

EMPLOYEE AND INSIDER TRADING POLICY
TRILLIUM THERAPEUTICS INC. (the “Company” or “Trillium”)

Approved by the Board of Directors on November 9, 2016

1. Policy

Under securities and corporate legislation as well as the policies of the Toronto Stock Exchange and the NASDAQ Stock Market LLC the purchase or sale of securities of a public company by persons who use information which has not been generally disclosed to the public may result in such persons, as well as the Company, incurring substantial liability. The purpose of the following guidelines is to ensure that the Company avoids any activity (or the appearance of any activity) based on an improper use of confidential information.

The guidelines apply to persons in a “special relationship” with the Company (collectively “All Persons” and individually as “Each Person” or “Any Person”). These include:

- (a) insiders of the Company (“Insiders”) as defined as officers and directors of the Company and holders of 10% or more of the voting securities of the Company;
- (b) any insiders of an Insider;
- (c) employees of the Company;
- (d) an “associate” of any of (a), (b) or (c) (see Schedule A for definition of “associate”);
- (e) an “affiliate” of any of (a), (b), (c) as such term is defined under applicable securities laws ;
and
- (f) a person who receives specific material information from (a), (b), (c) (d) or (e).

This policy shall be provided to All Persons and such All Persons shall be reminded of the provisions of this policy on a regular basis. This policy shall be updated on a regular basis and such updates shall be brought to the attention of All Persons.

The term “Restricted Persons” applies all directors, officers and employees of the Company.

The term “Reporting Persons” applies to the group of officers and directors of the Company who, as such, are subject to National Instrument 55-104 *Insider Reporting Requirements*.

- 1.1. All Persons must not purchase or sell any security of the Company while aware of “material,” “non-public” information relating to the Company.
- 1.2. Restricted Persons must not purchase or sell any security of the Company prior to receipt of pre-trade clearance from the Company in accordance with Section 3 herein.
- 1.3. All Persons must not communicate (tip) any material, non-public information to some other person or entity not authorized to receive such information.
- 1.4. All Persons must not sell any security of Trillium that is not owned by such person at the time of the sale (a “short sale”) and must not buy or sell puts or calls in respect of any security of the Company (i.e. transactions in options based on Trillium stock).

- 1.5. Restricted Persons must refrain from the purchase or sale of any security of the Company during a “Closed Window” period (defined in Section 3.1).
- 1.6. All Persons must not purchase or sell any security of any other company (a) with which the Company is negotiating and/or doing business, (b) for which the Company is considering/evaluating a take-over bid, (c) with which the Company is considering evaluating whether to become a party to a reorganization, merger or similar business combination or to acquire a substantial portion of its business, while aware of material, non-public information about that company, or pass the information (tipping) to another person who might then trade in securities of that other company.

2. Reasons for the Policy

- 2.1. Trillium has adopted this Policy in response to securities laws and regulations to help prevent inadvertent violations of securities laws and to lessen the probability of the appearance of improper conduct by anyone associated with the Company. Some of the provisions of the Policy, such as mandatory preclearance of any purchase or sale of any security of the Company, apply to Restricted Persons. Reporting Persons are also personally subject to additional duties and responsibilities under securities laws and All Persons are covered by laws regulating securities trading, conversation or disclosure when aware of material non-public information. The Company encourages each Reporting Person for him/her self and for associates to adopt appropriate safeguards to ensure their compliance with this Policy and those laws.
- 2.2. Job duties or other work conditions on any given day may cause Any Person to have access to non-public information concerning Trillium, and some of that information may be “material”, as defined below. From time to time, Any Person may also have access to non-public and sensitive information about other companies with which Trillium may have or seek a possible business relationship. Trillium desires by adopting this Policy to prevent unauthorized or untimely disclosure and misuse of the Company’s non-public information, whether scientific, financial, research or clinical, operating, proprietary and other confidential information and to encourage careful and secure handling and storing of sensitive documents. In furtherance of this objective, the Policy provides that Any Person must not discuss or divulge internal matters or developments relating either to the Company or to any other company with which the Company is negotiating and/or doing business, except in accordance with this Policy.

Customers, suppliers, consultants, advisors, and professionals working for the Company as independent contractors, including, for example, lawyers, auditors, tax planners, financial advisors, clinical advisory panel members, contract research organizations, and medical professionals are expected to comply with the law on insider trading and with their respective professional codes of conduct or ethics. From time to time, one or more of these may be asked in writing to comply as if they were Restricted Persons.

3. Specific Trading Rules

- 3.1. From time to time, the Company may have material information that has not been disclosed and that is therefore “non-public.” In these instances, the Company may impose a “Closed Window” period, thus prohibiting any trade in any security of the Company by Any Person until such information has been disclosed or is no longer material.

A purchase or sale of securities by Any Person and/or his/her tippees before this trend, circumstance, or incipient development has been properly disclosed to the public or otherwise resolved, might expose Any Person including an associate (and, potentially, the Company) to a charge of insider trading that could be costly and challenging to refute. This applies to Any Person even when they may not know the specifics of the information. In addition, a trade (or a tip leading to a trade) during such a period of time could result in significant adverse publicity for the Company. Due to the nature of the Company's business, this period may be lengthy.

- 3.2. The Company will apply a Closed Window surrounding the periods for preparation and filing of quarterly and annual operating results. Unless otherwise advised in writing, Closed Window periods will begin on the last day of the last month of the fiscal quarter or the fiscal year (i.e. March 31, June 30, September 30, December 31) and continue uninterrupted until the close of business on the second full business day after the filing with applicable securities commissions of the required reports.
- 3.3. If Any Person knows that the Company is about to make a news release of material information, at any time, he/she should not trade from the time of such knowledge of the release until the information has been fully disclosed and two trading days have passed for the information to be disseminated to the public at large.
- 3.4. All Persons shall not at any time sell short the securities of the Company or buy and sell put or call options, or any other derivative securities, on the securities of the Company.
- 3.5. Subject to Section 3.8 below with respect to the adoption of a Rule 10b5-1 Plan (as defined below), in order to avoid possible inadvertent conflict with these guidelines, standing sell orders or standing purchase orders should not be left with a broker.
- 3.6. Before making any purchase or sale of the Company's securities, all Restricted Persons must first obtain email or written preclearance from the Chief Financial Officer (the "CFO") of the Company who will provide clearance if there is an Open Window. It is expected that a Restricted Person shall carry out the purchase or sale transaction within 5 business days, otherwise the preclearance procedure must be completed again before effecting that or another proposed transaction.

Even if preclearance approval is obtained, a Restricted Person, for him/her self or by or through an affiliate, may not trade in securities of Trillium (or tip others who might trade) when aware of material, non-public information about Trillium. Preclearance by the CFO does not override legal requirements or negate legal obligations of such persons to comply with applicable securities laws.

- 3.7. The Company may apply a Closed Window period to Restricted Persons during other periods of time. For example, a Closed Window period may be imposed when senior management and other employees are engaged in preparations for and/or negotiations to merge with another company, to buy or sell substantial assets, or to launch a public offering of securities. The existence, initiation, and duration of Closed Window trading periods generally will not be announced. Accordingly, all Restricted Persons must seek preclearance from the CFO of each purchase, sale, and other transaction in any security of the Company.
- 3.8. Notwithstanding any of the prohibitions contained in this Policy, Restricted Persons (and their affiliates) may, if permitted under applicable Canadian securities laws, trade in Trillium securities at any time pursuant to a trading plan that has been properly adopted and is properly administered in accordance with under Rule 10b5-1 under the United States Securities

Exchange Act of 1934, as amended (a “Rule 10b5-1 Plan”). All adopted Rule 10b5-1 Plans must comply with all applicable policies established by Trillium, in addition to complying with Rule 10b5-1 itself and applicable Canadian laws.

Adoption of a Rule 10b5-1 Plan cannot be effective until the Restricted Person has received written confirmation from the CFO that the Company acknowledges adoption of the Rule 10b5-1 Plan. To “properly” establish a Rule 10b5-1 Plan, Any Person must submit a draft of the draft plan to the CFO and must receive written acknowledgement of such adoption from the CFO. Termination, modification or amendment of a Plan must also be precleared with the CFO. Additionally, all transactions under a Rule 10b5-1 Plan must be reported as set forth in paragraph 3.9 below.

The rules applicable to Rule 10b5-1 Plans are complex and technical in nature, so Restricted Persons should not employ a Rule 10b5-1 Plan without obtaining advice from legal counsel. A Rule 10b5-1 Plan may not be adopted by a Restricted Person at any time when he/she is aware of material non-public information or is subject to a Closed Window period.

Prior to adopting or terminating a Rule 10b5-1 Plan, all Restricted Persons must confer with, and, if applicable, provide a copy of the proposed Rule 10b5-1 Plan to, the CFO. Trillium reserves the right to consider and determine whether public announcement of a Rule 10b5-1 Plan should be made.

- 3.9. By the close of business on the day of any transaction by a Reporting Person or its affiliate, each such Reporting Person must deliver or cause to be delivered to the CFO, written documentation confirming each transaction in any security of the Company by him/her self and any affiliate. The transactions include any change in ownership, including gifts, stock trades, option grants, and other transfers. The Reporting Person must give a copy of this Policy to any broker effecting trades in Company securities on behalf of the Reporting Person and should request that such broker contact the Company’s CFO by telephone and in writing by fax or email with the details of the transaction on the day it occurs, including any transactions effected in accordance with a Rule 10b5-1 Plan. The reporting obligation remains that of the Reporting Person and no arrangements with the broker will remove that obligation from the Reporting Person. The Policy does not require that Any Person or his/her affiliates or associates submit confirmations of transactions in other companies’ securities unless otherwise indicated in writing by the CFO.
- 3.10. With the exception of those transactions outlined in paragraph 3.11, Restricted Persons must obtain preclearance approval for any transaction involving any security of the Company. Preclearance approval is required, for example, for a transaction involving the creation, material modification or unwinding of a hedging position in any Company security established with broker-dealer firms or other market professionals, for gifts or contributions of any such security to affiliated or non-affiliated persons or entities. There is no exception to this Policy for transactions that may be considered necessary or justifiable for independent reasons, such as the need to raise money for an emergency.
- 3.11. Preclearance is not required for the following transactions in Company securities:
 - 3.11.1. *Exercise of employee stock options.* Preclearance is not required on the exercise of stock options but is required for Restricted Persons if the shares received on exercise are to be sold.

3.11.2. *Rule 10b5-1 Plans.* Preclearance is not required for transactions effected in accordance with a written Rule 10b5-1 Plan that has been properly established by Any Person personally (or for an affiliate of such Person) in accordance with Section 3.8.

4. Insider Trading Reporting Obligations

4.1. Insider Trading Reporting

Under Canadian securities laws, Reporting Persons are required to file an insider trading report with securities regulators any time they trade in shares, debt securities, options (including the grant and exercise of options), deferred share units or restricted stock units of the Company (which involve the issuance or potential issuance of securities from treasury). Reporting Insiders must file an Insider Report electronically through the System for Electronic Disclosure by Insiders (“SEDI”) within 5 days of each trade.

Insiders must also ensure that they comply with all applicable reporting requirements under United States securities laws, including, if applicable, the filing of a Form 144 in connection with transactions in Trillium securities.

5. What is Material, Non-Public Information?

5.1. What is Material Information?

The determination of what is “material” in any situation, trend, circumstance, or incipient development is a matter of seasoned professional judgment. Indeed, it is sometimes difficult to determine whether one possesses material, non-public information. Material information means any information relating to the business and affairs of Trillium that (i) results in, or would reasonably be expected to result in, a significant change in the market price or value of any of the listed securities of Trillium or (ii) would influence a reasonable investor’s decisions regarding those securities. Certainly, if such information makes one want to buy or sell a security of a company, it would probably have the same effect on others. Material Information includes both material changes and material facts.

No simple test exists to determine when information is material. Therefore, assessments of materiality involve a highly fact-specific inquiry in almost any situation. For this reason, directors, officers, and employees should direct any questions about whether information is material to the Disclosure Committee who shall be supported where necessary in their determination by external counsel.

The following is a (non-exhaustive) list of developments which will likely, although not absolutely always, require prompt disclosure:

- 5.1.1. Changes in share ownership that may affect control of the Company.
- 5.1.2. Changes in corporate structure, such as reorganizations, amalgamations, etc.
- 5.1.3. Take-over bids or issuer bids.
- 5.1.4. Mergers, acquisitions, joint ventures, licensing agreements, acquisition or disposition of a business segment or unit, or other significant changes in assets.
- 5.1.5. Changes in capital structure including stock splits and stock dividends.

- 5.1.6. Borrowing of a significant amount of funds.
- 5.1.7. Proposed or pending public or private sales of debt or equity securities.
- 5.1.8. Company plans for or commitments to major new products or changes in their development status.
- 5.1.9. Material scientific achievements or discoveries.
- 5.1.10. Material changes or results in preclinical and clinical development projects.
- 5.1.11. Major contract awards or cancellations.
- 5.1.12. Firm evidence of significant increases or decreases in near-term earnings prospects.
- 5.1.13. Changes in capital investment plans or corporate objectives.
- 5.1.14. Significant changes in management.
- 5.1.15. Significant litigation – actual or potential
- 5.1.16. Possible grant or denial of regulatory approvals (e.g., by the FDA), and the resulting potential financial or liquidity problems.
- 5.1.17. Major labour disputes or disputes with major contractors or suppliers.
- 5.1.18. Events of default under financing or other agreements.
- 5.1.19. Any other developments relating to the business and affairs of the company that would reasonably be expected to significantly affect the market price or value of any of the Company's securities or that would reasonably be expected to have a significant influence on a reasonable investor's investment decisions.

This list is not exhaustive, other events and developments may be considered to be material information as well.

5.2. When is Information Non-Public?

- 5.2.1. Information is non-public if it has not been disseminated in a manner that makes it available to investors generally. For example, information is non-public if it has not been disclosed to the general public by means of a press release carried by a national wire service or some other method that similarly provides broad public disclosure of the information. Furthermore, once material information has been disseminated, Company directors, officers and employees must wait a "reasonable" amount of time before trading or communicating that information selectively to an investor, analyst or the media. What constitutes a reasonable amount of time depends on the circumstances surrounding the dissemination, including whether there is an active trading market and large analyst following for an issuer's securities (if there is not, there is a greater risk that material, non-public information will not be deemed widely disseminated to the public in a timely manner). Generally, this Policy considers that the information has been disseminated upon the close of business on the second full business day after the date of the public disclosure.

- 5.2.2. After full public disclosure of material information, Restricted Persons should wait at least until after the close of business on the second full business day after the date of disclosure to trade Trillium (or other covered companies) securities. Full public disclosure is considered to be a press release. In all cases, Restricted Persons are subject to mandatory preclearance from the CFO, under the terms of this Policy.

6. Consequences of Violating this Policy

- 6.1. The Company has the right to discipline Any Person who violates this Policy by whatever means are deemed appropriate, including dismissal.
- 6.2. Acts or transactions that are prohibited under this Policy may expose Any Person to significant negative legal consequences under both Canadian securities laws and the antifraud provisions of the U.S. federal securities laws, most notably Section 10(b) of the United States Securities Exchange Act of 1934, as amended, and Rule 10b-5 adopted by the Securities and Exchange Commission, even if only a few Trillium common shares were traded (by Any Person or associate). These violations may also extend to the Company and the responsible supervisor(s) for failing to take appropriate steps to prevent such illegal trading and/or tipping. Under the Ontario *Business Corporations Act* and applicable provincial securities laws, Any Person who violates this Policy may be subject to civil liability for insider trading, tipping or speculative trading offences. Failure to comply with this Policy may also result in consequences under the *Criminal Code of Canada*. Any Person and/or the Company could be subject to civil penalties, criminal penalties, and imprisonment under Canadian and U.S. laws.
- 6.3. Under Securities and Exchange Commission rules, a violation of the Company's Corporate Disclosure and Confidentiality Policy on communications outside the Company could expose Any Person, but generally would not expose the Company itself, to potential liability for tipping in violation of the antifraud provisions of the federal securities laws that prohibit securities trading on the basis of material, non-public information, or tipping another person or entity that in turn trades on the basis of such information.
- 6.4. All directors, officers, employees, consultants and contractors of the Company will be provided a copy of this Policy and shall execute the attached Receipt and Acknowledgement. Compliance with this Policy is an essential component of the terms of employment for each employee of the Company and the fiduciary duties for each director and officer of the Company. If it appears that a director, officer, employee, consultant or contractor may have violated such securities laws, the Company may refer the matter to the appropriate regulatory authorities, which could lead to penalties, fines or imprisonment.

Schedule A

“Associate”, where used to indicate a relationship with any person or company means,

- (i) any company of which such person or company beneficially owns, directly or indirectly, voting securities carrying more than 10 per cent of the voting rights attached to all voting securities of the Company for the time being outstanding,
- (ii) any partner of that person or company,
- (iii) any trust or estate in which such person or company has a substantial beneficial interest or as to which such person or company serves as trustee or in a similar capacity,
- (iv) any relative of that person who resides in the same home as that person,
- (v) any person to whom that person is married or with whom that person is living in a conjugal relationship outside marriage and who resides in the same home as that person, or
- (vi) any relative of a person mentioned in clause (v) who has the same home as that person.

RECEIPT AND ACKNOWLEDGMENT

I, _____, hereby acknowledge that I have received and read a copy of the Employee and Insider Trading Policy (the “Insider Trading Policy” or the “Policy”) and agree to comply with its terms. I understand that violation of insider trading or tipping laws or regulations may subject me to civil and/or criminal penalties, and that violation of the terms of the above-titled policy may subject me to discipline by Trillium Therapeutics Inc. up to and including termination.

Since I have been an employee or director of the Company, I have complied with the Insider Trading Policy and will continue to comply with the Insider Trading Policy for as long as I am subject to such Policy.

Signature

Date

Print Name