



CODE OF ETHICS



SATIVAGROUP

2020
SATIVA GROUP PLC

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LETTER FROM THE CEO



Dear Team Members
Welcome to Sativa Group PLC.

We were the first UK listed cannabis investment vehicle and following regulatory changes, we have evolved our business strategy to an operating company working in both the CBD Wellness sector and the developing Medicinal Cannabis Sector.

We have developed strategic partnership in the cultivation and extraction arenas to source the best materials and using advanced extraction.

Goodbody Botanicals, a subsidiary of Sativa Group, manufactures and distributes a wide range of high-quality CBD products. Goodbody Wellness, another subsidiary of Sativa Group, has seen the launch of 3 shops in Bath, Bristol, and Cirencester with plans to roll out a network of franchised establishments.

The group also owns an independent testing laboratory which tests cannabis based products to ensure they are legal and the contents are as described, with no pollutants.

Lastly it has a research partnership with Kings College London looking at the development of medicinal cannabis and Cannabinoid products for which purposes we have a grow-license from the Home Office.

One thing which has remained steadfast is our reputation for integrity and transparency. Our Code of Ethics strives to drive home those values and serves as a guide to conducting business with the highest integrity and ethical standards.

I invite all of you to read, understand and follow the code. We have streamlined it to make it easier to use and I encourage you to contact the Company Secretary should you have any questions on its interpretation.

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I am personally committed to fostering an environment that encourages all of us to raise concerns, from the Boardroom to the manufacturing floor.”

If you are witness to any misconduct, I encourage you to report it to your manager, the Human Resources department or Company Secretary, as appropriate. We have zero tolerance for any retaliation against anyone who reports a violation of this code, so please rest assured your concern will be treated with respect and confidentiality.

My hope is that you all share the same pride and commitment as I do in upholding the Sativa values as we continue to grow.

Sincerely

Henry Lees-Buckley
Chief Executive Officer



SATIVA GROUP PLC
STANDARDS

STANDARDS

PURPOSE

Why do we have a code?

Sativa Group Plc is built upon a foundation of strong corporate values and business practices. It is fully committed to serving its team members and customers and employing individuals with personal standards consistent with those of its corporate standards: integrity, professionalism and commitment to superior results. The Code is designed to deter wrongdoing and promote:

- Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships
- Full, fair, accurate, timely and understandable disclosure in reports and documents filed with regulatory authorities and in its public communications
- Compliance with applicable laws, rules and regulations
- Prompt internal reporting of violations of this Code
- Accountability for adherence to this Code

SCOPE

Who does it apply to?

This Code applies to all team members, directors, consultants and other third parties representing Sativa Group and its subsidiaries regardless of geographic location and job position. Team members include every permanent, contract, subcontract and temporary agency team member. The Code also applies to independent contractors and to individuals who are bound by a professional service agreement with Sativa Group.



Sativa Group Plc is built upon a foundation of strong corporate values and business practices.

All managers must show a commitment to our values through their actions. They must also promote an environment where compliance is expected, and ethical behaviour is the norm. All team members must comply with Sativa Group's values and principles. No one should ask team members to break the law or go against the Company's values, policies and procedures.

This Code is not intended to cover every issue or situation an employee or director may encounter at the Company. Our Code should be used as a guide in addition to other corporate policies and guidelines.

Every team member has a responsibility to read, understand, comply fully with the Code and sign the Code of Ethics Declaration Form on a yearly basis.

CODE VIOLATION

What constitutes a code violation?

Disciplinary action may be taken in the following circumstances:

- Any violation of this Code or of the law or having taken part in such actions
- Failure to report a violation or potential violation of this Code or of the law
- Refusal to cooperate with an inquiry conducted with regards to a violation of this Code or of the law
- Failure by the immediate supervisor of a perpetrator to detect and report a violation of this Code or of the law, if such failure results from or indicates inadequate management or a lack of vigilance
- Reprisals against anyone who has reported a violation or potential violation of this Code or of the law
- In the event a team member or manager encounters a situation not dealt with in this Code, they are encouraged to use their good judgement and to seek advice from their immediate line manager, a member of the Human Resources Department, the Company Secretary or in the case of a Director, the Chair of the Board.
- Anyone who knowingly makes or refers a false allegation is subject to discipline. Additionally, anyone who deliberately provides false information or refuses to cooperate in an investigation will be subject to disciplinary action. Any leader who fails to take appropriate action after receiving a report of a suspected violation of the Code will be subject to disciplinary action.

- Violations of the Code will not be tolerated. Failure to comply with standards of the Code may result in disciplinary action, which, depending on the nature of the violation, may range from a warning or reprimand up to and including termination of employment and, in appropriate cases, civil legal action or referral for regulatory or criminal prosecution, or in the case of board directors, removal from the Board.



VOICING CONCERNS

How do I raise a concern?

If you think that an actual or possible violation has occurred, it is important to report your concerns immediately. You are encouraged to identify yourself when reporting a possible violation and every effort will be made to protect your identity if you do so.

Here are various ways you can raise a concern or report a violation:

Management.

Discuss the issue with your manager or another manager.

Human Resources.

Contact the Human Resources department.

Company Secretary:

Contact the Company Secretary.

Board

Contact the CEO, CFO or Chairman if it is related to a Director.

In addition, any team member may report a violation by following the "Whistleblower Procedures Policy". Complaints of this nature may be submitted:

In a sealed envelope marked "Private and Strictly Confidential – Attention: Chair of the Audit Committee of Sativa Group" which envelope shall be forwarded unopened to the Chair of the Committee.

By email to companysecretary@sativagroup.co.uk

By telephone **01373 486595**

What happens after I raise a concern?

Once a report is received, it will be investigated promptly and thoroughly. Sativa Group expects all its team members to cooperate in investigations fully and candidly. Corrective action will be taken, as appropriate, based on the findings of the investigation.

NON-RETALIATION POLICY

What if I am retaliated against after reporting?

Any person who, in good faith, reports a violation will be treated with dignity and respect and will not be subjected to any form of discipline or retaliation for reporting. Retaliation against anyone who provides information or otherwise assists in an investigation or proceeding regarding any conduct that the person believes in good faith constitutes a violation of applicable laws or regulations, the Code or the Company's related policies is prohibited and will, in itself, be treated as a violation of the Code.

If you think you are being retaliated against, or that an investigation is being conducted inappropriately, you should report it immediately using any of the reporting avenues available to you.



SATIVA GROUP PLC

**COMMITMENT
TO EACH OTHER**

COMMITMENT TO EACH OTHER

DIVERSITY AND EQUAL EMPLOYMENT

Having a diverse workforce made up of team members who bring a wide variety of skills, abilities, experiences and perspectives is essential to our success.

We are committed to the principles of equal employment opportunity, inclusion and respect.

The Company does not tolerate sexual, psychological, or any form of harassment in the workplace. All team members, directors and consultants of the Corporation are entitled to work in an environment that is free of any forms of harassment and violence. We also comply with all applicable national and local laws pertaining to non-discrimination and equal opportunity.

Team members should always treat each other with respect and comply with Company policies, as well as relevant legal obligations including, but not limited to, standards of appropriate conduct with respect to:

- Race
- Religion
- Age
- Colour
- Gender identification
- Sexual orientation
- Disability
- National or ethnic origin
- Family status
- Marital status
- Pardoned conviction
- Veteran status
- Or any other basis protected by law

Report suspected discrimination right away and never retaliate against anyone who raises a good faith belief that unlawful discrimination has occurred.

Q. Sometimes I think my manager favours certain employees with overtime and good job assignments. I feel I am being discriminated against. What should I do?

A. You need to discuss this with your manager. Tell your manager that you feel you are not being treated fairly in terms of job assignments and overtime. Give him or her specific examples. If your manager is unresponsive or you have any fear of retaliation, contact your Human Resources department.

Q. I believe that I did not receive a promotion because of my age. What can I do?

A. If you believe that you or another employee are discriminated against for age or any other reason that is protected by law, you should discuss it immediately with a higher level of management or the Human Resources department.



ANTI-BULLYING ENVIRONMENT

We have a responsibility to ensure that our workplaces are free from harassment.

Harassment can be physical or verbal. It can be done face to face or remotely (such as email, phone calls, texts, notes) and it can be sexual in nature or otherwise inappropriate. Similarly, slurs, inappropriate jokes and disparaging remarks can also potentially be offensive. If you feel that you or someone else has experienced harassment, report it immediately.

Any team member who commits harassment or is violent in carrying out his duties shall be subject to disciplinary action, up to and including dismissal.

For complete details with regards to Harassment and Violence, please refer to the Staff Handbook.

Q. I am a female employee. My male co-worker makes repeated comments about my personal appearance that make me very uncomfortable. I've asked him to stop but he won't. What should I do?

A. You should report your co-worker's behaviour to your manager or to the Human Resources department.

Q. My boss talks frequently about her religious beliefs. This makes me uncomfortable because I think religion is a personal issue. What can I do to stop this without damaging my relationship with her?

A. Discussions on religion are highly personal. Talk to your boss and tell her how you feel. If your boss continues to discuss the subject with you against your wishes, report the behaviour to your department head, the Human Resources department or any of the other resources listed in this Code.

HEALTH AND SAFETY

Sativa Group considers the health, safety and wellbeing of its team members, customers and others who may be affected by its activities as fundamental. In this connection, the Company commits itself to ensuring that its team members enjoy safe working conditions, equipment and premises. Violence or threats of violence are strictly prohibited and, if confirmed, will be grounds for immediate termination. Examples of such conduct include harassing or threatening phone calls, email or written communication directed towards an employee or his or her friends or family members; stalking; and the destruction of personal and/or company assets. Dangerous items of any nature such as weapons, explosives or firearms will not be permitted on company property, or in employee's possessions while conducting company business offsite. Of course, theft of any kind will not be tolerated. Please immediately contact your manager or the Human Resources department if you observe any inappropriate or dangerous behaviour.

For complete details with regards to Health & Safety, please refer to the "Health and Safety Policy".

DRUGS AND ALCOHOL

The Company relies on its team members' judgement to operate efficiently and safely and maintain a lifestyle and behaviour that enables them to perform to the best of their ability while at work. Team members whose judgement or behaviour is affected by alcohol or drugs put the Company, safety of their colleagues, themselves and others at risk. The Company expects that during working hours and always while on work premises, team members, directors and consultants will be free from the influence of drugs and/or alcohol.

Unacceptable behaviours include, but are not limited to:

- Reporting or attempting to report to work when impaired due to alcohol or drugs (whether legal or not)
- Being in possession of alcohol or illegal drugs at the workplace
- Supplying others with alcohol or drugs in the workplace

If there is a reasonable belief that a team member is under the influence of alcohol or drugs when reporting to work during the course of work (for example, there is a strong smell of alcohol on the team member's breath), he/she can be sent home immediately.

The Corporation will take disciplinary action for any breach, which can lead to suspension or dismissal.

Q. I suspect that a fellow team member occasionally comes to work drunk and may be drinking on the job. What should I do?

A. You should consult with your manager, who will take the corrective steps to involve the right professionals to address the situation. If you are not comfortable discussing the matter with your manager, consider talking to someone in the Human Resources department or the Company Secretary.

DATA PRIVACY / GDPR

Sativa Group respects the confidentiality of the personal information of team members.

This includes medical and personnel records. Access to personal employee information is limited only to those who have a legal right to see the information, and then only on a need-to-know basis for the performance of their job. Access to personal information is only authorised when there is a legitimate and lawful reason and access is only granted to anyone outside of the Sativa Group under circumstances that must be approved in accordance with our policies or for purposes that are permitted by law. Personal data is processed (i.e. obtained and subsequently used "fairly and lawfully").



Sativa Group considers the health, safety and wellbeing of its team members as fundamental.



SATIVA GROUP PLC

**COMMITMENT
TO THE
CORPORATION
AND
SHAREHOLDERS**

COMMITMENT TO THE CORPORATION AND SHAREHOLDERS

CONFLICTS OF INTEREST

Team members, directors and consultants of the Company must avoid any conflict between their personal interests and the interests of Sativa Group, adversely affecting its reputation or relations with others. They must not use their position, influence, corporate information, assets or resources in a way that benefits them personally or improperly benefits others. To avoid this situation, it is important that we recognise when a conflict of interest arises or is perceived to have arisen.

IMPARTIALITY

All personnel within the Group shall avoid involvement in any activities that would diminish confidence in our Group's competence, impartiality, judgement or operational integrity. All activities should be managed to safeguard impartiality and should be carried out impartially and objectively. For complete details with regards to impartiality, please refer to the "Impartiality Policy".

BRIBES, GIFTS AND GRATUITIES

In most jurisdictions anti-corruption laws prohibit, among others, the payment of bribes and other forms of unlawful remuneration to a holder of public office in exchange for the purchase, ordering or recommendation of any products, installations, services or goods. Accepting bribes and other forms of unlawful remuneration is also prohibited in these jurisdictions.

For this reason, team members, directors and consultants of the Company must not pay or accept any bribes or other such forms of remuneration, regardless of the jurisdiction in which they carry out their activities.

Regardless of whether such gift or gratuity involves relations with a supplier, client or political or community office or any of their respective representatives or agents, the gifts, gratuities or invitations will be assessed and could be allowed if they are deemed to meet the following criteria:

- Are of nominal value and are proper in the circumstances
- Are in accordance with normal gestures of courtesy and within current norms of hospitality
- Are such that their acceptance does not put in doubt the objectivity or impartiality of a team member
- Does not compromise the integrity of the Company
- Does not influence a team member's judgement or the performance of his or her duties and responsibilities

Q. What is the difference between a gift and a bribe?

A. A gift is made with no strings attached in the interest of, for example, building a business relationship or expressing thanks. A bribe occurs if you accept or give something of value to someone in return for something else, such as the award of business or the exercise of the other's discretion or influence.

Q. What is a kickback?

A. A kickback is something of value provided for the purpose of improperly obtaining or rewarding favourable treatment in connection with the award of a contract.

Q. A vendor has offered me free tickets to a sporting event that I really want to attend. May I accept?

A. Maybe. The most important consideration when deciding whether to accept a gift or paid-for entertainment, such as tickets to a sporting event, is whether receiving it could i) compromise or appear to compromise your ability to take objective and fair business decisions, or ii) influence or appear to influence a business relationship. For this reason, business entertainment must be moderately scaled and intended only to facilitate business goals.

Q. I received a gift from a customer, but I am unsure of its value. How do I know if I need to disclose it to my manager?

A. You do not need to seek approval of very modest items, unless other people could reasonably construe them as influencing your business decisions. You should use your best judgement to estimate the value of the gift you received and the need to seek appropriate approval. If in any doubt, always err on the side of caution and ask for approval. If you have any doubt about an item's value or its implications in relation to an actual or perceived conflict of interest, you should discuss the situation with your manager or the Company Secretary.

Q. I have been asked to participate in a local customer-sponsored golf event. May I attend?

A. This kind of business entertainment is acceptable because it builds your relationship. However, you should discuss the situation with your manager.

OUTSIDE OPPORTUNITIES

Serving on the board of directors or an advisory committee of for-profit and non-profit organisations may present many opportunities for conflicts of interest. Before agreeing to become a member of the board of directors or an advisory committee of any for-profit organisation, you should contact the Company Secretary to determine the relationship, if any, existing between the Company and the for-profit organisation. To make sure activities relating to non-profit or community organisations do not create a conflict of interest or other problem, you should notify your supervisor of your prospective membership before you agree to the board service. If approved for serving on the board or director of an outside company or organisation, you may not conduct outside business during working hours without written approval or use corporate assets or information in any work for other business.

A conflict of interest may also arise if outside employment activities impair timely and effective performance for the Company. You should not take employment or provide consulting services for any business entity that is a supplier or competitor of the company. You should ensure that any outside activity is strictly separated from your employment. You should not use any corporate resources or personnel for activities not relating to the company.

For complete details with regards to responsibilities of team members and directors, please refer to your "Conflict of Interest" policy.

CONFIDENTIAL INFORMATION

The disclosure of confidential information, whether intentional or not, regarding the Company's commercial activities or business transactions may be harmful to the Company's financial stability, its competitiveness or security of its team members. Without regards to how it is received, it is imperative that the confidential information is kept private.

Any team members, directors and consultants privy to material information are prohibited from communicating such information to anyone else, unless such disclosure is necessary for purposes of his employment. Efforts will be made by the Company to limit access to such material information only to those people who need to know such information in the necessary course of business and such persons will be advised of their obligation to keep the information confidential.

Outside consultant privy to undisclosed information concerning the Company must be advised that they are prohibited from disclosing such information other than in the necessary course of their mandate and that they may not trade in the Company's securities until the information is publicly disclosed. Such outside consultants must confirm their commitment to non-disclosure.

Handle information with care. If you need to send confidential information outside of Sativa Group, make certain there is confidentiality agreement with the person receiving the information. Be cautious and thoughtful when sharing confidential information in writing, including e-mails and during private conversations. Consider your surroundings when talking on a mobile phone or in a public place.

Q. How can I tell if information is confidential?

A. If you can answer “yes” to the questions below, the information is confidential and should be protected:

- Is this information unknown to people outside the company?
- Would the Company be disadvantaged or harmed if others knew this information?
- Would your project be jeopardised if the information was not held in confidence?
- Some examples of confidential information include:
 - Undisclosed financial information and earnings reports
 - Merger, acquisition, divestiture or business plans
 - Capital requirements and plans
 - Personnel information or organisational changes
 - Marketing, pricing or service strategies
 - Business negotiation information
 - Product costs and volumes
 - Supplier and subcontractor information
 - A key senior appointment

For complete details with regards to confidentiality, please refer to your “Confidentiality and Data Protection Policy”.



SOCIAL MEDIA

Social media is of growing importance in the marketplace. It enables us to learn from and share information, as well as communicate with the public about Sativa Group. In addition to following corporate policies, a general rule to remember when utilising social media is to think about the effect of statements that you make. Keep in mind that these transmissions are permanent and easily transferable and can affect Sativa Group's reputation and relationship with co-workers and customers. When using social media tools like blogs, Facebook, Twitter or wikis, ensure that you do not make comments on behalf of Sativa Group without proper authorisation. Also, you must not disclose Sativa Group's confidential or proprietary information about our business, suppliers or customers.

Q. Can I post a message to an internet discussion group or bulletin board from my office computer?

A. Only senior managers are authorised to post business-related messages to public bulletin boards and discussion forums for legitimate corporate business-related purposes. They must not include confidential information and include a statement indicating that your remarks are your own and not the opinion of the Company. Any other staff members should get permission from a member of Sativa Group's PLC Executive team.

COMMUNICATION OF CORPORATE INFORMATION

Sativa Group makes every effort to communicate in an honest and accurate manner and seeks to comply with all relevant laws and regulations in relation to its communication activities. Sativa Group team members, directors and consultants must not, under any circumstances, respond to inquiries from the investment community, the media or

others about the Company and its business.

Only specifically authorised spokespersons can express the views of the company regarding its operations or financial results. Authorised persons are the Chief Executive Officer, Chief Financial Officer and the Company Secretary.

PROTECTION OF INTELLECTUAL PROPERTY

We value new product and business ideas, concepts and other information we produce. When we do not identify or otherwise protect this "intellectual property", Sativa Group risks losing rights to it and the competitive advantages it offers. Protect intellectual property from illegal or other misuse by making sure it is affixed with or identified by appropriate trademark, service mark or copyright notice. Licenses must be obtained to use intellectual property belonging to someone else or we must purchase the outright ownership of the property. Avoid infringing on the intellectual property of others.

DO NOT:

- Disclose non-public intellectual property inappropriately or without Sativa Group's permission
- Use a previous employer's intellectual property without that company's permission
- Make unauthorised copies of software or licensed information, except as specified in the licensing agreement
- Photocopy magazine/journal articles or other publications unless you have the authority or license to do so
- Hire a competitor's employee to obtain that competitor's trade secrets
- Affix the trademark of another company to goods without authorisation
- Fail to remove another's trademark when the goods or parts are remanufactured

RESOURCES

The responsibility to protect the Company's assets (such as materials, equipment and supplies) against loss, theft, damage, abuse, unauthorised used and destruction is incumbent on all team members, directors and consultants.

Sativa Group provides an array of information and technology resources intended to maximise our efficiency in carrying out your job such as:

- Email
- Computers
- Computer applications
- The internet
- The network drives
- Facsimile machines
- Mobile phones
- Pagers
- Other wireless communication devices
- Telephones and voice mail systems

Please remember that these tools are company property and must be used in a manner that reflects positively on Sativa Group and all who work here. Occasional, limited personal use of these resources is permitted, but cannot interfere with your work performance or the work performance of your team mates. Such inappropriate use of these resources includes, but is not limited to, the follows:

- Hacking
- Pirating software and video/audio files
- Soliciting
- Distributing literature for outside entities
- Sending inappropriate email
- Accessing inappropriate websites (such as those advocating hate, violence, sexually explicit material or promoting illegal activities)
- Distributing confidential or proprietary information of Sativa Group outside the corporation
- Use of corporate resources for personal gain

- Excessive use of the telephone or facsimile for long-distance or personal purposes
- Taking of office supplies or equipment for personal use at home
- Use of corporately-issued credit cards for personal purchases

Q. May I borrow some petty cash to buy my lunch. I will repay it tomorrow.

A. No. Sativa Group petty cash is for corporate business. Sativa Group reserves the right to monitor and inspect, without notice, the use of its information and technology resources.

INFORMATION AND TECHNOLOGY

Use of Sativa Group's networks is both a necessity and a privilege. If you have access to our information systems and computer networks, you are responsible for using the highest standards of behaviour in all of your usage and communications. When you access our networks from remote locations (for example, at home or from other non-corporate locations), you are subject to the same standards of use as are employees who access our networks while on company premises. Our networks and information systems are for legitimate corporate-related business purposes.

Limited personal use may be acceptable if it is authorised by your work location and does not interfere with your job responsibilities. Do not use Sativa Group networks for:

- Accessing third-party personal email services (e.g. Hotmail, Gmail, AOL etc)
- Sending or receiving personal instant messages
- Posting non-business messages to internet discussion groups and bulletin boards
- Soliciting for commercial, charitable, religious or political causes
- Sending chain mail letters or broadcasting personal messages
- Gaining unauthorised access to databases or information sources at Sativa Group or any other site

- Damaging computer equipment, software or data
- Interfering with or disrupting network users, services or equipment

For complete details with regards to information and technology please refer to the “staff handbook”.

RECORDS MANAGEMENT

Our records are our corporate memory, providing evidence and decisions containing data and information critical to the continuity of our business. Records consist of all forms of information created or received by Sativa Group, whether originals or copies, regardless of media.

Examples of corporate records include:

- Paper documents
- Email
- Electronic files stored on USB data storage devices, or any other medium (disc, tape etc) that contain information about Sativa Group or our business activities.

All records are the property of Sativa Group. We are responsible for properly labelling and carefully handling confidential, sensitive and proprietary information and securing it when not in use.

FINANCIAL INTEGRITY

The company's financial records contain vital and certain confidential information about its operations and constitute the basis upon which key decisions about Sativa Group are made. The accuracy and completeness of such financial records are critical to meeting obligations to shareholders, team members, suppliers and other stakeholders. They are also required to comply with tax and financial laws and regulations.

No team member, director or consultant shall intentionally cause a false, incomplete or misleading entry to be made in the accounting books, records, accounts and financial statements of the company. All the accounting books, records, accounts and financial statements of the company must record transactions in an accurate, complete, reasonable and understandable manner. All the assets and liabilities of the company must be reflected in the company's accounting records in accordance with the applicable accounting principles.

It is a criminal offense to produce or provide false information or documents required for accounting purposes, no matter whether you benefited from doing so. Falsely declaring or producing false financial records or dishonestly failing to declare information are also construed as criminal offenses

INSIDER TRADING

Insider trading is a priority of market surveillance organisations. The fundamental rule is to the effect that insiders cannot trade securities when they have knowledge of material facts that are unknown to the general public and that, if known, could affect the decision of an ordinary investor to trade in the security.

The major protection to circumvent illegal insider trading is insider reporting obligations which serve two purposes. First, it provides information to the market about the trading activities of those who manage or control the reporting issuers. Second, it serves to deter insider trading based on confidential information since insiders must disclose all of their trades to the public. Failure to comply with insider reporting requirements can lead to serious consequences, from cease trade orders to prosecution before the courts. In addition, the failure to file an insider report on time will entail a late filing fee.

Q. My family and friends often ask about Sativa Group and whether they should buy shares. Usually I tell them what I know about our business and suggest that they buy. Is this a problem?

A. It could be. The same rules about inside information apply whether you buy or sell stock yourself or if you give the information to someone else. If a relative or friend buys or sells stock based on non-public information or “tips” that you give him or her, both of you could be liable for violation of securities laws.

Q. I overheard in the kitchen that Sativa Group is planning to acquire a large company. Can I buy or sell Sativa Group shares or shares of the other company?

A. No. The fact that you were not specifically given the information to do your job doesn't matter. The prohibition against trading applies to any information you obtain, regardless of how you obtain it.

Q. How do I know whether I am aware of “material” non-public information about Sativa Group?

A. Information is material if it is important to an investor making a decision about buying or selling our shares. This information includes financial results, business acquisitions or sales, senior management changes, government investigations and changes in significant customers. If you are unsure whether you have material information, refrain from trading and consult the Company Secretary.

For complete details with regards to trading Sativa Group shares, please refer to your “Share Dealing Policy and Dealing Procedures Manual”.





SATIVA GROUP PLC

COMMITMENT TO OTHERS

COMMITMENT TO OTHERS

BUSINESS PRACTICES

Everyday business practices such as discounts, rebates or customer services may involve a potential for fraud or abuse if the company does not document these practices in an appropriate manner and establish proper control mechanisms.

Managers responsible for these business practices within the company are accountable for overseeing and issuing policies dealing with these matters. Managers must, therefore, ensure that these business practices are documented in an appropriate manner and that proper control mechanisms are put in place.

THIRD PARTY DATA PRIVACY

Keeping customer information secure and using it appropriately is a top priority for Sativa Group.

We must safeguard any confidential information that customers or third parties share with us. We must also ensure that such information is used only for the reasons for which the information was gathered, unless further use is allowed by law. Customer or third party information includes any information about a specific customer/third party, including such things as name, address, phone numbers, financial information, etc. We do not disclose any information about a third party without the written approval unless legally required to do so (for example, under a court-issued subpoena).

Q. I just received a call from a government agency requesting information on one of our customers. Should I provide the requested information?

A. You should contact the Company Secretary before providing any information about a customer to a third party. Sativa Group always seeks to cooperate fully with law enforcement investigations, but it must also take into account certain additional considerations, such as the potential liability to a customer for providing information beyond that which is appropriate under the law.

COMPETITION

The company and all team members, directors and consultants must comply with competition legislation, as well as, with all anti-trust laws, policies and procedures, rules and practices existing in the jurisdictions in which the company carries on business.

The following rules apply with respect to competition:

- No team members, director or consultant shall enter into an agreement or contract for the purpose of or having the effect of, limiting competition. Illegal understandings or agreements between competitors include, without limitation, price fixing, allocation of markets and manipulation of tenders.
- No team member, director or consultant shall exchange, discuss or compare information with a competitor regarding prices, purchasing conditions, pricing and distribution policies, selection or rating of suppliers or clients, credit policies or other similar competitive information.
- No team member, director or consultant may act as a director, team member, consultant or advisor, or in any other role for any organisation that could compete with or has a business relationship with Sativa Group without first getting permission.

CONTRACTUAL OBLIGATIONS

All team members, director and consultants who enter into contracts, commit the company's funds, agree on price or consideration for the procurement of equipment, material goods or services, or approve financial management transactions on the company's behalf, whether with a supplier or a customer, must ensure:

- They have proper authorisation pursuant to Sativa Group's delegation of authority
- The transaction is covered by a contract
- The contract is executed in accordance with such authorisation

As well, team members approving payment against a contract through the payment of invoices and vouchers must ensure they have proper authorisation. A contract provides a good measure of certainty in the company's business relationships as it captures the rights and obligations of each party and the terms and conditions of their respective performance.



FINANCIAL CONTRIBUTIONS TO POLITICAL PARTIES

Most countries, including the United Kingdom, European countries, Canada and the United States have laws regulating and, in certain cases, prohibiting gifts or contributions to or expenses charged to a company or incurred in its name on behalf of a candidate, political party or organisation or to any individual who holds or is seeking public office, whether during the calendar year or in relation to elections.

Therefore, no corporate funds or services shall be paid, supplied, offered or promised to any candidate, political party or organisation or to any individual who holds or is seeking public office without the prior written approval from the Board.

ATTRIBUTION OF CONTRIBUTIONS AND SPONSORSHIPS

Sativa Group is proud to support certain recognised charitable organisations and non-profit organisations to the extent that these contributions do not contravene its rules of conduct and the rules of this Code of Ethics.

It is the responsibility of the company's senior management and managers to approve the contributions in accordance with the delegation of authority of Sativa Group. You can communicate with the Company Secretary should you have any questions.

ANTI-BOYCOTTING, MONEY-LAUNDERING, EMBARGO AND CONTROL OF TRADE LAWS

Sativa Group and its team members, directors and consultants must comply with all laws, regulations and procedures relating to anti-boycotting, money-laundering, embargoes and control of trade prevailing in the jurisdictions in which the company, its subsidiaries and/or their contracting parties conduct business.

We do not cooperate with foreign boycotts that are not approved in the jurisdictions in which we operate. Additionally, doing business with certain countries may result in imposed economic sanctions.

Money laundering is defined as the process of converting illegal proceeds so that funds are made to appear legitimate and it is not limited to cash transactions. Complex commercial transactions may hide financing for criminal activities such as terrorism, illegal narcotics trade, bribery and fraud. Involvement in such activities undermines our integrity, damages our reputation and can expose Sativa Group and individuals to severe sanctions. We forbid knowingly engaging in transactions that facilitate money laundering or result in unlawful diversion. We take affirmative steps to detect and prevent unacceptable or illegal forms of payment and financial transaction. Anti-money laundering laws require transparency of payments and the identity of all parties to transactions. We are committed to full compliance with anti-money laundering laws throughout the world and will conduct business only with reputable customers involved in legitimate business activities and transactions.

Any team member, director or consultant who suspects that the other party to a commercial transaction is involved in illegal activities or is using revenues derived from illegal activities must consult and obtain approval from the legal department before concluding the transaction in question.



CODE OF ETHICS DECLARATION FORM

By signing below, I hereby acknowledge that I am aware of Sativa Group's Code of Ethics, have access to it, and have read and understand it.

I am also aware of how to seek guidance and report violations.

Printed name:

Signature:

Date:

Job Title:



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