observed accessibility from 0 to 12 days, indicating
392    that 5-hmC contributes substantially to the 5-mC + 5-hmC models at later timepoints (**Figure
393    6B**). These performance trends are replicated in the 8-day trained models, which performed
394    best at predicting accessibility at 12 days. It is also important to note that models trained on
395    dynamic regions, the majority of which are lineage-specifying enhancers, performed
396    substantially better at predicting dynamic accessibility than models trained and tested on
397    enhancer annotations (**Figure 6A, S6C**). Overall, these results argue that, in order to
398    understand the relationship between DNAme and ChrAcc and their joint role in regulating
399    transcription, consideration of time and a combination of DNAme states is crucial (**Figure 6C**).
400    By capturing this information, our data support the hypothesis that DNAme states can predict
401    past, present and future chromatin states.

## DISCUSSION

403    Enhancers are activated progressively through recruitment of TFs and chromatin modifiers to
404    permit access to DNA. Until recently, DNA demethylation was considered intrinsic to this
405    process and essential for subsequent gene expression. However, in previous work we observed
406    negligible enhancer demethylation during terminal cell differentiation despite robust ChrAcc and

13

407 transcriptional changes.[1] Similarly, steady state ChrAcc and DNAme data has previously
408 revealed that accessible enhancers can be nucleosome free while also displaying a range of
409 DNAme levels, including hypermethylation.[19, 20] Further, the presence of DNAme at enhancers
410 does not necessarily restrict TF binding or transcription of associated genes.[1, 2, 12, 45, 77] While
411 these observations challenge textbook models of DNAme and its role in gene regulation, how
412 these discordant patterns are produced and their functional significance remains unclear.

413 In the present study, we address several important questions raised by previous work: First, our
414 previous data was generated in cells that become post-mitotic, and the ability to observe
415 substantial demethylation may be replication dependent.[49, 53, 78] Here, we capture significant,
416 primarily unidirectional, DNAme changes in proliferating NPCs over a substantially longer time
417 course. Nonetheless, the decoupling of DNAme changes from ChrAcc and transcription still
418 holds true, so the discordance between chromatin and DNAme changes is not a result of
419 proliferative or developmental state.

420 Second, past studies did not distinguish 5-mC from 5-hmC, so the initiation or completion of
421 demethylation could not be pinpointed relative to ChrAcc. Using densely sampled ATAC-Me
422 data with 6-base sequencing, we show that, as enhancers experience waves of ChrAcc and TF
423 binding, 5-hmC appears early but resolves late in the process. This temporal separation
424 produces discordant epigenetic states at individual timepoints. In light of these new insights, the
425 conclusion that enhancers are wholly insensitive to methylation may require some
426 reconsideration, as enhancers that are both accessible and methylated may be under transition.

427 In addition, structural studies have demonstrated that TET1/2 are more efficient at catalyzing 5-
428 mC than 5-hmC substrates, so complete removal of 5-hmC may take longer to resolve than the
429 initial oxidation step.[79, 80] This may explain, in part, why treatment with vitamin C, which
430 enhances TET catalytic activity, increases DNAme loss in both mitotic and post-mitotic cells.[1, 81,
431 82] Indeed, non-physiological levels of vitamin C may accelerate the resolution of oxidized 5-mC
432 substrates, which are not distinguished from 5-mC in bisulfite sequencing data. Alternatively,
433 conversion of 5-mC to 5-hmC alone may be sufficient to permit transcription and TF binding
434 rendering complete demethylation unnecessary. 5-hmC signal described here may also indicate
435 an additional function outside of its role as a methyl-intermediate.[31]

436 While many TFs are considered insensitive to DNAme[20, 35, 36, 38-40], their binding sites do
437 ultimately display low DNAme levels, which we similarly observed. We examined DNAme levels

from accessible DNA fragments before, during, and after predicted TF binding events. Loss of methylation appeared prior to TF binding and was corroborated by the presence of 5-hmC, which accumulated locally and diminished by subsequent timepoints. These findings indicate that the start of demethylation is at least concomitant with the start of TF binding. One caveat of our approach is that TF binding is indirectly determined by Tn5 cut-site frequencies, which is dependent on ATAC-Me sequencing depth. However, by integrating TOBIAS footprints with ChIP-seq data, we have previously shown that this method accurately distinguishes bound and unbound sites for specific TFs.[83] Future studies may directly probe binding of TFs through ChIP-based methods, combined with DNAme quantification[84-87], to better understand temporal relationships between TF binding and DNAme.

In proliferating cells, enhancer demethylation is likely achieved through a combination of TET-mediated active and replication-mediated passive mechanisms. [46, 49, 53, 88] Across nine timepoints over twelve days, we found a distinct window during which the greatest loss of DNAme occurs, coinciding with increased TET2 expression and peak 5-hmC levels. We found that the specific timing of demethylation could be not explained by replication dynamics, as 5-hmC levels track with DNA content, suggesting 5-hmC is not diluted passively in this system. A recent study combining metabolic labeling of DNA with mass spectrometry revealed that 5-hmC accumulates on parental single-stranded DNA post replication, which may support our conclusion that a continuous, active demethylation mechanism is resolving 5-hmC to cytosine[46]; however, we cannot concretely determine whether the resolution mechanism is base excision repair as observed in post-mitotic neurons.[50] Regardless, the timing of DNA demethylation does not appear to be a result of changes in cell cycle dynamics.

Apart from losing DNAme, few ChrAcc regions gained methylation. This predominate loss of methylation was observed in both opening and closing regions and persisted throughout the time course. Previous studies found that patterns of DNA hypomethylation capture both active and historically active enhancers, and that hypomethylated regions accumulate as cells differentiate.[10, 17-19, 89, 90] However, these studies lacked the temporal resolution to determine how hypomethylated regions are established and their relationship to ChrAcc. Our findings corroborate these studies and additionally demonstrate that transcriptional silencing does not require the acquisition of DNAme at enhancers of associated genes. For these decommissioned enhancers, what maintains the long-term hypomethylation state is unclear, but we speculate that it could be repressive TFs capable of binding nucleosomal DNA[91], the exclusion of methyltransferases, or both.

15

471    Our studies uncover not only that 5-mC patterns reflect historical enhancer accessibility, but

472    unexpectedly that 5-hmC can predict future accessibility. This stems from the finding that 5-

473    hmC accumulates ahead of increasing accessibility at some sites. 5-hmC has been associated

474    with dynamic enhancers and ChrAcc regions[92-96], but our detailed temporal analysis of these

475    epigenetic states allowed us to build a machine learning model that captures and predicts the

476    relationship between 5-mC, 5-hmC, and ChrAcc. This work underscores the distinct and time-

477    dependent relationship between these epigenetic features, which could be expanded upon to

478    build models that are generalizable to differentiation-dependent accessibility changes across

479    cellular systems.[72] Ultimately, when considering the question of whether DNAme is deterministic

480    of transcriptional patterns, our work argues that applying a comprehensive view of

481    demethylation as a process, involving multiple intermediate states, is critical when evaluating

482    the regulatory impact of DNAme.

494    **AUTHOR CONTRIBUTIONS**

495    Conceptualization, L.N.G., E.H.; Methodology, L.N.G., T.J.S., E.H.; Writing, L.N.G., T.J.S., E.H.;

496    Formal analysis, L.N.G., T.J.S., Y.Y., A.J., R.I., E.H.; Investigation L.N.G., T.J.S., A.J.S., J.A.Y.,

497    E.H.; Supervision, Funding Acquisition and Resources, E.H., K.S.L., R.A.I., F.P.

498    **DECLARATION OF INTERESTS**

499    F.P., A.J., and T.C. are employees of biomodal, formerly Cambridge Epigenetix. All other

500    authors declare no competing interests.

**DECLARATION OF GENERATIVE AI AND AI-ASSISTED TECHNOLOGIES**

Generative AI and AI-assisted technologies were not used in the preparation of this manuscript.

**SUPPLEMENTAL INFORMATION TITLES AND LEGENDS**

Document S1. Figures S1-S6 and legends.

Document S2. Word Document containing Tables S1-S4.

**FIGURE LEGENDS**

**Figure 1: Directed differentiation of HESCs to NPCs displays extensive DNA demethylation within chromatin accessibility loci.** (A) The experimental design of ATAC-Me consists of four main steps. HESCs are differentiated to NPCs for 12 days and samples are taken at nine time points throughout the differentiation process. DNA fragments are isolated from Tn5 accessible chromatin followed by sodium bisulfite conversion to quantify methylation state of open chromatin regions. Analysis of resulting data captures dynamic behaviors of DNAme and ChrAcc over time. (B) UMAPs of single cell RNA-seq data for samples analyzed at 0, 2 and 6 days of differentiation. Groups (Batches) segregate according to timepoint and homogeneously express markers of ESCs (OCT4), intermediate NPCs (LHX5), and differentiated NPCs (PAX6). Marker gene overlays are scaled by normalized and transformed read count values. (C) UCSC Genome Browser tracks display ATAC-Me derived DNAme and ChrAcc measurements at the GLI3 locus. Grey boxes highlight two regions that gain accessibility and lose DNAme. The fraction methylated reads at each CpG site is represented by the height of the green bar. Accessibility is represented by normalized read counts shown in grey. Both tracks are merged signal of two replicates. (D) Heatmaps display the ChrAcc and DNAme signal of all dynamic ChrAcc peaks at each time point. Regions are sorted by decreasing normalized read count signal intensity at the 0-hour time point. Regions are scaled to 500 bp and plotted along the center of each +/- 0.5 kilobases and 1 kilobases for ChrAcc and DNAme, respectively. (E) Proportion of dynamic (n=38,189) and static (n=63026) regions annotated to genomic region classes is shown. Related to Figure S1.

**Figure 2: Unsupervised clustering of chromatin accessibility reveals temporally distinct regulatory groups with divergent changes in enhancer states.** (A) ChrAcc regions with differential accessibility over time ($|\log_2\text{-fold}| > 2$, adjusted p-value < 0.05) were clustered using fuzzy C-means clustering. The standard difference of normalized ATAC-Me signal intensity (z-

17

532    score) over time for each region within a cluster is shown, with line color representing the

533    membership score defined by that cluster. Heatmaps displaying the normalized accessibility

534    signal across the cluster regions for each timepoint are shown below. Heatmaps are sorted by

535    decreasing normalized read count signal intensity at the 0-hour time point for each cluster. The

536    region count for each cluster is displayed. (B) Chromatin state annotations of cluster regions

537    using the chromHMM[61] 18-state annotations from HESCs and NPCs. The proportion of regions

538    in each state for the cluster is displayed for all dynamic and static regions. (C) A Sankey plot

539    displays the change in regions' chromatin states from the ESC to NPC stages for all *Transient*

540    regions. (D) Motif enrichment was performed for each dynamic ChrAcc group using HOMER.

541    The relative enrichment (z-score of enrichment values across all dynamic clusters) of the

542    topmost variable TFs are shown and are filtered for motif redundancy. For a comprehensive list,

543    see Table S3. The enrichment score of the same motifs in static regions is also shown. TF

544    family is displayed as an annotation column along with CpG content likelihood. CpG likelihood in

545    each TF consensus motif is calculated as described in Motto[97]. Related to Figure S2.

546    **Figure 3: DNAme dynamics are unidirectional and temporally discordant with chromatin**

547    **accessibility.** (A) Dual-axis boxplots of accessibility signal distribution (normalized read counts,

548    blue) for  each timepoint grouped by dynamic TCseq clusters. A pseudocount is added and the

549    displayed data is log transformed for display. The corresponding average fraction methylation

550    distribution across each region group and timepoint is shown in gold. The boxplots display the

551    median of the signal distribution, and the line overlay represents the average signal at each

552    timepoint. (B) The proportion of regions within each accessibility cluster that experience a gain,

553    loss or no change in methylation over time. Regions were grouped based on the change of

554    average regional methylation values over the entire time course, 0 to 12 days. The stable

555    methylation group represents those regions which showed a change less than 10% between the

556    0 hour and 12-day time point.  Methylation classification of "lose" or "gain" indicates a change of

557    at least 10% in the average methylation between the 0 hour and 12-day timepoints in either

558    direction. (C) The temporal relationship between accessibility and methylation behaviors

559    represented by a Sankey plot. Accessibility subgroups represent dynamic regions from all

560    TCseq clusters. Clusters were grouped by their dominant accessibility trend (i.e., opening,

561    transient and closing) while the methylation classification from (B) was maintained. (D) Regional

562    methylation and accessibility are displayed for all dynamic accessible regions. Heatmaps are

563    grouped by accessibility subgroup then methylation behavior, the methylation classification from

564    (B) was maintained. Yellow boxes highlight regions which display discordant epigenetic states

18

565 by the end of the time course. (E) Average fraction DNAme values determined by whole
566 genome 6-base sequencing across regions contained in each ChrAcc cluster are shown. 6-base
567 sequencing was performed on samples collected at 0, 4, and 8 days of differentiation. Regional
568 methylation values represent the average fraction methylation from two biological replicates.
569 Related to Figure S3.

570 **Figure 4: Enhancer demethylation appears prior to, and is maintained independently of,**
571 **TF binding.** (A) Heatmaps display cut site signal centered around TF footprint sites containing
572 POU family motifs +/-200bp. Footprint sites are defined by POU motif sequences +/- 50bp.
573 Regions are grouped by previously defined accessibility clusters and organized within each
574 cluster according to descending cut site signal intensity. Horizontal bars indicate the larger
575 subgroups defined by accessibility behavior over the time course. (B) The methylation heatmap
576 displays the corresponding proportion methylation at each CpG site within in the footprint site
577 with a flanking distance of +/-1kb. Regions are sorted according to (A). (C) Heatmap displays
578 TF expression determined by RNA-seq for all TFs expressed at any time point. Normalized read
579 counts (FPKM) are scaled by row and ordered by hierarchical clustering. Horizontal grey bars
580 define six groups with specific temporal expression patterns. Select TFs are labeled to the right
581 of their respective rows. (D, E) Line plots show average regional methylation values over time
582 visualized by TF binding behavior. The dot represents the time point of the TF binding event, or
583 the time point at which a motif transitions from being bound to unbound (lose events, E) or vice
584 versa (gain events, D). Related to Figure S4.

585 **Figure 5: Early and sustained accumulation of 5-hmC demarcates demethylation timing**
586 **at lineage specifying enhancers** (A) Dotted line plot shows the average global %5-hmC of
587 biological replicates measured by ELISA at nine timepoints. Individual biological replicates are
588 shown as black dots. Each biological replicate is the average of two technical replicates. % 5-
589 hmC is determined via standard curve. (B) Boxplots display the distribution of 5-hmC signal
590 across cell cycle stages for each timepoint. 5-hmC was measured by immunostaining and flow
591 cytometry and is displayed as a transformed ratio versus the minimum median signal intensity
592 using Cytobank.[98] The transformed ratio was calculated using the minimum within each sample
593 group (timepoint, See Methods). Events were gated into cell cycle stage using PI/BrdU staining,
594 which is shown in **Figure S5B**. ANOVA and Tukey HSD were used to compare 5-hmC across
595 cell cycle stages (p-value <2e-16 for all comparisons). (C) Boxplots show average proportion 5-
596 hmC (reads reporting 5-hmC/total reads) at CpG sites within dynamic accessible peaks at 2, 4,
597 and 8 days. 5-hmC proportion was measured using whole genome 6-base sequencing for two

19

598    biological replicates. The mean proportion 5-hmC of individual replicates is shown for each
599    timepoint as colored dots, *, p= 0.0365, one-sided t-test. (D) Boxplots display the average
600    proportion 5-hmC (reads reporting 5-hmC/total reads) of CpG sites across regions in each
601    accessibility cluster. Individual biological replicate means are displayed as points within the
602    boxplot. Thumbnail visualizations of accessibility signal for each cluster are displayed. (E)
603    Representative traces for proportion 5-hmC and (F) proportion 5-mC at three genomic loci
604    displaying different types of 5-hmC changes between the three time points. Chromosome and
605    coordinates (x1,000) for each locus are printed below the plot. Proportion 5-hmC is calculated
606    as the average number of reads reporting 5-hmC over the average total number of reads for two
607    biological replicates. Proportion 5-mC is calculated as the average number of reads reporting 5-
608    mC over the average total number of reads for two biological replicates. CpGs with coverage
609    less than 15 reads over both replicates were excluded for this analysis. (G) The average change
610    in proportion 5-hmC was calculated for ChrAcc regions in three representative dynamic ChrAcc
611    clusters. "Total" represents the average difference between 8-day and 0-day timepoints, "0-4
612    days" represents the difference between 4-day and 0-day timepoints, and "4-8 days" represents
613    the difference between 8-day and 4-day timepoints. (H) The proportion of static and dynamic
614    ChrAcc regions with high or low 5-hmC within at each 6-base timepoint. Regions with an
615    average fraction 5-hmC $\geq$ 0.106 (top 25% of regional 5-hmC fractions) across replicates were
616    termed "high" and regions with an average fraction 5-hmC < 0.106 across replicates were
617    termed "low". (I) Heatmap displaying motif enrichment for 5-hmC high and 5-hmC low regions at
618    each timepoint. Motif enrichment is displayed as the fold-change over background and is scaled
619    by TF across each row. Grey boxes represent values that were not significant (>0.05) at the
620    respective timepoint. The boxed row represents the motif enrichment for BHLHA15 which is
621    selectively enriched in regions with high 5-hmC at 4 days. (J) Aggregate profiles display 5-hmC
622    signal at TF footprints for the JASPAR root cluster containing BHLHA15 (shown to the left). TF
623    footprinting and binding state designation was performed using TOBIAS. Profiles display signal
624    at footprint sites with a flanking distance of +/-1000bp. Signal is binned into 25bp bins. Related
625    to Figure S5.

626    **Figure 6: Chromatin accessibility prediction by machine learning.** (A) Scatter plots display
627    the observed accessibility versus the predicted accessibility for machine learning models trained
628    on 4-day 5-hmC and 5-mC data (5-mC alone, 5-hmC alone, and 5-mC + 5-hmC). XGBoost
629    models were trained on dynamic ChrAcc regions (excluding regions on chromosome 1) using
630    methylation data from each singular timepoint (0, 4, and 8 days) and tested on regions from

20

631     chromosome 1 at each timepoint. The spearman correlation coefficient is shown for each

632     model. Dotted lines are defined by the slope between the points [minimum predicted value,

633     minimum predicted value] and [maximum predicted value, maximum predicted value] in each

634     scatterplot. (B) Bar plots of spearman $\rho$ values (predicted vs. observed accessibility) for

635     dynamic accessibility region models trained on 4-day or 8-day trained methylation data. Models

636     were tested on all three timepoints in a similar fashion to those in A. Plots are divided by which

637     methylation states were used for fitting. (C) A representative schematic of the molecular timeline

638     proposed in this study. During the cell fate transitions that accompany NPC differentiation,

639     enhancer regions that will be opened and activated first undergo 5-mC oxidation whereby 5-mC

640     becomes 5-hmC (purple lollipops). This is followed by increases in accessibility and further

641     oxidation, resulting in subsequent demethylation. TFs can bind these hydroxymethylated sites

642     and facilitate the completion of demethylation while activating transcription of associated genes.

643     Both the initial demethylation steps and the completion of the demethylation cycle are discretely

644     timed events that occur between 2-6 days of differentiation. When an enhancer region is no

645     longer required by the new cell fate, it loses TF binding and decreases in accessibility. However,

646     the regions remain hypomethylated. Related to Figure S6.

647 **STAR METHODS**

648 **Resource Availability**

649 **Lead contact**

650 Further information and requests for resources and reagents should be directed to and will be
651 fulfilled by the lead contact, Emily Hodges (emily.hodges@vanderbilt.edu).

652 **Materials Availability**

653 All unique/stable reagents generated in this study are available from the lead contact without
654 restriction.

655 **Data and Code Availability**

656 • ATAC-Me-seq, RNA-seq, single cell RNA-seq, and 6-base data have been deposited in
657   the Gene Expression Omnibus (GEO) and are publicly available as of the date of
658   publication. Accession numbers are listed in the key resources table.

659 • All code has been deposited in a publicly available GitHub Repository. Links to
660   repositories are listed in the key resources table.

661 • Data can be visualized using the UCSC Genome Browser at the link listed in the key
662   resource table.

663 • Any additional information required to reanalyze the data reported in this paper is
664   available from the lead contact upon request.

665 **Experimental Model and Subject Details**

666 **Cell Culture and Treatments**

667 H9 human embryonic stem cells (gift of Dr. Vivian Gamma, Vanderbilt University) were cultured
668 in mTeSR1 (StemCell Technologies). Culture conditions were maintained at 5% $CO_2$, 37°C and
669 80% humidity. During routine culture, H9 ESCs were maintained in colonies with daily media
670 changes. Cells were passaged when 80% confluent, or approximately every 4-5 days using
671 ReLeSR (StemCell Technologies).

672 **Neural Progenitor Cell Differentiation**

673 Neural progenitor cell differentiation was performed using the STEMdiff™ SMADi Neural
674 Induction Kit, per the manufacturer's instructions. Briefly, H9 ESCs were maintained as usual
675 until 80% confluent. Cells were then dissociated using Accutase (StemCell Technologies) to

676   generate a single cell suspension. Cells were pelleted and resuspended in Neural Induction
677   Media with Y-27632 (StemCell Technologies) to a final concentration of $1\times10^6$ cells/ml. Media
678   was replaced daily for the next 5 days before being passaged again on day 6 of differentiation.
679   On day 6, cells were similarly dissociated with Accutase (StemCell Technologies) to generate a
680   single cell suspension. Cells were split 1 to 6 and plated into NIM with Y-27632 for the first 24
681   hours after plating. Cells were cultured for another 6 days before the final collection at 12 days
682   of differentiation.

**ATAC-Me**

684   The ATAC-Me protocol used in this system was optimized and detailed previously[56]. Briefly,
685   cells were harvested using Accutase (StemCell Technologies) and a single cell suspension was
686   generated. Following collection, 200,000 cells were lysed, and nuclei were collected. Cells were
687   pelleted by centrifugation and resuspended in a gentle lysis buffer to isolate nuclei. Nuclei were
688   then incubated in Tn5 transposition reaction buffer with Tn5 assembled with methylated
689   adaptors. Accessible DNA fragments underwent purification, oligo replacement, and gap repair.
690   Fragments then undergo heat denaturation and sodium bisulfite conversion using the EZ-
691   Methylation Gold Kit (Zymo). Libraries were amplified and indexed using 8-12 cycles of PCR.
692   ATAC-Me libraries were sequenced using 2x150bp paired-end reads on the NovaSeq6000
693   instrument.

**RNA-seq**

695   RNA was collected from $1\times10^6$ cells for each NPC differentiation time point by pelleting cells
696   at 4°C, 500 R.C.F for 5 minutes. After removal of supernatant, cell pellet was resuspended
697   in 1mL of TRIzol Reagent by repeatedly pipetting up/down with a 1mL micropipette tip. RNA
698   was purified from Trizol according to manufacturer instructions. RNA-seq libraries were
699   prepared using the NEBNext® Ultra™ II RNA Library Prep according to manufacturer's
700   instructions. RNA-seq libraries were sequenced using 2x150bp paired-end reads on the
701   NovaSeq6000 instrument.

**scRNA-seq**

703   Cells were prepared using a Papain Dissociation kit (Worthington Biochemical Corporation)
704   according to the manufacturers protocol with some modification. Samples for sequencing were
705   grown as previously described in a 6-well plate. Briefly, 2.5 mL of Papain + DNase solution was
706   added to each well of a 6-well plate. Plates were shaken at 70 RPM at 37°C and 5% $CO_2$ for 30
707   min. After incubation, cells were dissociated by pipetting up and down using a 1000µL pipette.

23

708 Cells were incubated again under the same conditions for 10 more minutes prior to gentle
709 pipetting with a 10mL pipette. Resulting cell suspension was transferred to a 15mL conical tube
710 containing 5mL Earle's medium + 3mL reconstituted inhibitor solution. Tube is inverted 3-5
711 times to mix. Cells are centrifuged at 300 x g for 7 minutes and supernatant is aspirated before
712 resuspension of cells in 500µL 1x PBS. The PBS/cell suspension is then moved to a tube with a
713 35uM nylon mesh filter cap. Cells were encapsulated using a modified inDrop platform[99], and
714 sequencing libraries were prepared using the TruDrop protocol[100]. Libraries were sequenced in
715 a S4 flow cell using a PE150 kit on an Illumina NovaSeq 6000[101, 102].

**Duet evoC 6-base Sequencing**

717 Cells were collected at 0, 4, and 8 days after induction of differentiation using Accutase.
718 Genomic DNA was collected and purified using phenol-chloroform extraction prior to
719 being sonicated for 45 seconds in a Diagenode One sonication device (Diagenode)
720 generating fragments with an average size of 250bp. Libraries were made using the
721 duet evoC kit (biomodal) with 50ng of fragmented DNA according to manufacturer's
722 instructions. Final libraries were sequenced using 2x150bp paired-end reads on the
723 NovaSeq6000 instrument.

**5-hmC ELISA**

725 Genomic DNA was collected and purified using phenol-chloroform extraction. DNA was
726 sonicated for 45 seconds in a Diagenode One sonication device (Diagenode) generating 200-
727 600bp fragments. 5-hmC quantification was performed using the Quest 5-hmC DNA ELISA Kit
728 (Zymo) according to the manufacturer's instructions using 20ng of fragmented DNA as input.

**Cell Cycle and 5-hmC Flow Cytometry**

730 Flow cytometry was performed as previously described with modifications[103]. Cells were treated
731 with 20µM BrdU in mTeSR or NIM for 1 hour. Cells were then collected using Accutase
732 (StemCell Technologies), washed once with PBS, and resuspended in methanol. Cells were
733 incubated overnight in methanol at 4°C with rotation to fix. After centrifugation and removal of
734 supernatant, cells were resuspended in 100mM Glycine in PBS and incubated for 20 min at
735 25°C. Cells were centrifuged, and supernatant was removed before resuspension in 0.1% (v/v)
736 Triton-X in PBS. Cells were incubated at 25°C for 30 minutes. After centrifugation and removal
737 of supernatant, cells were resuspended in washing solution (0.5% BSA and 0.5% Tween in
738 PBS) and incubated for 30 min at 25°C. Cells were counted at this step and cell count was

739    normalized between samples for staining. Between each staining step, cells were washed three

740    times in washing solution. 5-hmC staining was done using 100µL of PBS with 1:100 anti-5-hmC

741    (Active Motif) overnight at 4°C followed by secondary staining using 100µL of washing solution

742    with 1:200 anti-rabbit IgG CF750 (Sigma) for 1 hour at room temperature. Following secondary

743    staining, cells were resuspended in 100µL of 0.5% BSA in PBS. To each sample, 15µL of FITC-

744    $\alpha$-BrdU (BD Biosciences) was added and incubated for 1 hour at room temperature. Finally,

745    cells were washed before being resuspended in 300µL PI solution (0.4µg/mL PI, 8ng/µL RNase

746    A, 0.5% BSA in PBS), incubated for 30 min at 25°C, and moved to a round bottom test tube with

747    a cell strainer cap (Falcon). Samples were run on a 5 laser Fortessa instrument with FlowJo.

748    Analysis and visualization were performed using Cytobank and ggplot2[104]. Signal was quantified

749    as the fold-change in per-cell 5-hmC median fluorescence intensity per sample compared to the

750    lowest median signal for same experiment. The inverse hyperbolic sine (arcsinh) with a cofactor

751    was used to compare samples as previously described[105]. The arcsinh median of intensity value

752    x with cofactor c was calculated as $arcsinhc(x) = \ln(x/c + \sqrt{(x/c)^2 + 1})$. The cofactor (c) is a

753    fluorophore-specific correction for signal variance.

## Quantification and statistical analysis

### Chromatin accessibility prediction by machine learning

756    Machine learning models were generated in *python* (v3.11.0) using the *scikit-learn* (v1.1.3) and

757    *modality* (v0.10.0) packages. The models were fit to predict chromatin accessibility from three

758    layers of methylation data values (modC, mC, and hmC). Chromatin accessibility values were

759    generated from filtered bams, merged by replicate (*bigWigs*), and normalized by the length of the

760    the region. Methylation values were derived from the biomodal 6-base duet evoC data and

761    represented 'modC,' 'mC,' 'hmC,' and 'mC + hmC' average values tiled across genomic regions.

762    The amount of CpGs per region were also recorded for model input. In the comparison between

763    dynamic and static regions, dynamically accessible chromatin peaks were grouped together into

764    a single BED file for input. For the comparison of regulatory regions, 'enhancers' and

765    'promoters' were selected from an Ensembl genome annotation file downloaded from their FTP

766    server (https://ftp.ensembl.org/pub/current_regulation/homo_sapiens/GRCh38/annotation/);

767    promoters and enhancers were selected by matching strings ("promoter" and "enhancer,"

768    respectively) in the third column. To standardize BED region size, we determined the central

769    base pair for each region and extended these +/- 250 bp. Chromatin accessibility and

770    methylation was mapped over the 500 bp region. Methylation windows were tiled at 500 bp

771    intervals beginning at -1000bp and ending at +1000bp, resulting in 5 windows. Mapping was

772  performed with the *pyranges.intersect()* function. We used *xgb.XGBRegressor*() from the

773  *xgboost* (v1.7.1) package to initialize a machine learning model. Training and testing data was

774  split on chromosome 1, estimating a 90:10% split (~90.37:9.63% split among all peaks) such

775  that training data included chromosomes 2-22, X, and Y. Model parameters were optimized

776  with *GridSearchCV()* through the parameter space: *n_estimators* - 100-600, 200; *max_depth* -

777  3-8, 2; *eta* - 0.01-0.05, 0.01; *subsample* - 0.2-0.6, 0.1; *colsample_bytree* - 0.8-1.0, 0.05. For

778  optimization, models were trained and tested on 0- and 8-day data, revealing identical optimized

779  parameters. For subsequent analyses, the following parameter values were used:

780  *n_estimators* - 500; *max_depth* - 7; *eta* - .02; *subsample* - 0.5; *colsample_bytree* - 0.95. Model

781  performance was measured by mean squared error, $r^2$, Pearson's r, and Spearman's ρ values.

782  Plots display Spearman's ρ values and were generated in *ggplot2* (v3.3.6) in *R (v4.1.2).*

783  **ATAC-Me Library Processing**

784  All ATAC-Me library reads were trimmed of adapters using TrimGalore script wrapper for

785  Cutadapt[106] and FastQC using the --fastqc and --paired parameters. ATAC-Me reads were

786  mapped with WALT[107] to the hg38 genome assembly using the -sam -m 6 parameters.

787  Methylation analysis of ATAC-Me reads was performed using the MethPipe (v5.0.1, now

788  DNMTools) suite of tools[108]. Symmetrical CpGs with 5 reads or greater coverage were included

789  in all analyses. Proportion methylation at symmetrical GpGs were calculated using symmetric-

790  cpgs from the MethPipe package with default settings after duplicates were removed. Mapped

791  reads were filtered using samtools[109] to exclude reads on ChrM, reads within blacklisted

792  regions, and read with a MAPQ < 30. Regions enriched for chromatin accessibility in ATAC-Me

793  data were identified using the Genrich (available at https://github.com/jsh58/Genrich) peak caller

794  with the following parameters: -r -e chrX,chrY,chrM -j -p 0.005 -q 0.01 -v . Regions displaying

795  dynamic chromatin accessibility were identified with the TCseq R-package[59]. Regional

796  methylation levels were determined by roimethstat from MethPipe. HOMER was used for all

797  transcription factor motif analysis of dynamic or static chromatin accessible regions without

798  background. Annotation and gene association for dynamic and static chromatin accessible

799  regions was performed with the ChIPseeker[110] and ClusterProfiler[111] R-packages. Transcription

800  factor footprinting was performed on ATAC-Me libraries using the TOBIAS suite of tools[63]. The

801  samtools[109], bedtools[112] and deeptools[113] suites of tools were used to aid in data manipulation

802  and visualization. Preseq[114] was used to compare library complexity across timepoints for

803  ATAC-Me libraries.

804  **RNA-seq Library Processing**

805  RNA libraries were mapped with the STAR aligner[115] run on untrimmed reads using the

806  following parameters: --runMode alignReads --runThreadN 8 --outSAMtype BAM

807  SortedByCoordinate --quantMode GeneCounts. Mapped reads were filtered using samtools[109]

808  to exclude reads on ChrM, reads within blacklisted regions, and read with a MAPQ < 30. Read

809  coverage across transcripts was determined through featurecounts[116] using the Gencode v38

810  annotation file.   Preseq[114] was used to compare library complexity across timepoints for RNA-

811  seq libraries. Differential RNA expression was performed using DESeq2[117].

812  **6-base Library Processing**

813  6-base sequencing libraries were analyzed with the duet pipeline (v1.2.0)[57]. Briefly, FASTQ files

814  were trimmed and quality-filtered using cutadapt[118], and the epigenetic states in each read pair

815  were then resolved using couplet. Resolved reads were then aligned using BWA-MEM[119] to a

816  standard four-base reference genome comprising of both GRCh38 and spiked-in control

817  sequences. Quantification of epigenetic modifications was calculated at each CpG context =

818  present in the reference genome and covered in the sequencing. Further downstream

819  processing was performed using the modality suite, developed by biomodal.  For regional

820  analyses, cytosines with a read coverage >= 15 over both replicates were included. modality

821  (v0.10.0), bedtools[112], and ggplot2 were used to aid in data manipulation and visualization.

822  **scRNA-seq Library Processing**

823  Single cell RNA-seq libraries were analyzed as done previously[101]. Briefly, reads were

824  demultiplexed, aligned, and corrected with the DropEst pipeline[120], using the STAR[115] aligner

825  with reference genome hg38 and  paired with the corresponding GTF annotations. We identified

826  high-quality, cell-containing droplets and their respective barcodes through a QC pipeline

827  previously described[121].

828  **Quantification and Statistical Analysis**

829  ATAC-Me chromatin accessibility peaks were filtered using the Benjamini-Hochberg corrected p

830  value (q-value) reported by the Genrich peak-calling algorithm (corr. p value < $1x10^{-10}$).

831  Differentially accessible genomic loci across the time course were selected using the TCseq R-

832  package, utilizing a FDR corrected p value cutoff  produced by the likelihood ratio test

833  implemented in the R-package (corr. p value < $5x10^{-3}$). Differentially expressed genes were

834  filtered using corrected p values produced by the likelihood ratio test implemented in the

835  DESeq2 R-package for the comparison between the 0 day and 12-day timepoints (corr. p

836  value < $5x10^{-3}$). Statistical analyses were performed within the R computing environment and

837 visualized with ggplot2[104] or deeptools[113]. Specific statistical analyses can be found in relevant

838 figure legends. All visualization and analysis code can be found on our Github page.

## REFERENCES

840 1. Barnett, K.R., et al. (2020). ATAC-Me Captures Prolonged DNA Methylation of Dynamic
841 Chromatin Accessibility Loci during Cell Fate Transitions. Mol Cell, 77, 1350-1364 e6.
842 10.1016/j.molcel.2020.01.004
843 2. Kreibich, E., et al. (2023). Single-molecule footprinting identifies context-dependent
844 regulation of enhancers by DNA methylation. Molecular Cell, 83, 787-802.e9.
845 10.1016/j.molcel.2023.01.017
846 3. Luo, C., P. Hajkova, and J.R. Ecker. (2018). Dynamic DNA methylation: In the right place
847 at the right time. Science, 361, 1336-1340. doi:10.1126/science.aat6806
848 4. Greenberg, M.V.C. and D. Bourc'his. (2019). The diverse roles of DNA methylation in
849 mammalian development and disease. Nature Reviews Molecular Cell Biology, 20, 590-
850 607. 10.1038/s41580-019-0159-6
851 5. Cusack, M., et al. (2020). Distinct contributions of DNA methylation and histone
852 acetylation to the genomic occupancy of transcription factors. Genome Res, 30, 1393-
853 1406. 10.1101/gr.257576.119
854 6. Bourc'his, D. and T.H. Bestor. (2004). Meiotic catastrophe and retrotransposon
855 reactivation in male germ cells lacking Dnmt3L. Nature, 431, 96-9. 10.1038/nature02886
856 7. Karimi, M.M., et al. (2011). DNA methylation and SETDB1/H3K9me3 regulate
857 predominantly distinct sets of genes, retroelements, and chimeric transcripts in mESCs.
858 Cell Stem Cell, 8, 676-87. 10.1016/j.stem.2011.04.004
859 8. Rowe, H.M., et al. (2013). De novo DNA methylation of endogenous retroviruses is
860 shaped by KRAB-ZFPs/KAP1 and ESET. Development, 140, 519-29. 10.1242/dev.087585
861 9. Sharif, J., et al. (2016). Activation of Endogenous Retroviruses in Dnmt1(-/-) ESCs
862 Involves Disruption of SETDB1-Mediated Repression by NP95 Binding to
863 Hemimethylated DNA. Cell Stem Cell, 19, 81-94. 10.1016/j.stem.2016.03.013
864 10. Hon, G.C., et al. (2013). Epigenetic memory at embryonic enhancers identified in DNA
865 methylation maps from adult mouse tissues. Nature Genetics, 45, 1198-1206.
866 10.1038/ng.2746
867 11. Ziller, M.J., et al. (2013). Charting a dynamic DNA methylation landscape of the human
868 genome. Nature, 500, 477-81. 10.1038/nature12433
869 12. Lister, R., et al. (2009). Human DNA methylomes at base resolution show widespread
870 epigenomic differences. Nature, 462, 315-22. 10.1038/nature08514
871 13. Hodges, E., et al. (2011). Directional DNA methylation changes and complex
872 intermediate states accompany lineage specificity in the adult hematopoietic
873 compartment. Mol Cell, 44, 17-28. 10.1016/j.molcel.2011.08.026
874 14. Molaro, A., et al. (2011). Sperm methylation profiles reveal features of epigenetic
875 inheritance and evolution in primates. Cell, 146, 1029-41. 10.1016/j.cell.2011.08.016
876 15. Bock, C., et al. (2012). DNA methylation dynamics during in vivo differentiation of blood
877 and skin stem cells. Mol Cell, 47, 633-47. 10.1016/j.molcel.2012.06.019

878   16.   Xie, W., et al. (2013). Epigenomic analysis of multilineage differentiation of human
879         embryonic stem cells. Cell, 153, 1134-48. 10.1016/j.cell.2013.04.022
880   17.   Jadhav, U., et al. (2019). Extensive Recovery of Embryonic Enhancer and Gene Memory
881         Stored in Hypomethylated Enhancer DNA. Mol Cell, 74, 542-554 e5.
882         10.1016/j.molcel.2019.02.024
883   18.   Scott, T.J., et al. (2023). Cross-tissue patterns of DNA hypomethylation reveal genetically
884         distinct histories of cell development. BMC Genomics, 24, 623. 10.1186/s12864-023-
885         09622-9
886   19.   Schlesinger, F., et al. (2013). De novo DNA demethylation and noncoding transcription
887         define active intergenic regulatory elements. Genome Research, 23, 1601-1614.
888         10.1101/gr.157271.113
889   20.   Stadler, M.B., et al. (2011). DNA-binding factors shape the mouse methylome at distal
890         regulatory regions. Nature, 480, 490-5. 10.1038/nature10716
891   21.   Charlton, J., et al. (2020). TETs compete with DNMT3 activity in pluripotent cells at
892         thousands of methylated somatic enhancers. Nature Genetics, 52, 819-827.
893         10.1038/s41588-020-0639-9
894   22.   Ginno, P.A., et al. (2020). A genome-scale map of DNA methylation turnover identifies
895         site-specific dependencies of DNMT and TET activity. Nat Commun, 11, 2680.
896         10.1038/s41467-020-16354-x
897   23.   Stroud, H., et al. (2011). 5-Hydroxymethylcytosine is associated with enhancers and
898         gene bodies in human embryonic stem cells. Genome Biology, 12, R54. 10.1186/gb-
899         2011-12-6-r54
900   24.   Ansari, I., et al. (2023). TET2 and TET3 loss disrupts small intestine differentiation and
901         homeostasis. Nature Communications, 14, 4005. 10.1038/s41467-023-39512-3
902   25.   Orlanski, S., et al. (2016). Tissue-specific DNA demethylation is required for proper B-cell
903         differentiation and function. Proceedings of the National Academy of Sciences, 113,
904         5018-5023. 10.1073/pnas.1604365113
905   26.   Verma, N., et al. (2018). TET proteins safeguard bivalent promoters from de novo
906         methylation in human embryonic stem cells. Nature Genetics, 50, 83-95.
907         10.1038/s41588-017-0002-y
908   27.   Dawlaty, Meelad M., et al. (2014). Loss of Tet Enzymes Compromises Proper
909         Differentiation of Embryonic Stem Cells. Developmental Cell, 29, 102-111.
910         10.1016/j.devcel.2014.03.003
911   28.   Koh, K.P., et al. (2011). Tet1 and Tet2 Regulate 5-Hydroxymethylcytosine Production and
912         Cell Lineage Specification in Mouse Embryonic Stem Cells. Cell Stem Cell, 8, 200-213.
913         10.1016/j.stem.2011.01.008
914   29.   Zhang, X., et al. (2016). DNMT3A and TET2 compete and cooperate to repress lineage-
915         specific transcription factors in hematopoietic stem cells. Nat Genet, 48, 1014-23.
916         10.1038/ng.3610
917   30.   Stoyanova, E., et al. (2021). 5-Hydroxymethylcytosine-mediated active demethylation is
918         required for mammalian neuronal differentiation and function. eLife, 10, e66973.
919         10.7554/eLife.66973

31. Hon, G.C., et al. (2014). 5mC oxidation by Tet2 modulates enhancer activity and timing of transcriptome reprogramming during differentiation. Mol Cell, 56, 286-297. 10.1016/j.molcel.2014.08.026

32. Qiao, Y., et al. (2015). AF9 promotes hESC neural differentiation through recruiting TET2 to neurodevelopmental gene loci for methylcytosine hydroxylation. Cell Discov, 1, 15017. 10.1038/celldisc.2015.17

33. Solary, E., et al. (2014). The Ten-Eleven Translocation-2 (TET2) gene in hematopoiesis and hematopoietic diseases. Leukemia, 28, 485-96. 10.1038/leu.2013.337

34. Izzo, F., et al. (2020). DNA methylation disruption reshapes the hematopoietic differentiation landscape. Nat Genet, 52, 378-387. 10.1038/s41588-020-0595-4

35. Yin, Y., et al. (2017). Impact of cytosine methylation on DNA binding specificities of human transcription factors. Science, 356, 10.1126/science.aaj2239

36. Domcke, S., et al. (2015). Competition between DNA methylation and transcription factors determines binding of NRF1. Nature, 528, 575-9. 10.1038/nature16462

37. Maurano, M.T., et al. (2015). Role of DNA Methylation in Modulating Transcription Factor Occupancy. Cell Rep, 12, 1184-95. 10.1016/j.celrep.2015.07.024

38. Kribelbauer, J.F., et al. (2017). Quantitative Analysis of the DNA Methylation Sensitivity of Transcription Factor Complexes. Cell Reports, 19, 2383-2395. 10.1016/j.celrep.2017.05.069

39. Gaston, K. and M. Fried. (1995). CpG methylation has differential effects on the binding of YY1 and ETS proteins to the bi-directional promoter of the Surf-1 and Surf-2 genes. Nucleic Acids Res, 23, 901-9. 10.1093/nar/23.6.901

40. Heberle, E. and A.F. Bardet. (2019). Sensitivity of transcription factors to DNA methylation. Essays Biochem, 63, 727-741. 10.1042/EBC20190033

41. Monteagudo-Sánchez, A., et al. (2024). The impact of the embryonic DNA methylation program on CTCF-mediated genome regulation. Nucleic Acids Research, 10.1093/nar/gkae724

42. Jackson, M., et al. (2004). Severe global DNA hypomethylation blocks differentiation and induces histone hyperacetylation in embryonic stem cells. Mol Cell Biol, 24, 8862-71. 10.1128/MCB.24.20.8862-8871.2004

43. Charlet, J., et al. (2016). Bivalent Regions of Cytosine Methylation and H3K27 Acetylation Suggest an Active Role for DNA Methylation at Enhancers. Mol Cell, 62, 422-431. 10.1016/j.molcel.2016.03.033

44. Kriaucionis, S. and R.J. Klose. (2020). ATACing DNA Methylation during Differentiation. Mol Cell, 77, 1159-1161. 10.1016/j.molcel.2020.02.026

45. Pacis, A., et al. (2019). Gene activation precedes DNA demethylation in response to infection in human dendritic cells. Proc Natl Acad Sci U S A, 116, 6938-6943. 10.1073/pnas.1814700116

46. Stewart-Morgan, K.R., et al. (2023). Quantifying propagation of DNA methylation and hydroxymethylation with iDEMS. Nat Cell Biol, 25, 183-193. 10.1038/s41556-022-01048-x

47. He, Y.-F., et al. (2011). Tet-mediated formation of 5-carboxylcytosine and its excision by TDG in mammalian DNA. Science, 333, 1303-1307. 10.1126/science.1210944

963   48.   Onodera, A., et al. (2021). Roles of TET and TDG in DNA demethylation in proliferating
964         and non-proliferating immune cells. Genome Biol, 22, 186. 10.1186/s13059-021-02384-
965         1
966   49.   Barwick, B.G., et al. (2016). Plasma cell differentiation is coupled to division-dependent
967         DNA hypomethylation and gene regulation. Nat Immunol, 17, 1216-1225.
968         10.1038/ni.3519
969   50.   Wu, W., et al. (2021). Neuronal enhancers are hotspots for DNA single-strand break
970         repair. Nature, 593, 440-444. 10.1038/s41586-021-03468-5
971   51.   Guo, Junjie U., et al. (2011). Hydroxylation of 5-Methylcytosine by TET1 Promotes Active
972         DNA Demethylation in the Adult Brain. Cell, 145, 423-434. 10.1016/j.cell.2011.03.022
973   52.   Tsagaratou, A., et al. (2017). TET Methylcytosine Oxidases in T Cell and B Cell
974         Development and Function. Frontiers in Immunology, 8, 10.3389/fimmu.2017.00220
975   53.   Donaghey, J., et al. (2018). Genetic determinants and epigenetic effects of pioneer-
976         factor occupancy. Nature Genetics, 50, 250-258. 10.1038/s41588-017-0034-3
977   54.   de Mendoza, A., et al. (2022). Large-scale manipulation of promoter DNA methylation
978         reveals context-specific transcriptional responses and stability. Genome Biol, 23, 163.
979         10.1186/s13059-022-02728-5
980   55.   Kreibich, E. and A.R. Krebs. (2023). Relevance of DNA methylation at enhancers for the
981         acquisition of cell identities. FEBS Letters, 597, 1805-1817. 10.1002/1873-3468.14686
982   56.   Guerin, L., K.R. Barnett, and E. Hodges. (2021). Dual detection of chromatin accessibility
983         and DNA methylation using ATAC-Me. HodgesGenomicsLab/NatProtocols_ATACme,
984         10.5281/zenodo.5062153
985   57.   Füllgrabe, J., et al. (2023). Simultaneous sequencing of genetic and epigenetic bases in
986         DNA. Nature Biotechnology, 41, 1457-1464. 10.1038/s41587-022-01652-0
987   58.   Chambers, S.M., et al. (2009). Highly efficient neural conversion of human ES and iPS
988         cells by dual inhibition of SMAD signaling. Nature Biotechnology, 27, 275-280.
989         10.1038/nbt.1529
990   59.   Wu, M. and L. Gu. (2020). TCseq: Time course sequencing data analysis. R package
991         version 1.12.1,
992   60.   Levine, M., C. Cattoglio, and R. Tjian. (2014). Looping back to leap forward: transcription
993         enters a new era. Cell, 157, 13-25. 10.1016/j.cell.2014.02.009
994   61.   Ernst, J. and M. Kellis. (2012). ChromHMM: automating chromatin-state discovery and
995         characterization. Nat Methods, 9, 215-6. 10.1038/nmeth.1906
996   62.   Inoue, F., et al. (2019). Identification and Massively Parallel Characterization of
997         Regulatory Elements Driving Neural Induction. Cell Stem Cell, 25, 713-727.e10.
998         10.1016/j.stem.2019.09.010
999   63.   Bentsen, M., et al. (2020). ATAC-seq footprinting unravels kinetics of transcription factor
1000        binding during zygotic genome activation. Nature Communications, 11, 4267.
1001        10.1038/s41467-020-18035-1
1002  64.   Portales-Casamar, E., et al. (2009). JASPAR 2010: the greatly expanded open-access
1003        database of transcription factor binding profiles. Nucleic Acids Research, 38, D105-D110.
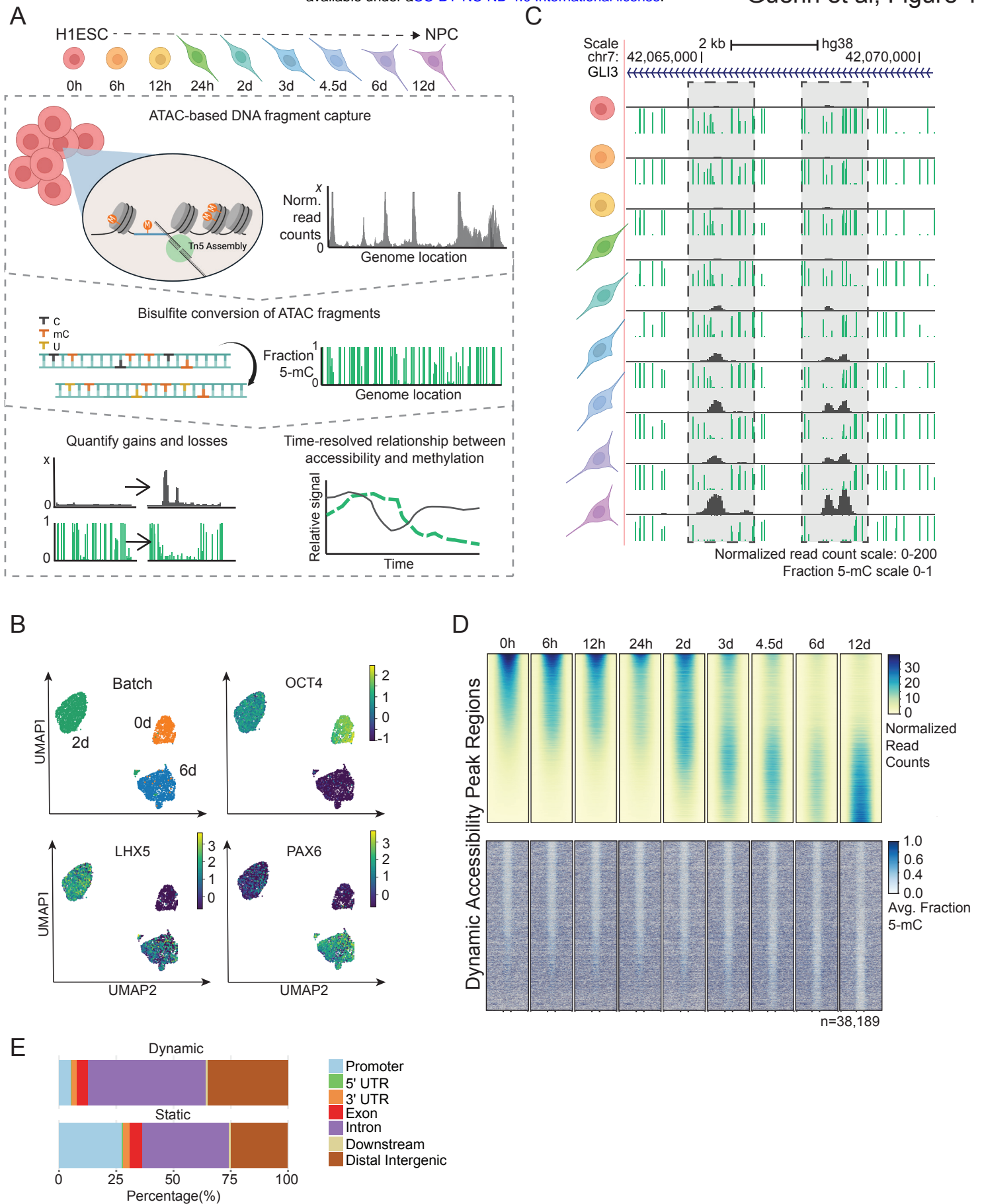1004        10.1093/nar/gkp950

31

1005 65. Rauluseviciute, I., et al. (2023). JASPAR 2024: 20th anniversary of the open-access
1006 database of transcription factor binding profiles. Nucleic Acids Research, 52, D174-D182.
1007 10.1093/nar/gkad1059
1008 66. Qiao, Y., et al. (2015). AF9 promotes hESC neural differentiation through recruiting TET2
1009 to neurodevelopmental gene loci for methylcytosine hydroxylation. Cell Discovery, 1,
1010 15017. 10.1038/celldisc.2015.17
1011 67. Hahn, M.A., et al. (2019). Reprogramming of DNA methylation at NEUROD2-bound
1012 sequences during cortical neuron differentiation. Sci Adv, 5, eaax0080.
1013 10.1126/sciadv.aax0080
1014 68. Li, J., et al. *Using epigenomics data to predict gene expression in lung cancer*. in *BMC
1015 bioinformatics*. 2015. Springer.
1016 69. Li, J., et al. (2015). Using epigenomics data to predict gene expression in lung cancer.
1017 BMC Bioinformatics, 16, S10. 10.1186/1471-2105-16-S5-S10
1018 70. Crowgey, E.L., et al. (2018). Epigenetic machine learning: utilizing DNA methylation
1019 patterns to predict spastic cerebral palsy. BMC bioinformatics, 19, 1-10.
1020 71. Gunasekara, C.J., et al. (2021). A machine learning case–control classifier for
1021 schizophrenia based on DNA methylation in blood. Translational Psychiatry, 11, 412.
1022 72. Gonzalez-Avalos, E., et al. (2024). Predicting gene expression state and prioritizing
1023 putative enhancers using 5hmC signal. Genome Biology, 25, 142.
1024 73. Walker, N.J., et al. (2022). Hydroxymethylation profile of cell-free DNA is a biomarker for
1025 early colorectal cancer. Scientific Reports, 12, 16566.
1026 74. Mak, J.K., F. Störtz, and P. Minary. (2022). Comprehensive computational analysis of
1027 epigenetic descriptors affecting CRISPR-Cas9 off-target activity. BMC genomics, 23, 805.
1028 75. Chen, T. and C. Guestrin, *XGBoost: A Scalable Tree Boosting System*, in *Proceedings of
1029 the 22nd ACM SIGKDD International Conference on Knowledge Discovery and Data
1030 Mining*. 2016, Association for Computing Machinery: San Francisco, California, USA. p.
1031 785–794.
1032 76. Vekariya, V., K. Passi, and C.K. Jain. (2022). Predicting liver cancer on epigenomics data
1033 using machine learning. Frontiers in Bioinformatics, 2, 954529.
1034 77. Reimer, M., Jr., et al. (2019). Deletion of Tet proteins results in quantitative disparities
1035 during ESC differentiation partially attributable to alterations in gene expression. BMC
1036 Dev Biol, 19, 16. 10.1186/s12861-019-0196-6
1037 78. Otani, J., et al. (2013). Cell cycle-dependent turnover of 5-hydroxymethyl cytosine in
1038 mouse embryonic stem cells. PloS one, 8, e82961.
1039 79. Hu, L., et al. (2015). Structural insight into substrate preference for TET-mediated
1040 oxidation. Nature, 527, 118-22. 10.1038/nature15713
1041 80. Ito, S., et al. (2011). Tet Proteins Can Convert 5-Methylcytosine to 5-Formylcytosine and
1042 5-Carboxylcytosine. Science, 333, 1300-1303. doi:10.1126/science.1210597
1043 81. Blaschke, K., et al. (2013). Vitamin C induces Tet-dependent DNA demethylation and a
1044 blastocyst-like state in ES cells. Nature, 500, 222-6. 10.1038/nature12362
1045 82. Cimmino, L., et al. (2017). Restoration of TET2 function blocks aberrant self-renewal and
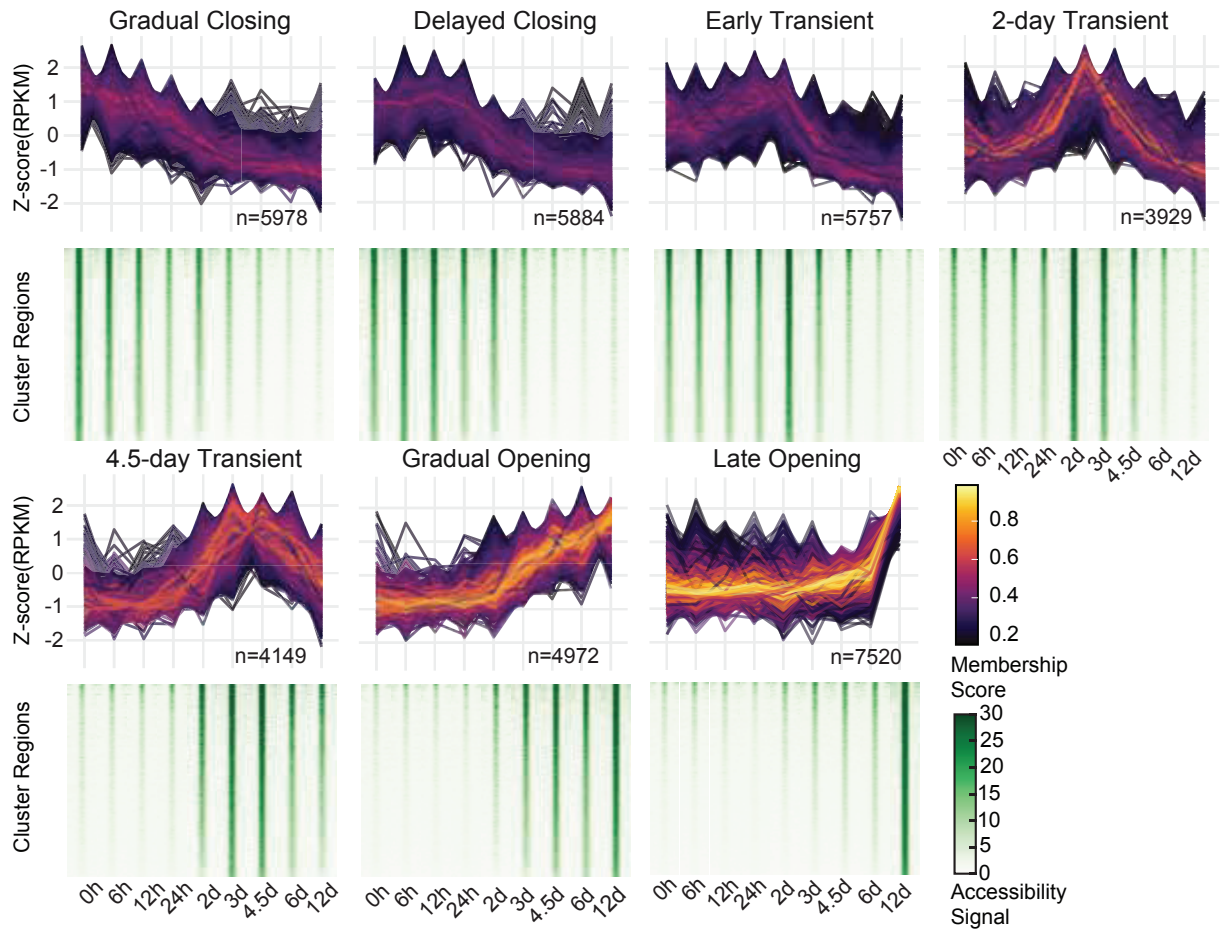1046 leukemia progression. Cell, 170, 1079-1095. e20.

1047  83.  Hansen, T.J. and E. Hodges. (2022). ATAC-STARR-seq reveals transcription factor-bound
1048       activators and silencers within chromatin-accessible regions of the human genome.
1049       Genome Res, 32, 1529-1541. 10.1101/gr.276766.122
1050  84.  Brinkman, A.B., et al. (2012). Sequential ChIP-bisulfite sequencing enables direct
1051       genome-scale investigation of chromatin and DNA methylation cross-talk. Genome Res,
1052       22, 1128-38. 10.1101/gr.133728.111
1053  85.  Statham, A.L., et al. (2012). Bisulfite sequencing of chromatin immunoprecipitated DNA
1054       (BisChIP-seq) directly informs methylation status of histone-modified DNA. Genome
1055       research, 22, 1120-1127.
1056  86.  Li, Y. and T.O. Tollefsbol. (2011). Combined chromatin immunoprecipitation and bisulfite
1057       methylation sequencing analysis. Methods Mol Biol, 791, 239-51. 10.1007/978-1-61779-
1058       316-5_18
1059  87.  Lhoumaud, P., et al. (2019). EpiMethylTag: simultaneous detection of ATAC-seq or ChIP-
1060       seq signals with DNA methylation. Genome Biology, 20, 248. 10.1186/s13059-019-1853-
1061       6
1062  88.  Liao, J., et al. (2015). Targeted disruption of DNMT1, DNMT3A and DNMT3B in human
1063       embryonic stem cells. Nature genetics, 47, 469-478. 10.1038/ng.3258
1064  89.  Dos Santos, C.O., et al. (2015). An epigenetic memory of pregnancy in the mouse
1065       mammary gland. Cell Rep, 11, 1102-9. 10.1016/j.celrep.2015.04.015
1066  90.  Bell, E., et al. (2020). Dynamic CpG methylation delineates subregions within super-
1067       enhancers selectively decommissioned at the exit from naive pluripotency. Nature
1068       Communications, 11, 1112. 10.1038/s41467-020-14916-7
1069  91.  Moyers, B.A., et al. (2023). Characterization of human transcription factor function and
1070       patterns of gene regulation in HepG2 cells. Genome Research, 33, 1879-1892.
1071  92.  Szulwach, K.E., et al. (2011). Integrating 5-hydroxymethylcytosine into the epigenomic
1072       landscape of human embryonic stem cells. PLoS genetics, 7, e1002154.
1073  93.  Tsagaratou, A., et al. (2014). Dissecting the dynamic changes of 5-
1074       hydroxymethylcytosine in T-cell development and differentiation. Proceedings of the
1075       National Academy of Sciences, 111, E3306-E3315.
1076  94.  Lio, C.-W.J., et al. (2019). TET enzymes augment activation-induced deaminase (AID)
1077       expression via 5-hydroxymethylcytosine modifications at the *Aicda* superenhancer.
1078       Science Immunology, 4, eaau7523. doi:10.1126/sciimmunol.aau7523
1079  95.  Lio, C.-W., et al. (2016). Tet2 and Tet3 cooperate with B-lineage transcription factors to
1080       regulate DNA modification and chromatin accessibility. eLife, 5, e18290.
1081       10.7554/eLife.18290
1082  96.  Li, J., et al. (2018). Decoding the dynamic DNA methylation and hydroxymethylation
1083       landscapes in endodermal lineage intermediates during pancreatic differentiation of
1084       hESC. Nucleic acids research, 46, 2883-2900.
1085  97.  Wang, M., et al. (2020). Motto: Representing Motifs in Consensus Sequences with
1086       Minimum Information Loss. Genetics, 216, 353-358. 10.1534/genetics.120.303597
1087  98.  Cytobank Support. *Statistics and fold change equations in the Illustration Editior.* 2021
1088       [cited 2024; Available from: https://support.cytobank.org/hc/en-us/articles/205399587-
1089       Statistics-and-fold-change-equations-in-the-Illustration-Editior.

1090 99.    Klein, A.M., et al. (2015). Droplet barcoding for single-cell transcriptomics applied to
1091          embryonic stem cells. Cell, 161, 1187-1201. 10.1016/j.cell.2015.04.044
1092 100.   Southard-Smith, A.N., et al. (2020). Dual indexed library design enables compatibility of
1093          in-Drop single-cell RNA-sequencing with exAMP chemistry sequencing platforms. BMC
1094          Genomics, 21, 1-15. 10.1186/s12864-020-06843-0
1095 101.   Chen, B., et al. (2021). Differential pre-malignant programs and microenvironment chart
1096          distinct paths to malignancy in human colorectal polyps. Cell, 184, 6262-6280.e26.
1097          10.1016/j.cell.2021.11.031
1098 102.   Simmons, A.J. and K.S. Lau. (2022). Dissociation and inDrops microfluidic encapsulation
1099          of human gut tissues for single-cell atlasing studies. STAR Protocols, 3, 101570.
1100          10.1016/j.xpro.2022.101570
1101 103.   Prikrylova, T., et al. (2019). 5-hydroxymethylcytosine Marks Mammalian Origins Acting
1102          as a Barrier to Replication. Scientific Reports, 9, 11065. 10.1038/s41598-019-47528-3
1103 104.   Wickham, H., *Data Analysis*, in *ggplot2: Elegant Graphics for Data Analysis*, H. Wickham,
1104          Editor. 2016, Springer International Publishing: Cham. p. 189-201.
1105 105.   Irish, J.M., et al. (2010). B-cell signaling networks reveal a negative prognostic human
1106          lymphoma cell subset that emerges during tumor progression. Proceedings of the
1107          National Academy of Sciences, 107, 12747-12754.
1108 106.   Martin, M. (2011). Cutadapt removes adapter sequences from high-throughput
1109          sequencing reads. EMBnet.journal; Vol 17, No 1: Next Generation Sequencing Data
1110          AnalysisDO - 10.14806/ej.17.1.200,
1111 107.   Chen, H., A.D. Smith, and T. Chen. (2016). WALT: fast and accurate read mapping for
1112          bisulfite sequencing. Bioinformatics, 32, 3507-3509. 10.1093/bioinformatics/btw490
1113 108.   Song, Q., et al. (2013). A Reference Methylome Database and Analysis Pipeline to
1114          Facilitate Integrative and Comparative Epigenomics. PLOS ONE, 8, e81148.
1115          10.1371/journal.pone.0081148
1116 109.   Li, H., et al. (2009). The Sequence Alignment/Map format and SAMtools. Bioinformatics,
1117          25, 2078-9. 10.1093/bioinformatics/btp352
1118 110.   Yu, G., L.G. Wang, and Q.Y. He. (2015). ChIPseeker: an R/Bioconductor package for ChIP
1119          peak annotation, comparison and visualization. Bioinformatics, 31, 2382-3.
1120          10.1093/bioinformatics/btv145
1121 111.   Yu, G., et al. (2012). clusterProfiler: an R package for comparing biological themes
1122          among gene clusters. Omics, 16, 284-7. 10.1089/omi.2011.0118
1123 112.   Quinlan, A.R. and I.M. Hall. (2010). BEDTools: a flexible suite of utilities for comparing
1124          genomic features. Bioinformatics, 26, 841-2. 10.1093/bioinformatics/btq033
1125 113.   Ramírez, F., et al. (2014). deepTools: a flexible platform for exploring deep-sequencing
1126          data. Nucleic Acids Research, 42, W187-W191. 10.1093/nar/gku365
1127 114.   Daley, T. and A.D. Smith. (2013). Predicting the molecular complexity of sequencing
1128          libraries. Nat Methods, 10, 325-7. 10.1038/nmeth.2375
1129 115.   Dobin, A., et al. (2013). STAR: ultrafast universal RNA-seq aligner. Bioinformatics, 29, 15-
1130          21. 10.1093/bioinformatics/bts635
1131 116.   Liao, Y., G.K. Smyth, and W. Shi. (2014). featureCounts: an efficient general purpose
1132          program for assigning sequence reads to genomic features. Bioinformatics, 30, 923-30.
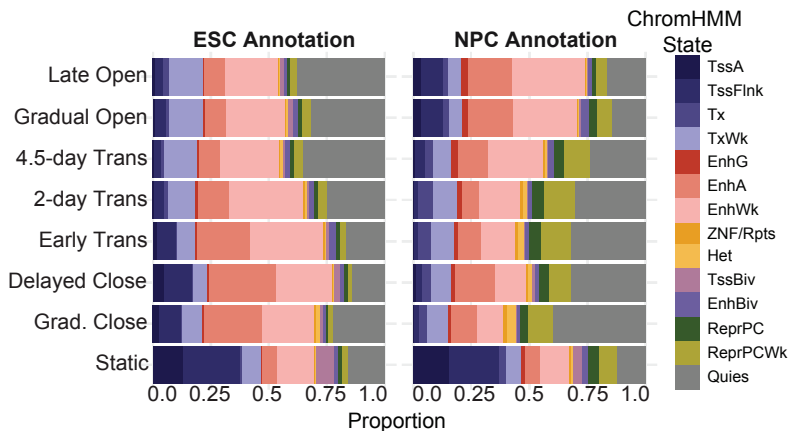1133          10.1093/bioinformatics/btt656

1134    117.    Love, M.I., W. Huber, and S. Anders. (2014). Moderated estimation of fold change and
1135            dispersion for RNA-seq data with DESeq2. Genome Biology, 15, 550. 10.1186/s13059-
1136            014-0550-8
1137    118.    Chen, S., et al. (2018). fastp: an ultra-fast all-in-one FASTQ preprocessor. Bioinformatics,
1138            34, i884-i890. 10.1093/bioinformatics/bty560
1139    119.    Li, H. (2013). Aligning sequence reads, clone sequences and assembly contigs with BWA-
1140            MEM. arXiv:1303.3997v2
1141    120.    Petukhov, V., et al. (2018). dropEst: pipeline for accurate estimation of molecular counts
1142            in droplet-based single-cell RNA-seq experiments. Genome Biology, 19, 78.
1143            10.1186/s13059-018-1449-6
1144    121.    Chen, B., et al. (2021). Processing single-cell RNA-seq data for dimension reduction-
1145            based analyses using open-source tools. STAR Protoc, 2, 100450.
1146            10.1016/j.xpro.2021.100450
1147

Guerin et al, Figure 1

A — POU Family Footprints

B — Footprint Region Methylation

Tn5 Cut Site Signal: 0.00 0.01 0.02 0.03 0.04

Avg. Fraction 5-mC: 0.0 0.2 0.4 0.6 0.8 1.0

C — n= 658

Gene labels: POU5F1, NANOG, RUNX2, ATF2, FOXJ1, EMX1, TFAP2C, ZIC3, BARHL1, OTX2, SOX2, LHX9, RFX5, DLX3, POU3F2, PAX6, LHX2

Z-score of Norm. Read Counts: 2 1 0 -1 -2

D — Lose Footprints

E — Gain Footprints

Avg. Fraction 5-mC