



## Insider Trading Policy (August 2022)

This Insider Trading Policy (**Policy**) sets out certain legal concepts with respect to trading in the securities of Reunion Neuroscience Inc., (**Reunion**) by certain individuals who are either employed by or are in a particular relationship with Reunion.

### Scope of this Policy

This Policy applies to all directors, officers, employees, consultants of Reunion and its affiliates, their respective Family Members (defined below) and any person in a "special relationship" with Reunion (**Insiders**).

A material change to the business or affairs of Reunion, or a material fact, is one that (i) is substantially likely to be viewed by a reasonable investor as important in making an investment decision, (ii) would be viewed by a reasonable investor as significantly altering the total mix of information available about Reunion, or (iii) would reasonably be expected to have a significant effect on the market price or value of Reunion's securities. A material change is specifically defined to include any decision by the board of directors to implement a material change, as well as any decision made to implement such a change by senior management, if board approval is probable. Material information includes both a material change and material fact. Although not intended to be a comprehensive list, the "Frequently Asked Questions" section of this Policy provides examples of information which could be considered material information.

### Legal Background

Securities laws in Canada and the United States prohibit an Insider from either: (a) purchasing or selling Reunion securities with the knowledge of a material fact or material change concerning Reunion that has not been generally disclosed; or (b) informing or "tipping" another person or corporation of a material fact or material change concerning Reunion, other than when necessary in the course of business, before the material fact or material change has been generally disclosed.

### Insider Trading

Insiders are strictly prohibited from trading in securities of Reunion while in possession of material non-public information or during a blackout period.

#### ***Types of Securities***

In addition to buying and selling common shares, trading in securities of Reunion includes speculative and hedge transactions such as the use of puts, calls, collars, spread bets, contracts for difference and hedging transactions. In particular, Insiders are prohibited from trading in derivatives or listed options of Reunion, from shorting Reunion securities,

swapping Reunion securities or from entering into an agreement using Reunion stock as collateral for loans or a margin account.

### ***Reunion Stock Options***

This Policy applies to the exercise of stock options, any resale of securities acquired on exercise of stock options, including resales as part of a broker-assisted cashless exercise of an option, or any other market sale for the purpose of generating the cash needed to pay the exercise price of an option. Insiders may not exercise stock options or resale securities acquired on exercise thereof while in possession of material non-public information or during a blackout period.

### ***Trading by Family Members***

The Policy also applies to Insiders' spouses, family members and others living in the household, and any family members who do not live in the household but whose transactions in Reunion securities are directed by the insider or are subject to his/her influence or control, such as parents or children who consult with the insider before they trade in Reunion securities (**Family Members**). Your Family Members may not trade in securities of Reunion while you are in possession of material non-public information or during a blackout period. You are responsible for the transactions of your Family Members and therefore should make them aware of the need to confer with you before they trade in Reunion securities.

### ***Trading After Termination***

The Policy continues to apply to transactions in Reunion securities after termination of an Insider's employment or a contracting relationship. If an individual is in possession of material non-public information when his/her relationship with Reunion terminates, they may not trade in Reunion securities until that information has become public or is no longer material.

### ***Trading in Securities of Other Public Issuers***

In the course of business, Reunion and its Insiders may become privy to material non-public information of another public issuer which constitutes a special relationship with that other public issuer. As such, directors, officers, employees, consultants, and their Family Members are prohibited from purchasing or selling securities of another public company while in possession of undisclosed material information regarding that public company where the knowledge was gained during the course of the director's, officer's, employee's or consultant's work at Reunion.

## **Tipping**

Securities laws also prohibit a person or company (a tpee) who learns of undisclosed material information regarding a reporting issuer from any other person or company in a special relationship with that issuer, including another tpee, and who knows or ought reasonably to have known that the other person or company was in a special relationship with the issuer, from purchasing or selling securities of the issuer or from informing another person or company of the undisclosed material information. Both the person who provides the information and the tpee(s)

could be liable under securities laws if the person who receives the information purchases or sells securities.

### **Blackout Periods**

There is a mandatory blackout period prior to the release of financial results which shall continue until two trading days after the time such information has been released to the public: (a) fourteen (14) days for all Insiders, (b) thirty (30) days for Reporting Insiders, and (c) commencing on the date that the reporting period ends for all persons involved in preparing the financial results.

No Insider should trade in shares of Reunion until two trading days after the issuance of any news release in which material information is conveyed. Reunion will notify all Insiders if a blackout is in effect due to a material news release.

From time to time due to specific or anticipated events, Reunion may feel it necessary to issue a general blackout period for a specific or indefinite period covering Insiders or specific employees or groups. Additionally, an Insider who is working on a particular transaction may be prohibited from selling securities of Reunion for an indefinite period. You will be advised if Reunion believes that you should not trade in securities of Reunion as a result of your involvement in a particular transaction.

The Chief Financial Officer will notify directors, officers, employees, and other restricted persons of any blackout period. Affected individuals should not disclose to others that Reunion has imposed a blackout period on certain individuals.

### **General Prohibition on Certain Speculative & Hedging Transaction**

In addition to restrictions that apply while in possession of material non-public information or during a blackout period, insiders are prohibited at all times from selling Reunion securities short, selling a call on Reunion securities, buying a put on Reunion securities or using Reunion securities as collateral for a margin account. This section does not prohibit entering into a general security agreement or similar pledge agreement related to secured credit facilities; provided that such agreement is not signed while in possession of material non-public information or during a blackout period and all appropriate securities filings are made. Cashless exercise of convertible securities is permitted; provided that the insider owns the convertible security at the time of the trade and, within 10 days, the insider exercises that convertible security to settle the short or delivers that convertible security to the purchaser.

### **Reporting Insiders**

Certain Insiders of Reunion are subject to Canadian securities law reporting obligations (**Reporting Insiders**). The Chief Financial Officer will notify persons when they become Reporting Insiders.

Under Canadian law, a person or company who becomes a Reporting Insider must file an (a) initial insider report within ten (10) days of the date of becoming a Reporting Insider, and (b) insider report within five (5) days of the date of any change to such reporting insider's direct or indirect beneficial ownership of or control or direction over securities of Reunion or any related financial instrument (defined below) of Reunion.

Insiders are personally responsible for filing accurate and timely insider reports the System for Electronic Disclosure by Insiders (**SEDI**). Insiders are required to provide a copy of all insider reports to the Chief Financial Officer of Reunion concurrent with their filing to regulatory authorities.

Insiders of Reunion are also required to promptly update their profile on SEDI following any change of name, address, relationship with Reunion or other change in personal information.

### **Waivers**

The Board of Directors may, at its discretion, waive the prohibitions contained in this Policy in exceptional circumstances, provided that the person seeking the waiver does not have any undisclosed Material Information and that making such an exception would not violate any applicable securities laws.

### **Consequences of Violating this Policy**

Failure to comply with this Policy will be considered by Reunion to be a very serious matter. Depending on the nature and severity of the violation, Insiders who violate this Policy may be subject to disciplinary action, up to and including termination. Anyone who fails to report a violation upon discovery or otherwise condones the violation of this Policy may also be subject to disciplinary action, up to and including termination.

In addition, Reunion may make claims for reimbursement of losses or damages and/or Reunion may refer the matter to the authorities. As of the date of this Policy, the penalties for insider trading vary in Canada and in the United States. In Canada, a breach may result in prosecution and, upon conviction, a fine of up to Cdn\$5,000,000 or an amount equal to triple the amount of the profit made or the loss avoided or five years less one day in jail, or both. Further, offenders may be subject to civil actions initiated by certain security holders, the companies whose securities were traded, various securities commissions, or any of these. In the United States, individuals who trade on inside information (or tip information to others) could receive a civil penalty of up to three times the profit gained or loss avoided, a criminal fine of up to US\$5,000,000 and a jail term of up to 20 years.

The *Securities Act* (Ontario) (**OSA**) also provides that a person or company in a special relationship with a reporting issuer who purchases or sells securities of that reporting issuer while in the possession of undisclosed material information with respect to that issuer also may be liable to compensate the seller or purchaser of the securities, as the case may be, for damages suffered as a result of the trade. In addition, certain persons in a special relationship with a reporting issuer who violate the insider trading rules are accountable to the reporting issuer for any benefit or advantage received or receivable by them. Any person or company who contravenes the tipping provisions of the OSA is liable to compensate any person or company that thereafter sells securities of the reporting issuer to, or purchases securities of the reporting issuer from, the person or company that received the information.

### **Annual Review**

Reunion's Compensation Committee shall review and assess the adequacy of this Policy periodically as conditions dictate, but at least annually, to ensure compliance with any rules or regulations and recommend any modifications to this Policy if and when appropriate to the Board for its approval.



**Commitment**

Reunion's employees are required to sign the Acknowledgement attached to this Policy in Schedule "A" when they are engaged, when this Policy is amended in any material respect, or at a minimum annually.

**Contacts**

Disclosure Committee: [disclosurecommittee@reunionneuro.com](mailto:disclosurecommittee@reunionneuro.com)

Legal Department: [legal@reunionneuro.com](mailto:legal@reunionneuro.com)

Approved as of August 11, 2022

## **Frequently Asked Questions When am I prohibited from trading certain securities?**

### **Do not trade in securities of Reunion or another public company when you:**

- know material information about Reunion which has not been generally disclosed and disseminated to the public
- know material information about another public company which has not been generally disclosed and disseminated to the public and you learned of such material information because of your business or dealings with Reunion
- are subject to a blackout period
- have received any other notice that you cannot trade in securities

### **What is Material Information?**

Material information is information that a reasonable investor would consider in deciding to buy, sell or hold securities of Reunion or that could reasonably affect our stock price. Examples of material information include:

- Projections or a change in projections of future earnings or losses, or other earnings guidance
- Any information from which future earnings or losses can be estimated
- Projections of production or cost estimates for Reunion products or operations plans
- Discussions relating to a pending or proposed merger, acquisition, or other transaction between Reunion and another company
- Discussions or negotiations concerning a business venture, such as an agreement with a drug manufacturer or a medical device manufacturer to trial its products
- Development of a significant new product or process
- Approval of a patent or other license relating to proprietary drugs
- A change in dividend policy, the declaration of a stock split, or an offering of securities of Reunion
- Change in control of Reunion
- A significant change in senior management of Reunion
- Change in regulations or laws applicable to Reunion's business
- Commentary by a regulator having jurisdiction over Reunion's business
- Litigation or regulatory investigation or actions involving Reunion
- Impending bankruptcy or the existence of severe liquidity problems

Examples of information that is not material information:

- A change in general staffing, such as hiring a receptionist
- Day-to-day or minor business transactions such as purchasing new office equipment, signing a lease, or repainting our office space
- Change in a non-material vendor, such as switching from one telecommunications company to another for cellular phone service or opening a post office account

Regardless of whether any information may be material information, directors, officers and other employees must treat all corporate information as confidential unless they are absolutely certain the information has been “generally disclosed and disseminated” to the public

With respect to a future event, such as a merger, acquisition or introduction of a new product, the point at which negotiations or product development are determined to be material is determined by balancing the probability that the event will occur against the magnitude of the effect the event would have on Reunion's operations or share price should it occur. Thus, information concerning an event that would have a large effect on share price, such as a merger, may be material even if the possibility that the event will occur is relatively small. When there is doubt about whether particular non-public information is material, it should be presumed to be material. If there is uncertainty regarding whether information is material, the Chief Financial Officer or General Counsel should be consulted before a decision to trade in or recommend securities to which that information relates.

### **When is information "generally disclosed and disseminated" to the public?**

Information is made public by dissemination through a news wire service and by posting that information on SEDAR. It is not sufficient that information be posted on Reunion's website or referenced in an investor presentation or analysts call. As a general rule, information should not be considered fully disclosed to the marketplace until after the second business day after the information is released. If, for example, Reunion were to make an announcement on a Monday, no trading in Reunion's securities should take place until Thursday. If an announcement were made on a Friday, Wednesday of the next week generally would be the first eligible trading day.

### **Who will be considered a Reporting Insider?**

Applicable Canadian securities law defines a Reporting Insider as an insider of a public issuer if the insider is:

- the CEO, CFO or COO of the public issuer, of a significant shareholder of the public issuer or of a major subsidiary of the public issuer;
- a director of the public issuer, of a significant shareholder of the public issuer or of a major subsidiary of the public issuer;
- a person or company responsible for a principal business unit, division or function of the public issuer;
- a "significant shareholder" of the public issuer, being a person or company that has beneficial ownership of, or control or direction over, whether direct or indirect, securities of an issuer carrying more than 10 per cent of the voting rights attached to all of the issuer's outstanding voting securities, calculated on an undiluted basis and on the basis of assuming all convertible securities are converted within 60 days of the calculation;
- a management company that provides significant management or administrative services to the public issuer or a major subsidiary of the public issuer, every director of the management company, every CEO, CFO and COO of the management company, and every significant shareholder of the management company;
- an individual performing functions similar to the functions performed by any of the insiders described above; or
- any other insider that: (a) in the ordinary course receives or has access to information as to material facts or material changes concerning the public issuer before the material facts or material changes are generally disclosed; and (b) directly or indirectly exercises, or has the ability to exercise, significant power or influence over the business, operations, capital or development of the public issuer.



### **I am a Reporting Insider. What do I have to report on SEDI?**

Reporting Insiders are required to report buy, sell and/or grants of shares and options of Reunion and related financial instruments, which is defined as (a) an instrument, agreement, security or exchange contract that derives or bases its value, market price or payment obligations on the value, market price or payment obligations of a Reunion security; (b) any other instrument, agreement or understanding that affects, directly or indirectly, a person's economic interest in a Reunion security; or (c) any agreement, arrangement or understanding that affects the extent to which the person's economic or financial interests are aligned with those of Reunion.

### **Whom should I contact with questions?**

Persons who are unsure whether or not they may trade in a given circumstance should contact the Chief Financial Officer or the General Counsel to determine if the particular information is or is not material.

**Schedule "A"**  
**Acknowledgement**

I acknowledge having received, reviewed and understood the terms of Reunion Neuroscience Inc. **"Insider Trading Policy"** and hereby agree to conduct myself in accordance with such policy and its requirements.

Print Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Position: \_\_\_\_\_

Date: \_\_\_\_\_, 20\_\_\_\_