

**TRILLIUM THERAPEUTICS INC.
CHARTER OF THE COMPENSATION COMMITTEE
OF THE BOARD OF DIRECTORS**

POWER, AUTHORITY AND PURPOSE OF THE COMMITTEE

The Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Trillium Therapeutics Inc. (the “Company”) is appointed by the Board.

The purpose of the Committee shall be to ensure that the compensation programs and values transferred to management and Directors through cash pay, stock and stock-based awards, whether immediate, deferred, or contingent are fair and appropriate to attract, retain and motivate management and Directors and are reasonable in view of Company economics and of the relevant practices of other similar companies.

The operation of the Committee shall be subject to the Bylaws of the Company, as in effect from time to time, and the rules and regulations, as applicable, promulgated or adopted by the Ontario Securities Commission, the U.S. Securities and Exchange Commission, the Toronto Stock Exchange and The NASDAQ Stock Market LLC (“NASDAQ”), as in effect from time to time.

The Committee has the authority to undertake the specific duties and responsibilities listed below and such other duties as the Board may from time to time prescribe. It is acknowledged, however, that all of the areas of oversight listed below may not be relevant to all of the matters and tasks that the Committee may consider and act upon from time to time, and the members of the Committee in their judgment may determine the relevance thereof and the attention such items will receive in any particular context.

The Committee shall have the power and authority to act independently of management and hire its own consultants who will report solely to the Committee.

Committee members and the Committee Chair shall receive such remuneration for their service on the Committee as the Board may determine from time to time, on the recommendation of the Compensation Committee.

COMPOSITION

The Committee shall be composed of at least two members of the Board, all of whom are considered “independent” of the management of the Company in accordance with the provisions of Rule 10C-1(b)(1) under Securities Exchange Act of 1934, as amended (the “Exchange Act”), and NASDAQ Rule 5605(a)(2). In affirmatively determining the independence of any member of the Committee, the Board must consider all factors specifically relevant to determining whether a director has a relationship to the Company that is material to that director's ability to be independent from management in connection with the duties of a Committee member, including, but not limited to: (i) the source of compensation of such director, including any consulting, advisory or other compensatory fee paid by the Company to such director; and (ii) whether such director is affiliated with the Company, a subsidiary of the Company or an affiliate of a subsidiary of the Company.

All members of the Committee shall be "independent" as contemplated in National Instrument 58-101 – *Disclosure of Corporate Governance Practices*, such that all members of the Committee will have no

direct or indirect relationship with the Company that could, in the view of the Board of Directors, be reasonably expected to interfere with the exercise of his or her independent judgment.

The chairperson of the Committee (the “Chair”) will be appointed by the Board on the recommendation of the Corporate Governance and Nominating Committee and will serve at the discretion of the Board and all members will serve at the pleasure of the Board, continuing as a member of the Committee until resignation or replacement. The Board may fill vacancies on the Committee by appointment, on the recommendation of the Corporate Governance and Nominating Committee, from qualified members of the Board.

The designation of the Chair shall occur annually at the first meeting of the Board after a meeting of shareholders at which Directors are elected. If the Chair is not so designated, the Director who is then serving as Chair shall continue as Chair until his or her successor is appointed.

COMMITTEE FUNCTION AND PROCESS

The Committee will meet at least annually and additionally as often as the Chair or Committee deems appropriate. Members of management may attend any meeting of the Committee, except for portions of the meetings where his, her or their presence would be inappropriate, as determined by the Chair, or portions of the meetings where his, her or their compensation or performance is discussed or determined. The Committee shall regularly have “executive sessions” without members of management present.

The Committee shall fix its own rules of procedure, which shall be consistent with the Bylaws of the Company and this Charter. A majority of the Committee members, but not less than two, shall constitute a quorum. Committee meetings may be attended in person or by telephone or video conferencing or any other electronic means of communication as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously. The Committee may request that any directors, officers or employees of the Company, or other persons whose advice and counsel are sought by the Committee, attend any meeting to provide such information as the Committee requests. The Committee may take action by unanimous written consent when deemed necessary or desirable by the Committee or its Chair, subject to the requirements of any applicable law, regulation or rule.

Committee members may raise any subjects that are not set on the agenda by the Committee Chair.

The Committee shall maintain copies of minutes of each meeting and each written consent to action taken without a meeting, reflecting the actions so authorized or taken by the Committee. After approval, the minutes shall be signed by the Chair or Secretary of the meeting and a copy of the minutes and all consents shall be placed in the Company’s minute book.

The Committee will summarize its examinations and recommendations to the Board as may be appropriate, consistent with this Charter.

ROLE OF THE CHAIR

The Chair’s primary role is to ensure that the Committee functions properly, meets its obligations and responsibilities, fulfills its purpose and that its organization and mechanisms are in place and working effectively. More specifically, the Chair shall:

1. chair meetings of the Committee;
2. in consultation with the Chair of the Board, the members, the Chief Executive Officer and the Chief Financial Officer, set the agendas for the meetings of the Committee;
3. in collaboration with the Chair of the Board, the Chief Executive Officer, and the Chief Financial Officer, ensure that agenda items for all Committee meetings are ready for presentation and that adequate information is distributed to members in advance of such meetings in order that members may properly inform themselves on matters to be acted upon;
4. assign work to members;
5. act as liaison and maintain communication with the Chair of the Board and the Board to optimize and co-ordinate input from directors, and to optimize the effectiveness of the Committee; and
6. provide leadership to the Committee with respect to its functions as described in this Charter and as otherwise may be appropriate.

DUTIES AND RESPONSIBILITIES

In addition to other responsibilities given to the Committee by the Board from time to time, the responsibilities of the Committee shall include:

1. To review and recommend to the independent members of the Board at least annually the compensation of the chief executive officer (“CEO”).
2. Establish plans for salaries, incentives, and other forms of compensation paid to officers and other employees of the Company, and monitor the effectiveness of such plans and the performance thereunder.
3. Determine compensation for the Company’s officers or employees as are designated from time-to-time by the Committee, but which in all cases shall include all executive officers of the Company other than the CEO (referred to collectively herein as the “Evaluated Officers”). Such determination shall include:
 - a. annual base salary level;
 - b. annual incentive compensation;
 - c. long-term incentive compensation;
 - d. employment, severance and change-in-control agreements; and
 - e. any other material compensation, ongoing perquisites or special benefit items.In so reviewing, the Committee shall consider:
 - f. the achievement of corporate goals and objectives relevant to compensation for the Evaluated Officers;
 - g. the Board’s evaluation of the performance of the CEO and the CEO’s evaluation of the performance of each of the other Evaluated Officers in light of the personal goals and objectives set for each of the Evaluated Officers;

- h. reports and analyses of a qualified compensation consultant of executive compensation of similar positions at peer companies, when requested by the Committee;
 - i. in determining any long- term incentive component of each of the Evaluated Officers compensation, awards given to such Evaluated Officers in past years, the Company's performance, shareholder return and the value of similar incentive awards relative to such targets at comparable companies; and
 - j. such other factors as the Committee deems appropriate and in the best interests of the Company (including the cost to the Company of such compensation).
4. With respect to certain compensation plans and arrangements:
- a. adopt, or recommend to the Board for adoption, the various compensation plans and arrangements, retention and severance agreements, employment agreements, funded and unfunded retirement plans and other benefit plans, including its equity compensation plans including the number of shares reserved for issuance thereunder;
 - b. monitor the effectiveness of such plans and arrangements and the performance of officers thereunder; and
 - c. amend or terminate such arrangements, as applicable
 - d. act as the administrator of, or oversee the Company's administration of, such compensation plans and arrangements.
5. Recommend to the Board compensation arrangements for Board members with such adjustments as the Committee may recommend from time to time.
6. Discuss with management the Company's compensation disclosures for the annual proxy statement; based on the review and discussion, recommend to the Board that the content of the disclosures be included in the Company's annual proxy statement.
7. Annually review and assess the Company's compensation policies and practices for its employees generally (as opposed to just the Company's Evaluated Officers) to determine whether the compensation policies and practices create risks that are reasonably likely to have a material adverse effect on the Company.
8. Evaluate whether any compensation consultant retained or to be retained by it has any conflict of interest in accordance with Item 407(e)(3)(iv) of Regulation S-K. Before selecting a compensation consultant, consider all factors relevant to the compensation consultant's independence from management of the Company, including the following:
- a. The provision of other services to the Company by the compensation consultant's employer;
 - b. The amount of fees received from the Company by the compensation consultant's employer, as a percentage of the total revenue of the compensation consultant's employer;
 - c. The policies and procedures of the compensation consultant's employer that are designed to prevent conflicts of interest;
 - d. Any business or personal relationship of the compensation consultant with a member of the Committee;
 - e. Any stock of the Company owned by the compensation consultant; and

- f. Any business or personal relationship of compensation consultant or the compensation consultant's employer with an executive officer of the Company.

The foregoing shall not apply to inside legal counsel or to a compensation consultant whose role is limited to the following activities for which no disclosure would be required under Item 407(e)(3)(iii) of Regulation S-K: (i) consulting on a broad-based plan that does not discriminate in scope, terms, or operation, in favor of executive officers or directors of the Company, and that is available generally to all salaried employees or (ii) providing information that either is not customized for a particular company or that is customized based on parameters that are not developed by the compensation consultant and about which the compensation consultant does not provide advice.

9. Review and assess the adequacy of the Committee charter, structure, processes and membership requirements at least annually and recommend any proposed changes to the Board for approval.
10. Perform an evaluation of its performance at least annually to determine whether it is functioning effectively.
11. Perform any other activities consistent with this charter, the Company's bylaws and governing laws and stock exchange rules that the Board or the Committee determines are necessary or appropriate.

RESOURCES AND ADDITIONAL AUTHORITY OF THE COMMITTEE

The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities in accordance with this Charter. Without limiting the generality of the foregoing, (i) the Committee shall have the authority to retain or obtain advice and counsel from legal or other advisors, including compensation consultants, legal counsel or other advisors; (ii) the Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, legal counsel and other advisors retained by the Committee, and in connection therewith, the Committee shall have the sole authority to approve the advisors', counsels' or consultants' fees and other retention terms; and (iii) the Company shall provide appropriate funding, subject to such funding either being included in an annual budget of the Company or otherwise being approved by the Board, for payment of (A) compensation to any compensation consultants, legal counsel or other advisors retained by the Committee and (B) for ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties. Prior to selecting, retaining or obtaining advice from compensation consultants, outside legal counsel and other advisors, the Committee must take into consideration the factors specified in NASDAQ Rule 5605(d)(3)(D). The Committee may retain, or receive advice from, any compensation consultant, legal counsel or other advisor preferred by the Committee, including such consultants, counsel and advisors that are not independent, after considering the specified factors.

DELEGATION OF AUTHORITY

The Committee shall have the authority to delegate any of its responsibilities, along with the authority to take action in relation to such responsibilities, to one or more subcommittees as the Committee may deem appropriate in its sole discretion.