



Anti-Corruption Compliance Policy

Approved by the Arbutus Board on March 13, 2019

1. Anti-Corruption Policy Statement

It is the policy of Arbutus Biopharma Corp. (“**Arbutus**”) and its subsidiary Arbutus Biopharma, Inc. (collectively “**Arbutus**”) to comply with all applicable anti-corruption laws and regulations in all countries in which Arbutus does business. This Policy addresses what we must do to comply with those laws and regulations and should be read together with Arbutus’s Code of Business Conduct and Ethics (the “**Code**”). Please ask the General Counsel of Arbutus, the Chief Compliance Officer, or his or her delegate (the “**Compliance Officer**”), or a member of the compliance team at help.compliance@arbutusbio.com if you have questions.

Local standards and practices may differ in what is a bribe, but in a nutshell, Arbutus’s policy is:

- a. You may not offer or give, directly or indirectly, anything of value to any Government Official (as defined below) with an intent to influence the Government Official in his or her official capacity; and
- a. You may not offer or give, directly or indirectly, anything of value to anyone, including any Government Official, to obtain an improper advantage.

Violations of this Policy may simultaneously break applicable anti-bribery and anti-corruption laws and may subject Arbutus and Covered Persons (as defined below) to serious penalties, including fines and even imprisonment.

2. Scope

This Policy applies to all Company directors, officers and employees, all contractors and consultants who devote all or substantially all of their time to Arbutus, and all Covered Business Associates (as defined below) (collectively, “**Covered Persons**”).

A “**Business Associate**” is a reseller, distributor, broker, agent, referral partner, finder, advisor, contractor, subcontractor or other third-party intermediary that acts on behalf of Arbutus in business transactions with third parties.

A “**Covered Business Associate**” is a Business Associate that has been required to comply with this Policy by Arbutus’s compliance procedures.

Covered Persons shall be provided with a copy of this Policy and shall certify their understanding of and compliance with it. Directors, officers, employees, consultants or contractors who violate this Policy may be subject to disciplinary action; Covered Business Associates who violate this Policy must be referred to the Compliance Officer for appropriate action, including possible termination of the engagement; other Business Associates violating their own robust policies and procedures or otherwise acting inconsistently with this Policy and its contractual anti-corruption obligations, must also be referred to the Compliance Officer for appropriate action, including possible termination of the engagement.

3. Prohibition of Giving or Accepting Bribes

Arbutus is committed to carrying out its business worldwide ethically and without bribery.

Covered Persons may not offer, promise, give, provide, or authorize, whether directly or indirectly, the provision of anything of value for the purpose of obtaining an improper advantage from any third party (including Government Officials, as detailed below), or any other person with whom Arbutus does or anticipates doing business. Similarly, Covered Persons may not solicit, receive, or authorize, whether directly or indirectly, the receipt of anything of value from anyone, including business partners and other third parties, doing business with or seeking to do business with Arbutus, for the purpose of obtaining an improper advantage with Arbutus or having an improper influence over a Covered Person's judgment.

"Improper" in this Policy means illegal, unethical, or in breach of a duty or expectation that a person will act in good faith, impartially, or in accordance with a position of trust.

The term "anything of value" is very broad. It includes not only obvious bribes and kickbacks (e.g., rebating a portion of a contract payment to third parties or using consulting agreements to funnel payments to third parties), but also improper benefits, such as inappropriate gifts, educational assistance, unreasonable travel and entertainment expenses, medical care, loans, employment offers or promises of future employment, and any financial or other advantage.

Even if bribes are a customary and accepted way of doing business in a particular country, Arbutus prohibits bribes under this Policy. A bribe does not have to be fully effectuated to be a violation – offering a bribe that is never accepted, or never paid, is still a violation.

4. **Government Officials**

In addition, Covered Persons may not offer, promise, give, or authorize the giving of anything of value, whether directly or indirectly, to any Government Official or to anyone else at the Government Official's request or with his or her acquiescence, without the prior written approval of the Compliance Officer.

In this Policy, the term "**Government Official**" is broad and includes any:

1. Officer or employee or agent of government or any department
2. Officer or employee or agent of political party
3. Political candidate
4. Officer or employee or agent of government-owned or government-controlled company (including publicly traded companies)
5. Unpaid honorary officials who can influence contract awards
6. Royal family members
7. Agents involved in government contract bids or awards
8. Any legislative, administrative, or judicial officer in any jurisdiction
9. Anyone performing any public function in any branch of government in any jurisdiction
10. Officer or employee or agent in any business (even private) for public services
11. Immediate family (parent, spouse, significant other, child, sibling) of any of the above.

5. **Facilitation Payments**

Covered Persons may not provide facilitation payments (payments to a Government Official to expedite or secure the performance of a routine non-discretionary governmental action, such as expediting (but not approving) licenses or scheduling inspections)—even where requested or demanded

by a Government Official or where the Government Official threatens adverse action against Arbutus unless a payment is made.

In emergency situations (in cases of imminent threat of physical harm to an individual's health and safety), payments should be reported promptly to the Compliance Officer and accurately recorded in Arbutus's books and records to reflect the amount and purpose of the payment. The Compliance Officer should be contacted as soon as practicable.

6. Gifts, Business Entertainment and Hospitality

Accepting and providing reasonable and proportionate gifts and entertainment are a normal part of business, and this Policy does not prohibit all such gifts and entertainment. The term "reasonable and proportionate" is not precisely quantified and requires the exercise of common sense and good judgment. The provision of gifts or entertainment must comply with applicable local laws, this Policy, and any guidance issued by Arbutus or the Compliance Officer or his or her designee. For the provision of gifts or entertainment to a healthcare professional, Arbutus's healthcare compliance policies shall apply. Entertainment of a healthcare professional is prohibited under those policies. In the case of a pre-existing relationship in which the other party is a relative or a friend, and the gift or entertainment is unrelated to Company business and no company reimbursement will occur, the provisions of this Policy do not apply. Please contact the Compliance Officer or your manager in the event of questions. The controls and guidance Arbutus or the Compliance Officer or his or her designee have put in place are intended to prevent the improper giving of gifts, entertainment or hospitality in Arbutus's name. "Improper" in this Policy means illegal, unethical, or in breach of a duty or expectation that a person will act in good faith, impartially, or in accordance with a position of trust. This means that you are prohibited from offering or providing gifts, entertainment or hospitality:

- with an intent to influence a Government Official in his or her capacity as a Government Official; or
- to anyone, including any Government Official, to obtain an improper advantage.

Similarly, the receipt of gifts, entertainment or hospitality by Company personnel should not influence decisions they make.

Giving and Receiving Gifts

If a gift would be considered extravagant or excessive or if the gift would likely affect the recipient's judgment, for example, in the context of an upcoming decision, approval or contract award, then the gift will be deemed unreasonable. Similarly, Covered Persons must ensure that the decisions they make on behalf of Arbutus are free from third-party influence. It will be up to the Compliance Officer and his or her designees to determine appropriate guidelines for giving and receiving gifts, including setting threshold values for the giving or receiving of gifts, beyond which further review or approval will be required. Unless otherwise specified, the default threshold is \$150. Note that cash gifts or gift certificates redeemable for goods or services are prohibited.

Offering any gift—regardless of value—to a Government Official requires further careful consideration and Covered Persons must request and obtain prior written approval of the Compliance Officer via the Business Hospitality or Gift Form.

Giving and Receiving Hospitality

Except as otherwise provided, Covered Persons may offer or receive infrequent, reasonable and appropriate business meals or entertainment, provided that the activity has a clear business purpose. An example would be the promotion, demonstration or explanation of Arbutus's products or services, or the negotiation, execution or performance of a contract. Such activity shall not involve excessive expenditures. The guidelines for reasonable and appropriate activities shall be normal industry practice in the relevant locality consistent with local legal requirements. Further, reimbursement of such expenses will be subject to Arbutus's procedures, such as stating the participants and the purpose of the meeting. Again, setting threshold values—beyond which review and approval is required—will be left to the Compliance Officer and his or her designees.

There are occasions on which it may be appropriate for Arbutus to provide reasonable, bona fide hospitality to customers/potential customers, such as paying for travel, meals, and business entertainment expenses (i.e., beyond occasional business meals or entertainment covered above). With respect to hospitality provided to Government Officials, prior Compliance Officer approval is required. Such hospitality shall be subject to the following general guidelines:

- All flights and hotel reservations will be arranged strictly in accordance with the standards and classes applicable to Covered Persons.
- Only the following categories may be included in invitations: travel, lodging, reasonable meals and professional incidental expenses (visa application, local transportation, etc.). All other expenses shall be the responsibility of the customer/potential customer.
- Invitations of Government Officials are exceptional events and should therefore be handled with utmost sensitivity and caution by all involved. Any invitation of a Government Official requires the prior written approval of the Compliance Officer.

Under no circumstances will hospitality consist of cash payments, and hospitality must never be offered or provided in exchange for any improper commercial advantage or favored treatment.

The Compliance Officer or his/her designee will maintain an official record of approvals and also supporting documents for meals, entertainment and hospitality expenditures involving a Government Official.

7. Political Contributions and Charitable Contributions

Company money, assets, property, resources (including facilities, supplies, letterhead, corporate names, logos or working time) or other things of value may not be contributed, loaned, or made available to any Government Official, subject to the exception that Arbutus may from time to time make contributions to a U.S. candidate, party or political committee, under the conditions that: (i) the

Compliance Officer approves the donation; and (ii) the donation is not made to influence any decision or gain a business advantage from anyone.

Arbutus may, from time to time, make charitable contributions, which are limited to reasonable amounts as determined by Arbutus's Compliance Officer or his or her designees or as otherwise provided by Company Policy, but in no instance to a charity owned or controlled by a Government Official. Under no circumstances should Covered Persons make charitable contributions in an attempt to influence any decision or obtain an advantage for Arbutus.

Covered Persons must not, on behalf of Arbutus or with an intention to benefit Arbutus, solicit contributions for any charity or political candidate from any person or entity that does business or is seeking to do business with us. Covered Persons are free to engage in personal voluntary charitable or political activity and contribute personal resources to charities, candidates and parties in any manner consistent with applicable laws, this Policy and any other applicable Company policies. In doing so, however, Covered Persons may not solicit coercive contributions or create the impression that they are speaking or acting for or on behalf of Arbutus.

8. Business Associates

All payments made to a Business Associate must be reasonable in relation to the products sold to, or bona fide services rendered by, such Business Associate to or on behalf of Arbutus. Payments to a Business Associate should never be made in cash and should be made to the Business Associate's bank account in the country where the services are performed or where the Business Associate's offices are located. No payments shall be made to a Business Associate without detailed invoices that fully and accurately describe the services and expenses incurred.

Arbutus recognizes that corruption risks can vary by location, type of transaction and customer, and, accordingly, if warranted, Arbutus shall conduct risk-based anti-corruption due diligence prior to the engagement of Business Associates that present a higher perceived risk of corruption. The due diligence will be conducted in accordance with the processes established by the Compliance Officer or his or her designee.

Information identified and received during any due diligence process will be reviewed by the Compliance Officer or his or her designee, in conjunction with the Finance and Accounting Departments as appropriate, and should be maintained by the Legal and Compliance Department as well as the Finance and Accounting Departments as appropriate.

Other appropriate measures to ensure Arbutus's and Business Associates' compliance with applicable law shall include the insertion of appropriate anti-corruption provisions in contractual agreements with such Business Associates. Business Associates shall be required to abide by this Policy if so directed by the Compliance Officer or by applicable contractual agreements.

In addition, before Arbutus enters into corporate acquisitions, joint ventures, and similar arrangements, Arbutus will perform risk-based anti-corruption due diligence, if warranted, with respect to the potential transaction.

9. Potential “Red Flags”

Covered Persons are required to monitor for potential “red flags”. A “red flag” is a fact pattern, situation, request, or other circumstance that indicates a possible anti-corruption compliance risk. **Attachment A** includes examples of potential “red flags.”

In some circumstances, further inquiries may confirm why there was a potential red flag. In these circumstances, the situation should be documented and the information provided to the Compliance Officer. In other circumstances, concerns may still exist or a Covered Person may be unsure what steps to take. In case of doubt whether a certain fact or information known to a Covered Person constitutes a “red flag,” please ask the Compliance Officer or his or her designee.

10. Books and Records

Arbutus will maintain books and records that accurately reflect its transactions, use of Company assets, and other similar information, along with a reasonable system of internal controls. Covered Persons must ensure that: (i) gifts, business entertainment, hospitality, and other expenses are properly reported and recorded; (ii) payments made on behalf of Arbutus are supported by appropriate documentation; (iii) no payments to third parties are made in cash, unless pursuant to proper petty cash disbursements, and (iv) no Covered Person shall create or help to create any documents for the purpose of concealing any improper activity.

11. Mandatory Reporting; Safeguards Against Retaliation

The success of this Policy in preventing corruption relies on the diligence and commitment of all Covered Persons, who have a responsibility to report any suspected or actual violations and who should do so without fear of any form of retaliation.

Covered Persons who encounter a situation or are considering a course of action where the appropriateness is unclear, should discuss the matter promptly with the Compliance Officer. Even the appearance of impropriety can be very damaging and should be avoided.

Covered Persons who are aware of a suspected or actual violation of this Policy (or any other applicable Company policies) by others, have a responsibility to report it. Covered Persons are expected to promptly provide the Compliance Officer with a specific description of the violation that is believed to have occurred, including any information about the persons involved and the time of the violation. Covered Persons should do so without fear of any form of retaliation. Arbutus will take prompt disciplinary action against any director, officer, employee, consultant or contractor who retaliates against a Covered Person, which may include termination of services.

The Compliance Officer will investigate all reported possible Policy violations promptly and with the highest degree of confidentiality that is possible under the specific circumstances. No Covered Person may conduct any preliminary investigation, unless authorized to do so by the Compliance Officer. Cooperation by Covered Persons in the investigation will be expected. As needed, the Compliance Officer will consult with the Legal and Compliance Team, the Human Resources Department, and/or the

appropriate committee of the Board of Directors. It is Arbutus's policy to employ a fair process by which to determine violations of the Policy.

If any investigation indicates that a violation of the Policy has probably occurred, Arbutus will take such action as it believes to be appropriate under the circumstances and as described in this Policy. With respect to any complaints or observations of violations that may involve accounting, internal accounting controls, or auditing matters ("Accounting Matters"), the Compliance Officer is responsible for receiving and reviewing and then investigating complaints relating to said matters. If the suspected violation involves the Compliance Officer, the director, officer, employee, consultant or contractor should instead report the suspected violation to a member of the Board. It is Arbutus's policy to comply with all applicable laws that protect against unlawful discrimination or retaliation by us or our agents as a result of lawfully reporting information regarding, or participation in, investigations involving Accounting Matters. If any director, officer, employee, consultant or contractor believes he or she has been subjected to any harassment, threat, demotion, discharge, discrimination or retaliation by Arbutus or its agents for reporting complaints regarding Accounting Matters in accordance with this Policy, he or she may file a complaint with the Compliance Officer or Human Resources Manager. If it is determined that an employee has experienced any improper employment action in violation of this Policy, Arbutus will endeavor to promptly take appropriate corrective action.

Arbutus has also established a procedure under which complaints regarding Accounting Matters, anti-corruption matters and any other compliance concern may be reported anonymously. Covered Persons may anonymously report these concerns to help.compliance@arbutus.com or via Arbutus's whistleblower hotline at: 1-866-921-6714 or through our dedicated Compliance reporting website at www.integritycounts.ca. Covered Persons should make every effort to report their concerns using one or more of the methods specified above. The complaint procedure is specifically designed so that employees have a mechanism that allows the employee to bypass a supervisor he or she believes is engaged in prohibited conduct under this Policy. Anonymous reports should be factual, instead of speculative or conclusory, and should contain as much specific information as possible to allow the persons investigating the report to adequately assess the nature, extent and urgency of the investigation.

12. Training and Certification

The Compliance Officer will establish and conduct a suitable training program to help effectuate the compliance goals of this Policy, and will maintain records documenting the date and content of the training and names of attendees. In addition, Covered Persons will be required to sign certifications of compliance with this Policy.

13. Risk Assessments, Periodic Reviews and Amendments

Arbutus has conducted an initial risk assessment of Arbutus and its businesses. Arbutus will: (a) regularly conduct and document an assessment of Arbutus's corruption risks on at least an annual basis; (b) review this Policy at least annually to ensure its continued effectiveness; and (c) update or revise the

Policy as necessary and appropriate. In addition, the Compliance Officer may from time to time amend the Attachment(s) to this Policy, in consultation with counsel.

14. Questions About This Policy

Please contact the Compliance Officer or members of the Compliance Team if you have any questions regarding the scope and reach of applicable anti-corruption laws and regulations, whether a particular payment or gift would be consistent with this Policy or otherwise relating to this Policy. The Compliance Officer and the Compliance Team can be reached by email at help.compliance@arbutus.com.

Attachment A

Examples of Potential Red Flags

Please note that the following examples are illustrative of potential Red Flags. This is not an exhaustive list.

A request for payment in advance or prior to an award of a contract, license, concession, or other business.

A request for reimbursement of unusual, extraordinary, poorly documented, or last minute expenses.

A request for an apparently abnormal cash payment.

A request for the transfer of funds to a numbered account or to an account in the name of someone, including a shell company, other than the appropriate party.

A request for payment, without reasonable justification, in a country other than the one in which the parties are located, especially if it is a country with limited banking transparency or a reputation for being associated with corruption, including, but not limited to Latvia, Estonia, Panama or Cyprus.

A refusal by a party to certify that it will comply with the requirements and prohibitions of applicable anti-corruption laws and rules or this Policy.

A refusal, if asked, to disclose shareholders, partners, or principals.

Use of shell or holding companies, including bearer share companies, that obscure a transaction partner's ownership without credible explanation.

A request for a fee for the use of Company products and services at the requestor's facility. A request for political or charitable contributions, particularly if the request is for cash.

Company wire transfers that do not disclose the identity of the sender or recipient. In the case of engaging an agent or consultant, the potential agent or consultant:

- resides or is headquartered outside the country in which the services are to be rendered, particularly if that country has a reputation for corruption or is a tax haven;
- is, is partly or wholly owned by, or employs a Government Official or an immediate family member or members of a Government Official, particularly if the Government Official is or could be in a position to direct business to Arbutus. An immediate family member is a parent, spouse, significant other, child, or sibling;
- has been recommended by a Government Official of the potential government customer;
- is insolvent or has significant financial difficulties that would reasonably be expected to impact its dealings with Arbutus;
- attempts to insist on the involvement of third parties or subcontractors who bring no apparent value;
- makes a statement or statements that indicate potential compliance issues;

- has undisclosed subagents or subcontractors who assist in his or her work;
- is unable to provide appropriate business references;
- lacks transparency in expenses and accounting records;
- requests that false invoices or other documents be prepared in connection with a transaction;
- refuses to disclose its complete ownership, ownership structure, or other reasonable requested information;
- is the subject of credible rumors or media reports of inappropriate payments or a silent partner; or
- requests payment disproportionate to the services provided (e.g., an agent who bears financial risks on delivery of goods or performs substantial pre- or post-sales services may be entitled to greater compensation than a pure commission agent/broker)