



**Code of Business Conduct for Directors, Officers, Employees,
Contractors and Consultants**

Approved by the Arbutus Board on December 7, 2016

The Board of Directors of Arbutus Biopharma Corporation has adopted the following Code of Business Conduct (the “Code”) for all directors, officers and employees of the Company. In this code “We” and “Us” mean all Arbutus directors, officers and employees. The “Company” or “Arbutus” includes Arbutus Biopharma Corporation and all of its subsidiaries.

The purpose of this Code is to promote:

- Honest and ethical conduct, including ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- Full, fair, accurate, timely, and understandable disclosure in the reports that Arbutus is required to file with such securities exchange or quotation system or regulatory agency as may from time to time apply to Arbutus and in other public communications made by Arbutus; and
- Compliance with all applicable laws, rules and regulations.

While there cannot be a specific rule for every situation we may encounter in our workplace, we have adopted this Code to provide certain principles for the business conduct of the Company’s directors, officers and employees. In addition to this Code, we are expected to be familiar with and observe the Company’s other policies and procedures and adhere to high ethical standards in all our business dealings.

Several of the provisions of the Code are reflected in the employment agreements signed by employees prior to joining the Company. A violation of the law, employment agreement or this Code is a serious matter that will result in appropriate disciplinary action, including termination of employment. In addition, violation of domestic or foreign laws, rules and regulations may subject you, as well as the Company, to civil and/or criminal penalties.

The provisions of this Code may be amended or waived only by the Company’s Board of Directors, and will be disclosed to shareholders as required by law or regulation.

1. Criteria for Ethical Decision Making

Before embarking on any course of action as a director, officer or employee, we must ask ourselves these questions:

- Is there any reason to believe the life, health or safety of anyone, including patients who receive our drugs, or the environment is endangered by the action?
- Is there any reason to believe it is not legal?
- Does it feel fair and honest?
- Does it compromise trust in your responsibilities or the integrity of the Company?
- Can it be justified to the public?

Questions or concerns about this Code or regarding past, present or anticipated conduct should be discussed promptly with a member of the executive team, comprising the Company's executive officers, senior vice presidents and vice presidents (the "Executive Team").

2. Ethical Business Practices

Each director, officer and employee of the Company is expected to adhere to and advocate high standards of honest and ethical conduct as outlined in this Code.

3. Fair Dealings

We will deal fairly and honestly with the Company's collaborators, suppliers, competitors, other employees, and others we have contact with in the course of performing our job. We should not take unfair advantage of anyone through manipulation, concealment, misappropriation or abuse of confidential information, falsification, and misrepresentation of material facts or any other unfair practice.

All contracts, agreements and other documents must correctly set forth the terms of the underlying business arrangement and any such documents must be reviewed and approved through established Company policy and procedures.

4. Corporate Opportunities and Duty of Loyalty

We each have a duty of loyalty to the Company, which includes a duty to advance the Company's legitimate interests. We may not use our position or the Company's name, property, information or good will for personal gain or for the gain of others. We must not take advantage of a personal opportunity that is discovered through the use of corporate property, information or our position with the Company.

5. Conflicts of Interest

A conflict of interest arises when our private interests interfere, or appear to interfere, in any way, with the interest of the Company, or impair, or could be perceived to impair our business judgment. We should identify and avoid any situation of actual or apparent conflict of interest.

Some conflicts are clear-cut; others are less obvious. For that reason, we must fully disclose to a member of the Executive Team all circumstances that could be construed or perceived as a conflict of interest. Full disclosure allows us to resolve unclear situations and create an opportunity to avoid or ethically handle conflicts of interest before any difficulty can arise. If a conflict of interest cannot be avoided in a reasonable fashion then appropriate procedures must be put in place to minimize the involvement of any conflicted individuals in the relationship or interaction, giving rise to the conflict. Failure to make required disclosures or resolve conflicts of interest satisfactorily can result in discipline up to and including termination of employment, and liability to account to the Company for any profits.

The Arbutus employment agreement generally prohibits an employee's employment or engagement in any capacity in any other business without the prior permission of the Company. This provision broadly addresses potential conflicts of interest. Specific examples include, but are not limited to:

- Acting as an employee, director or officer of or a consultant to, a competitor or potential competitor of the Company, regardless of the nature of the employment or consulting relationship;
- Holding a substantial interest in a business which is a customer, competitor or supplier of the Company or which otherwise does business with the Company;
- The purchase of merchandise or services for the Company from, or placement of other business with, a company directly or beneficially owned or controlled by an employee, director or officer of Arbutus, his or her spouse, relative, in-law or co-habitant;
- Serving as proprietor, general partner, officer or director of any business (except charitable organizations or family businesses that in no way compete with the Company or do business with the Company) without first obtaining the written consent of Arbutus. (Non-employee directors of Arbutus are excluded from this prohibition).

6. Accepting or Giving Gifts

We must avoid activities or relationships that appear to or conflict with the Company's interests or adversely affect the Company's reputation. The types of activities and relationships to avoid include, but are not limited to:

- Accepting or soliciting a gift, favor, or service that is intended to, or might appear to, influence the employee's decision-making or professional conduct.
- Giving or offering to give any gift, gratuity, favor, entertainment, reward, "bribe" or "kickback" or any other thing of value that might influence or appear to influence the judgment or conduct of the recipient in the performance of his or her job. This includes transactions with government personnel, customers and suppliers.

The purpose of business entertainment and gifts in a commercial setting is to create good will and sound working relationships, not to gain, or provide for, any unfair advantage as between the Company and those with whom the Company does business. We may give or receive unsolicited gifts or entertainment only in cases where the gifts or entertainment are of nominal value, are customary to the industry, will not violate any laws and will not influence or appear to influence the recipient's judgment or conduct at his or her employer's business.

7. Fraud, Theft or Dishonesty

We will not condone or tolerate acts of fraud, theft, dishonesty, embezzlement, misappropriation or falsification in connection with the performance of our duties for the Company. These actions have a direct impact on the Company's profitability. The Company reports suspicion of fraud or theft to the applicable law enforcement agency.

8. Compliance with Laws, Regulations and Rules

We will obey and comply with all applicable federal, provincial, state and local laws, regulations and ordinances of the countries in which we operate, including but not limited to:

- Securities laws in the jurisdictions the company's shares are registered;
- Stock exchange rules (specific to listed exchanges only);
- Health and safety laws including the workplace;
- Human rights laws including harassment and job discrimination;
- Employment laws including payment of minimum wage, overtime requirements, child labor and general working conditions;
- Immigration related laws concerning the hiring of legally documented workers;
- Laws concerning racketeering and corrupt practices;
- Laws concerning the proper maintenance of books, records and internal controls;
- Laws, regulations, and accepted industry practices concerning drug development and commercialization;
- Laws prohibiting illegal payments, gifts, bribes or kickbacks to governmental officials, political parties or others;
- Privacy laws;
- Environmental laws;
- Laws prohibiting misappropriation, unauthorized use, reproduction or distribution of any third party's trade secrets, copyrighted information or confidential proprietary information;
- Antitrust and other laws prohibiting unfair competition or restraint of trade; and
- Any other applicable law or regulation.

We will not commit or condone unethical or illegal acts nor instruct another employee, consultant, contractor, supplier or representative of Arbutus to do so.

This Code does not enumerate all laws, rules and regulations applicable to Arbutus or its business. You should consult with any member of the Executive Team if you have questions on specific laws, rules and regulations that you think may be applicable to your work or responsibilities.

9. Insider Information and Tipping

In order to assist compliance with laws against insider trading, Arbutus has adopted an Insider Trading Policy, which is available on Arbutus' website at www.arbutusbio.com.

Using or sharing non-public information for trading purposes or for any other purpose except the conduct of the Company's business is not permitted. All non-public information about the Company and its business should be considered confidential information. Purchasing or selling securities of the Company with knowledge of material nonpublic information, or informing or "tipping" others of such material non-public information that has not been generally disclosed other than in the necessary course of business of the Company is not only unethical but also illegal and could result in criminal prosecution in addition to termination of employment.

From time to time Arbutus implements stock trading blackout periods during which time directors, officers and employees are restricted from buying or selling shares. The Chief Financial Officer, or designate, will notify directors, officers and employees when the Company enters or closes a stock trading blackout period.

10. Accounting and Recordkeeping

Many people associated with the Company participate in the financial control and reporting processes of the Company. Employees with **any** responsibility for aspects of the Company's financial activities (including, but not limited to, processing of cash receipts or processing or approval of payments; creation, processing or approval of invoices and credit memos; payroll and benefits decisions; approval of expense reports and any and all other transactions; or the estimation of reserves or other claims or the amount of any accrual or deferral; or the recording of any of the foregoing in the Company's ledgers) and/or the preparation of the Company's financial statements or other reports, must ensure their involvement complies with complete and accurate procedures as per established Company practice.

We shall not subvert the Company's established systems of internal management and accounting controls, maintain funds or assets for any illegal or improper purposes or make false or misleading statements in any Company documents, reports or records. No undisclosed or unrecorded accounts may be established using the Company's funds or other assets. All accounting records and the financial reports produced from those records must be kept and presented in accordance with applicable law, must accurately and fairly reflect in reasonable detail the Company's assets, liabilities, revenue and expenses, and must be in accordance with generally accepted accounting principles.

Transactions must be supported by accurate and reasonably detailed documentation and recorded in the proper account. Best efforts are to be made to record transactions in the proper accounting time period. To the extent that estimates are necessary, they must be based on our good faith judgment and be supported by appropriate documentation. No payment or the related accounting entry may be approved or made with the intention or understanding that any part of the payment will be used for any purpose other than that described by the document supporting the entry or payment.

If we receive inquiries from the Company's independent accountants, we must respond promptly, fully and accurately.

11. Use of Company Property

We are entrusted with the care, management and cost-effective use of Arbutus' property and we will not make use of Company property for our own personal benefit or for the personal benefit of anyone else.

We are accountable for all Company property assigned to us and we must maintain it in good condition at all times and return it promptly when asked to do so. Any dispositions of Company property should be for the benefit of the Company and not for personal benefit. Access to Arbutus' computer systems is restricted to authorized individuals only and passwords are to be kept confidential. Use of Arbutus' computer systems is limited to authorized business purposes with the exception of nominal personal use of email, internet and phone systems which does not interfere or conflict with business use.

12. Proprietary and Confidential Information, Intellectual Property and Inventions

The Company has adopted a Corporate Disclosure Policy to facilitate proper disclosure practices, a copy of which is available from any member of the Executive Team.

We want our employees to be well informed about our business, our plans for the future, and the successes and challenges we have along the way. In return for this openness, we are entrusted to maintain the confidentiality of our proprietary information and those aspects of our business that we have not yet shared with shareholders and the general public.

We are to take all reasonable measures to protect the confidentiality of non-public information about the Company obtained or created in connection with our activities and to prevent the unauthorized disclosure of such information unless required by applicable law or regulation of legal or regulatory process. We must use proprietary information only for Arbutus' legitimate business purposes, and not for our personal benefit or the personal benefit of anyone else.

To provide the Company with reasonable protection against disclosure of trade secrets and confidential information, all employees are required to sign an employment agreement that includes clauses addressing Confidential Information, Invention Assignment and a Prior Invention declaration. These clauses state in part that Arbutus retains exclusive ownership of all inventions and discoveries arising out of employment and any information pertaining to the business or research activities of Arbutus.

Proprietary and confidential information is any information about Arbutus that has not been disclosed to the public and includes, without limitation:

- The Company's ideas, discoveries, inventions, formulae, algorithms, techniques, processes, know how, trade secrets, research, laboratory notes, data, analysis, assays, designs, methods, flow charts, drawings, specifications, plans, prototypes, apparatus, devices, biological materials and their progeny and derivatives, reagents, specimens, manufacturing and production processes;
- Patents portfolio, pre-clinical and clinical trials (abandoned or undertaken), regulatory filings and correspondences;

- Software;
- Information concerning actual or projected sales, earnings or operating results or business transactions;
- Customer and supplier lists, relationship with consultants, contracts, business plans and marketing strategies; and
- Personnel information.

We are each responsible to know what is confidential or proprietary and to ensure that we use it only in the performance of our duties with Arbutus. If there is any doubt, we will consider the information to be confidential until clarification is obtained.

13. Reporting and Whistleblower Protection

Each of us has the responsibility to ask questions, seek guidance, report suspected violations and express concerns regarding compliance with this Code, including but not limited to questionable accounting, internal accounting control or auditing matters. If we know or believe that any other director, officer, employee or representative of the Company has engaged or is engaging in Company-related conduct that violates applicable law or this Code, we are responsible to report such information.

The Board of Directors and the Audit Committee are responsible for administering the Company’s Whistleblower Policy for any of us who, in good faith, report complaints or concerns regarding any suspected misconduct, illegal activities or fraud (corporate or regulatory), including questionable accounting, internal accounting controls and auditing matters, or other violations of federal, provincial or state laws or this Code. A copy of the Company’s Whistleblower Policy is available on the Company’s website at www.arbutusbio.com.

No adverse action or retribution of any kind will be taken by Arbutus against us because we report, in good faith, a suspected violation of this Code or other irregularity.

Reports under the Company’s Whistleblower Policy can be made to the Board of Directors of the Company through either the Company’s General Counsel, the Chairman of the Board, or the Chair of the Audit Committee, as set out below.

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| <p>Elizabeth A. Howard Arbutus General Counsel Email: ehoward@arbutusbio.com</p> | <p>Vivek Ramaswamy Arbutus Chairman of the Board Email: vramaswamy@arbutusbio.com</p> | <p>Richard Henriques Arbutus Chairman of the Audit Committee Email: richardhenriques@comcast.net</p> |
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14. Public Company Reporting

As a public company, it is of critical importance that filings with such securities exchange or quotation system or regulatory agency as may from time to time apply to the Company, the Securities and Exchange Commission and the Canadian provincial or federal securities regulatory authorities be full, fair, accurate and timely. Depending on our respective positions with the Company, we may be called upon to provide information necessary to ensure that the Company's public disclosure documents meet these requirements. The Company expects us to take this responsibility very seriously and to provide prompt and accurate answers to inquiries related to the Company's public disclosure requirements. The Company has adopted a Corporate Disclosure Policy to assist with disclosure compliance, a copy of which is available from any member of the Executive Team.

15. Waivers and Amendments

While some of the principles contained in this Code must be strictly adhered to and no exception can be allowed, in other cases exception may be possible. Any of us who seeks an exception to any of these principles should contact the Chairman of the Board of Directors. Any waiver of this Code for executive officers and directors or any change to this Code that applies to executive officers or directors may be made only by the Board of Directors of the Company and will be disclosed to the Company's shareholders as required by law or regulation.

Any other employee who believes that an exception to these principles is appropriate in his or her case should first contact his or her immediate supervisor. If the supervisor agrees that an exception is appropriate, the approval of the Chief Executive Officer must be obtained. The Chief Executive Officer shall be responsible for maintaining a complete record of all requests for exceptions to any of these policies and the disposition of such requests.

16. Administration, Compliance and Distribution

Arbutus' Board of Directors and Audit Committee have established the standards of business conduct contained in this Code. This Code shall be distributed to each new employee, officer and director of the Company upon commencement of his or her employment or other relationship with the Company.

Strict adherence to this Code is vital. Failure to comply with the standards outlined in this Code will result in disciplinary action up to and including termination of employment, in accordance with applicable employment law. Supervisors are required to report any behavior that may be in breach of this Code and must respond appropriately to any reports which they receive. Any supervisor who directs or approves or condemns any conduct in violation of this Code, or who has knowledge of such conduct and does not immediately report it, will be subject to disciplinary action, up to and including termination of employment.

Certain violations of this Code may require the Company to refer the matter to the appropriate governmental or regulatory authorities for investigation or prosecution.

For clarification or guidance on any point in the Code of Business Conduct, please consult a member of the Executive Team.