

Thursday, 05 February 2026

# Articles of Association



**The Hemp Trades Association UK  
Limited t/a The Cannabis Trades  
Association**



## The Companies Act 2006 Private company limited by guarantee without a share capital

### Contents

INTERPRETATION .....	5
1. Defined Terms .....	5
ASSET LOCK .....	5
2. Asset Lock .....	5
3. Not for profit .....	5
OBJECTS, POWERS AND LIMITATION OF LIABILITY .....	5
4. Objects .....	5
5. Powers .....	8
6. Liability of members .....	9
DIRECTORS .....	9
DIRECTORS' POWERS AND RESPONSIBILITIES .....	9
7. Directors' general authority .....	9
8. Members' reserve power .....	9
9. Chair .....	9
10. Directors may delegate .....	9
11. Committees .....	10
DECISION-MAKING BY DIRECTORS .....	10
12. Directors to take decisions collectively .....	10
13. Calling a Directors' meeting .....	10
14. Participation in Directors' meetings .....	11
15. Quorum for Directors' meetings .....	11
16. Chairing of Directors' meetings .....	11
17. Decision making at a meeting .....	11
18. Decisions without a meeting .....	11
19. Conflicts of interest .....	12
20. Directors' power to authorise a conflict of interest .....	13
21. Register of Directors' interests .....	13
APPOINTMENT AND RETIREMENT OF DIRECTORS .....	13
22. Methods of appointing directors .....	13



23.	Termination of Director’s appointment .....	14
24.	Directors’ remuneration .....	14
25.	Directors’ expenses .....	15
MEMBERS .....		15
BECOMING AND CEASING TO BE A MEMBER .....		15
26.	Becoming a member .....	15
27.	Class of members.....	15
28.	Termination of membership .....	16
ORGANISATION OF GENERAL MEETINGS .....		16
29.	General meetings .....	16
30.	Length of notice .....	17
31.	Contents of notice .....	17
32.	Service of notice .....	17
33.	Attendance and speaking at general meetings.....	18
34.	Quorum for general meetings.....	18
35.	Chairing general meetings .....	18
36.	Attendance and speaking by Directors and non-members.....	19
37.	Adjournment .....	19
VOTING AT GENERAL MEETINGS .....		20
38.	Voting: general.....	20
39.	Votes.....	20
40.	Poll votes.....	21
41.	Errors and disputes .....	22
42.	Content of proxy notices .....	22
43.	Delivery of proxy notices .....	22
44.	Amendments to resolutions.....	23
WRITTEN RESOLUTIONS.....		23
45.	Written resolutions .....	23
ADMINISTRATIVE ARRANGEMENTS AND MISCELLANEOUS.....		24
46.	Means of communication to be used.....	24
47.	Irregularities.....	25
48.	Minutes .....	25



49.	Records and accounts.....	25
50.	Company Rules.....	26
51.	Indemnity.....	26
52.	Insurance.....	26
53.	Exclusion of model articles.....	27
SCHEDULE.....		28
1.	INTERPRETATION.....	28
2.	DEFINED TERMS.....	28
3.	NEW CLAUSE.....	30
4.	CODE OF CONDUCT.....	30
5.	DIVERSITY AND INCLUSION STATEMENT.....	32
6.	ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG) ALIGNMENT.....	33
7.	ETHICS IN ADVERTISING AND MARKETING.....	33
8.	DIGITAL SECURITY AND DATA PROTECTION.....	35



## INTERPRETATION

### 1. Defined Terms

The interpretation of these Articles is governed by the provisions set out in the Schedule at end of the Articles.

## ASSET LOCK

### 2. Asset Lock

- 2.1 The Company shall not transfer any of its assets other than for full consideration.
- 2.2 Provided the conditions in Article 2.3 are satisfied, Article 2.1 shall not apply to:
  - (a) the transfer of assets to any specified asset-locked body, or to any other asset locked body; and
  - (b) the transfer of assets made for the benefit of the community other than by way of a transfer of assets into an asset-locked body.
- 2.3 The conditions are that the transfer of assets must comply with any restrictions on the transfer of assets for less than full consideration which may be set out elsewhere in the Memorandum and Articles of the Company.
- 2.4 If:
  - 2.4.1 the Company is wound up under the Insolvency Act 1986; and
  - 2.4.2 all its liabilities have been satisfied any residual assets shall be given or transferred to an asset-locked body in accordance with Article 4.4.

### 3. Not for profit

The Company is not established or conducted for private gain: any surplus or assets are used principally for the benefit of the community.

## OBJECTS, POWERS AND LIMITATION OF LIABILITY

### 4. Objects

- 4.1 The objects of the Company are:-
  - 4.1.1 to promote the interests of companies involved in the cultivation, processing and distribution of legal Cannabis, Hemp, and legal Cannabis and Hemp products, and natural products.
  - 4.1.2 to carry on any other trade or business whatsoever which can, in the opinion of the Company, be advantageously carried on by the Company in connection with or



ancillary to any of the general business of the Company or is calculated directly to benefit the Company or enhance the value of or render profitable any of the Company's property or rights or is required by any customers of or persons dealing with the Company,

- 4.1.3 to purchase or by any other means acquire and take options over any property whatever, and any rights or privileges of any kind over or in respect of any property;
- 4.1.4 to improve, manage, construct, repair, develop, exchange, let on lease or otherwise, mortgage, charge, sell, dispose of, turn to account, grant licences, options, rights and privileges in respect of, or otherwise deal with all or any part of the property and rights of the Company
- 4.1.5 to invest and deal with the monies of the Company not immediately required in such manner as may from time to time be determined and to hold or otherwise deal with any investments made;
- 4.1.6 to lend and advance money or give credit on such terms as may seem expedient and with or without security to customers and others, to enter into guarantees, contracts of indemnity and suretyships of all kinds to receive money on deposit or loan upon such terms as the Company may approve and to secure or guarantee the payment of any sums of money or the performance of any obligation by any company, firm or person included any holding company, subsidiary or fellow subsidiary company in any manner;
- 4.1.7 to borrow and raise money in such manner as the Company shall think fit and to secure the repayment of any money borrowed, raised or owing by mortgage, charge, standard security, lien or other security upon the whole or any part of the Company's property or assets (whether present or future) and also by a similar mortgage, charge, standard security, lien or security to secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it;
- 4.1.8 to draw, make, accept, endorse, discount, negotiate, execute and issue cheques, bills of exchange, promissory notes, bills of lading, warrants, debentures, and other negotiable or transferable instruments;
- 4.1.9 to enter into any arrangements with any government or authority (supreme, municipal, local, or otherwise) that may seem conducive to the attainment of the Company's objects or any of them, and to obtain from any such government or authority any charters, decrees, rights, privileges or concessions which the Company may think desirable and to carry out, exercise, and comply with any such charters, decrees, rights, privileges and concessions;
- 4.1.10 to pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company, or to contract with any person, firm or company to pay the same;



- 4.1.11 to give or award pensions, annuities, gratuities, and superannuation or other allowances or benefits or charitable aid and generally to provide advantages, facilities and services for any persons who are or have been directors of, or who are to have been employed by, or who are serving or have served the Company, and to the wives, widows, children and other relatives and dependents of such persons; to make payments towards insurance; and to set up, establish, support and maintain superannuation and other funds or schemes (whether contributory or non-contributory) for the benefit of any such persons and of their wives, widows, children and other relatives and dependents; and
- 4.1.12 to do all or any of the things or matters aforesaid in any part of the world and either as principals, agents, contractors or otherwise, and by or through agents, brokers, subcontractors or otherwise and either alone or in conjunction with others.
- 4.2 The objects set forth in each sub-Article of this Article 4 shall not be restrictively construed but the widest interpretation shall be given thereto, and they shall not, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from any other object or objects set forth in each sub-Article or from the name of the Company. None of each sub-Articles or the object or objects therein specified, or the powers thereby conferred shall be deemed subsidiary or ancillary to the objects or powers mentioned in any other sub-Article, but the Company shall have full power to exercise all or any of the objects conferred by and provided in each of the said sub-Articles as if each sub-Article contained the objects of a separate company. The word company in this Article, except where used in reference to the Company, shall be deemed to include any partnership or other body of persons, whether incorporated or unincorporated and whether domiciled in the United Kingdom or elsewhere.
- 4.3 The income and property of the Company shall be applied solely towards the promotion of its objects as set forth in this Article 4 and no portion thereof shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise howsoever by way of profit, to members of the Company, provided that nothing herein shall prevent any payment in good faith by the Company.
  - 4.3.1 of reasonable and proper remuneration to any member, officer or servant of the Company for any services rendered to the Company;
  - 4.3.2 of any interest on money lent by any member of the Company or any director at a reasonable and proper rate;
  - 4.3.3 of reasonable and proper rent for premises demised or let by any member of the Company or any director; and
  - 4.3.4 to any director of out-of-pocket expenses.
- 4.4 If upon the winding up or dissolution of the Company there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid or distributed among the members of the Company, but shall be given or



transferred to some other institution (charitable or otherwise) having objects similar to the objects of the Company and which shall prohibit the distribution of its or their income to its or their members, such institutions to be determined by the members of the Company at or before the time of dissolution.

## 5. Powers

- 5.1 To further its objects the Company may do all such lawful things as may further the Company's objects and, in particular, but, without limitation, may:-
  - 5.1.1 borrow or raise and secure the payment of money for any purpose including for the purposes of investment, raising funds (including raising subscriptions from members), obtaining donations and grants from any persons or organisations and the holding or money raising events of any kind;
  - 5.1.2 conduct meetings for its members;
  - 5.1.3 open or operate one or more bank accounts;
  - 5.1.4 borrow money on such terms and giving security (if any) as the elected committee think fit; and for these purposes the association may execute any type of mortgage, charge, debenture or security over the association's property;
  - 5.1.5 lend money and give credit to any person, company or organisation on such terms and on such security (if any) as the elected committee think fit;
  - 5.1.6 invest any of the associations money that is not immediately required in such investments, securities or property as the elected committee think fit (but subject to any conditions or consents that may be imposed by law);
  - 5.1.7 acquire any land or buildings (whether freehold, leasehold or on license) and any rights over or connected with property; construct, maintain, improve, develop and alter any such land or buildings; sell, grant leases or licenses over, dispose of, mortgage or turn to account any such buildings;
  - 5.1.8 employ full time and part time officers and employees and contract for services to be provided by any person, or organisation; and pay wages, salaries and fees for any services rendered to the association and make reasonable provision for paying pensions, provision for the welfare of officers and employees and their relatives and dependants;
  - 5.1.9 engage solicitors, accountants and other professional advisers to advise and act for the association and pay the fees and expenses of such persons;
  - 5.1.10 join or cooperate with any other organisation having objects similar to or compatible with those of the association and support any such organisation (including the making of loans and grants); and
  - 5.1.11 do all such things that are lawful and necessary or expedient for the promotion of the association's objects.

## **6. Liability of members**

The liability of each member is limited to £1, being the amount that each member undertakes to contribute to the assets of the Company in the event of its being wound up while he or she is a member or within one year after he or she ceases to be a member, for:

- 6.1 payment of the Company's debts and liabilities contracted before he or she ceases to be a member;
- 6.2 payment of the costs, charges and expenses of winding up; and
- 6.3 adjustment of the rights of the contributories among themselves.

# **DIRECTORS**

## **DIRECTORS' POWERS AND RESPONSIBILITIES**

### **7. Directors' general authority**

Subject to the Articles, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

### **8. Members' reserve power**

- 8.1 The members may, by special resolution, direct the Directors to take, or refrain from taking, specific action.
- 8.2 No such special resolution invalidates anything which the Directors have done before the passing of the resolution.

### **9. Chair**

The Directors may appoint one of their number to be the chair of the Directors for such term of office as they determine and may at any time remove him or her from office.

### **10. Directors may delegate**

- 10.1 Subject to the Articles, the Directors may delegate any of the powers which are conferred on them under the Articles:
  - 10.1.1 to such person or committee;
  - 10.1.2 by such means (including by power of attorney);
  - 10.1.3 to such an extent;



10.1.4 in relation to such matters or territories; and  
10.1.5 on such terms and conditions; as they think fit.

- 10.2 If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated.
- 10.3 The Directors may revoke any delegation in whole or part, or alter its terms and conditions.

## **11. Committees**

- 11.1 Committees to which the Directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by Directors.
- 11.2 The Directors may make rules of procedure for all or any committees, which prevail over rules derived from the Articles if they are not consistent with them.

## **DECISION-MAKING BY DIRECTORS**

### **12. Directors to take decisions collectively**

Any decision of the Directors must be either a majority decision at a meeting or a decision taken in accordance with Article 18.

### **13. Calling a Directors' meeting**

- 13.1 Two Directors may (and the Secretary, if any, must at the request of two Directors) call a Directors' meeting.
- 13.2 A Directors' meeting must be called by at least seven Clear Days' notice unless either:
  - 13.2.1 all the Directors agree; or
  - 13.2.2 urgent circumstances require shorter notice.
- 13.3 Notice of Directors' meetings must be given to each Director.
- 13.4 Every notice calling a Directors' meeting must specify:
  - 13.4.1 the place, day and time of the meeting; and
  - 13.4.2 if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- 13.5 Notice of Directors' meetings need not be in Writing.
- 13.6 Notice of Directors' meetings may be sent by Electronic Means to an Address provided by the Director for the purpose.



## **14. Participation in Directors' meetings**

- 14.1 Subject to the Articles, Directors participate in a Directors' meeting, or part of a Directors' meeting, when:
- 14.1.1 the meeting has been called and takes place in accordance with the Articles; and
  - 14.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 14.2 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.
- 14.3 If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

## **15. Quorum for Directors' meetings**

- 15.1 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 15.2 The quorum for Directors' meetings may be fixed from time to time by a decision of the Directors, but it must never be less than four, and unless otherwise fixed it is four.
- 15.3 If the total number of Directors for the time being is less than the quorum required, the Directors must not take any decision other than a decision:
- 15.3.1 to appoint further Directors; or
  - 15.3.2 to call a general meeting so as to enable the members to appoint further Directors.

## **16. Chairing of Directors' meetings**

The Chair, if any, or in his or her absence another Director nominated by the Directors present shall preside as chair of each Directors' meeting.

## **17. Decision making at a meeting**

- 17.1 Questions arising at a Directors' meeting shall be decided by a majority of votes.
- 17.2 In all proceedings of Directors each Director must not have more than one vote.
- 17.3 In case of an equality of votes, the Chair shall have a second or casting vote.

## **18. Decisions without a meeting**

- 18.1 The Directors may take a unanimous decision without a Directors' meeting by indicating to each other by any means, including without limitation by Electronic Means, that they



share a common view on a matter. Such a decision may, but need not, take the form of a resolution in Writing, copies of which have been signed by each Director or to which each Director has otherwise indicated agreement in Writing.

18.2 A decision which is made in accordance with Article 18.1 shall be as valid and effectual as if it had been passed at a meeting duly convened and held, provided the following conditions are complied with:

18.2.1 approval from each Director must be received by one person being either such person as all the Directors have nominated in advance for that purpose or such other person as volunteers if necessary (“the Recipient”), which person may, for the avoidance of doubt, be one of the Directors;

18.2.2 following receipt of responses from all of the Directors, the Recipient must communicate to all of the Directors by any means whether the resolution has been formally approved by the Directors in accordance with this Article 18.2;

18.2.3 the date of the decision shall be the date of the communication from the Recipient confirming formal approval;

18.2.4 the Recipient must prepare a minute of the decision in accordance with Article 47.

## **19. Conflicts of interest**

19.1 Whenever a Director finds himself or herself in a situation that is reasonably likely to give rise to a Conflict of Interest, he or she must declare his or her interest to the Directors unless, or except to the extent that, the other Directors are or ought reasonably to be aware of it already.

19.2 If any question arises as to whether a Director has a Conflict of Interest, the question shall be decided by a majority decision of the other Directors.

19.3 Whenever a matter is to be discussed at a meeting or decided in accordance with Article 18 and a Director has a Conflict of Interest in respect of that matter then, subject to Article 20, he or she must:

19.3.1 remain only for such part of the meeting as in the view of the other Directors is necessary to inform the debate;

19.3.2 not be counted in the quorum for that part of the meeting; and

19.3.3 withdraw during the vote and have no vote on the matter.

19.4 When a Director has a Conflict of Interest which he or she has declared to the Directors, he or she shall not be in breach of his or her duties to the Company by withholding confidential information from the Company if to disclose it would result in a breach of any other duty or obligation of confidence owed by him or her.



## 20. Directors' power to authorise a conflict of interest

20.1 The Directors have power to authorise a Director to be in a position of Conflict of Interest provided:

20.1.1 in relation to the decision to authorise a Conflict of Interest, the conflicted Director must comply with Article 19.3;

20.1.2 in authorising a Conflict of Interest, the Directors can decide the manner in which the Conflict of Interest may be dealt with and, for the avoidance of doubt, they can decide that the Director with a Conflict of Interest can participate in a vote on the matter and can be counted in the quorum;

20.1.3 the decision to authorise a Conflict of Interest can impose such terms as the Directors think fit and is subject always to their right to vary or terminate the authorisation; and

20.2 If a matter, or office, employment or position, has been authorised by the Directors in accordance with Article 20.1 then, even if he or she has been authorised to remain at the meeting by the other Directors, the Director may absent himself or herself from meetings of the Directors at which anything relating to that matter, or that office, employment or position, will or may be discussed.

20.3 A Director shall not be accountable to the Company for any benefit which he or she derives from any matter, or from any office, employment or position, which has been authorised by the Directors in accordance with Article 20.1 (subject to any limits or conditions to which such approval was subject).

## 21. Register of Directors' interests

The Directors shall cause a register of Directors' interests to be kept. A Director must declare the nature and extent of any interest, direct or indirect, which he or she has in a proposed transaction or arrangement with the Company or in any transaction or arrangement entered into by the Company which has not previously been declared.

## APPOINTMENT AND RETIREMENT OF DIRECTORS

### 22. Methods of appointing directors

22.1 Those persons notified to the Registrar of Companies as the first Directors of the Company shall be the first Directors.

22.2 Any person who is willing to act as a Director, and is permitted by law to do so providing such person is also a member of the Company or an Authorised Representative of a member, may be appointed to be a Director:

(a) by ordinary resolution; or



(b) by a decision of the Directors.

22.3 In any case where, as a result of death, the Company has no members and no Directors, the personal representatives of the last member to have died have the right, by notice in writing, to appoint a person to be a member.

22.4 For the purposes of Article 22.3, where two or more members die in circumstances rendering it uncertain who was the last to die, a younger member is deemed to have survived an older member.

## 23. Termination of Director's appointment

A person ceases to be a Director as soon as:

- (a) that person ceases to be a Director by virtue of any provision of the Companies Acts, or is prohibited from being a Director by law;
- (b) a bankruptcy order is made against that person, or an order is made against that person in individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
- (d) notification is received by the Company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms (but only if at least two Directors will remain in office when such resignation has taken effect);
- (e) the Director fails to attend three consecutive meetings of the Directors and the Directors resolve that the Director be removed for this reason; or
- (f) at a general meeting of the Company, a resolution is passed that the Director be removed from office, provided the meeting has invited the views of the Director concerned and considered the matter in the light of such views.

## 24. Directors' remuneration

24.1 Directors may undertake any services for the Company that the Directors decide.

24.2 Directors are entitled to such remuneration as the Directors determine:

- (a) for their services to the Company as Directors; and (b) for any other service which they undertake for the Company.

24.3 Subject to the Articles, a Director's remuneration may:

- (a) take any form; and
- (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.



24.4 Unless the Directors decide otherwise, Directors' remuneration accrues from day to day.

24.5 Unless the Directors decide otherwise, Directors are not accountable to the Company for any remuneration which they receive as Directors or other officers or employees of the Company's subsidiaries or of any other body corporate in which the Company is interested.

## **25. Directors' expenses**

The Company may pay any reasonable expenses which the Directors properly incur in connection with their attendance at:

- (a) meetings of Directors or committees of Directors;
- (b) general meetings; or
- (c) separate meetings of any class of members or of the holders of any debentures of the Company,

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

# **MEMBERS**

## **BECOMING AND CEASING TO BE A MEMBER**

### **26. Becoming a member**

26.1 The subscribers to the Memorandum are the first members of the Company.

26.2 Such other persons as are admitted to membership in accordance with the Articles shall be members of the Company.

26.3 No person shall be admitted a member of the Company unless he or she is approved by the membership secretary or such person to whom the Director delegate the power to from time to time.

26.4 Every person who wishes to become a member shall deliver to the Company an application for membership in such form (and containing such information) as the Directors require and executed by him or her.

### **27. Class of members**

27.1 In accordance with the Company's Rules (as published and amended from time to time) the Company shall have two class of members:-

27.1.1 Members: individual members; and

27.1.2 Associate Members: associate members.



- 27.2 The Directors of the Company shall be permitted to create any new class or classes of membership as they see fit from time to time and the criteria upon which a person/entity can become a member of the Company shall be set out in the Company's Rules (as published and amended from time to time).

## **28. Termination of membership**

- 28.1 Membership is not transferable to anyone else.
- 28.2 Membership is terminated if:
- 28.2.1 the member dies or ceases to exist;
  - 28.2.2 the member gives written notice that he/she/it wishes to resign as a member of the Company. In the event of a member resigning he/she/it shall still be responsible for paying the full subscription for the year during which the resignation takes effect and in the event that member is a fully paid up member he/she/it shall not be entitled to any refund of paid subscription fees;
  - 28.2.3 otherwise in accordance with the Articles; or
  - 28.2.4 at a meeting of the Directors at which at least half of the Directors are present, a resolution is passed resolving that the member be expelled on the ground that his or her continued membership is harmful to or is likely to become harmful to the interests of the Company. Such a resolution may not be passed unless the member has been given at least 14 Clear Days' notice that the resolution is to be proposed, specifying the circumstances alleged to justify expulsion, and has been afforded a reasonable opportunity of being heard by or of making written representations to the Directors. A member expelled by such a resolution will nevertheless remain liable to pay to the Company any subscription or other sum owed by him or her.

## **ORGANISATION OF GENERAL MEETINGS**

### **29. General meetings**

- 29.1 The Directors may call a general meeting at any time, and at such times and places (including electronic platforms) as it shall determine. In the case of electronic or hybrid general meetings, the electronic platform may vary from time to time and from meeting to meeting as the Board, in its sole discretion, sees fit.
- 29.2 The Directors must call a general meeting if required to do so by the members under the Companies Acts.
- 29.3 The Board shall determine whether a general meeting is to be held as a physical general meeting, or an electronic general meeting, or a combination of the two.



- 29.4 The Board may resolve to enable persons entitled to attend a general meeting hosted on an electronic platform (such meeting being an electronic or hybrid general meeting) to do so by simultaneous attendance by electronic means with no member necessarily in physical attendance at the electronic general meeting. The members or their proxies present shall be counted in the quorum for, and entitled to vote at, the electronic or hybrid general meeting in question, and that meeting shall be duly constituted and its proceedings valid if the chair of the general meeting is satisfied that adequate facilities are available throughout the electronic or hybrid general meeting to ensure that members attending the electronic or hybrid general meeting who are not present together at the same place, may, by electronic means, attend, speak and vote at it.
- 29.5 Proxy Validation – see Article 42.

### **30. Length of notice**

All general meetings must be called by either:

- 30.1 at least 14 Clear Days' notice; or
- 30.2 shorter notice if it is so agreed by a majority of the members having a right to attend and vote at that meeting. Any such majority must together represent at least 90% of the total voting rights at that meeting of all the members.

### **31. Contents of notice**

- 31.1 Every notice calling a general meeting must specify whether the meeting shall be a physical general meeting, or an electronic general meeting, or a combination of the two, the place (which, in the case of an electronic general meeting, means the electronic platform), day and time of the meeting, whether it is a general or an annual general meeting, and the general nature of the business to be transacted.
- 31.2 If a special resolution is to be proposed, the notice must include the proposed resolution and specify that it is proposed as a special resolution.
- 31.3 In every notice calling a meeting of the Company there must appear with reasonable prominence a statement informing the member of his or her rights to appoint another person as his or her proxy at a general meeting.

### **32. Service of notice**

Notice of general meetings must be given to every member, to the Directors and to the auditors of the Company.



### **33. Attendance and speaking at general meetings**

- 33.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- 33.2 A person is able to exercise the right to vote at a general meeting when:
  - 33.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
  - 33.2.2 that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 33.3 The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- 33.4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.
- 33.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

### **34. Quorum for general meetings**

- 34.1 No business (other than the appointment of the chair of the meeting) may be transacted at any general meeting unless a quorum is present.
- 34.2 Two persons entitled to vote on the business to be transacted (each being a member, a proxy for a member or a duly Authorised Representative of a member); or 10% of the total membership (represented in person or by proxy), whichever is greater, shall be a quorum.
- 34.3 If a quorum is not present within half an hour from the time appointed for the meeting, the meeting shall stand adjourned to the same day in the next week at the same time (or electronic platform in the case of an electronic meeting) and place (or electronic platform in the case of an electronic meeting), or to such time and place as the Directors may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting those present and entitled to vote shall be a quorum.

### **35. Chairing general meetings**

- 35.1 The Chair (if any) or in his or her absence some other Director nominated by the Directors will preside as chair of every general meeting.



- 35.2 If neither the Chair nor such other Director nominated in accordance with Article 35.1 (if any) is present within fifteen minutes after the time appointed for holding the meeting and willing to act, the Directors present shall elect one of their number to chair the meeting and, if there is only one Director present and willing to act, he or she shall be chair of the meeting.
- 35.3 If no Director is willing to act as chair of the meeting, or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the members present in person or by proxy and entitled to vote must choose one of their number to be chair of the meeting, save that a proxy holder who is not a member entitled to vote shall not be entitled to be appointed chair of the meeting.

## **36. Attendance and speaking by Directors and non-members**

- 36.1 A Director may, even if not a member, attend and speak at any general meeting.
- 36.2 The chair of the meeting may permit other persons who are not members of the Company to attend and speak at a general meeting.

## **37. Adjournment**

- 37.1 The chair of the meeting may adjourn a general meeting at which a quorum is present if:
- 37.1.1 the meeting consents to an adjournment; or
  - 37.1.2 it appears to the chair of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- 37.2 The chair of the meeting must adjourn a general meeting if directed to do so by the meeting.
- 37.3 When adjourning a general meeting, the chair of the meeting must:
- 37.3.1 either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors; and
  - 37.3.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 37.4 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least seven Clear Days' notice of it:
- 37.4.1 to the same persons to whom notice of the Company's general meetings is required to be given; and
  - 37.4.2 containing the same information which such notice is required to contain.
- 37.5 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.



## VOTING AT GENERAL MEETINGS

### 38. Voting: general

- 38.1 A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the Articles.
- 38.2 At all electronic general meetings a resolution put to the meeting will be voted on by a poll. Poll votes will be cast by such electronic means as the Board, in its sole discretion, deems appropriate for the purposes of the meeting.
- 38.3 A person who is not a member of the Company shall not have any right to vote at a general meeting of the Company; but this is without prejudice to any right to vote on a resolution affecting the rights attached to a class of the Company's debentures.
- 38.4 Article 38.2 shall not prevent a person who is a proxy for a member or a duly Authorised Representative from voting at a general meeting of the Company.

### 39. Votes

- 39.1 On a vote on a resolution on a show of hands at a meeting, subject to Article 39.2, every person present in person (whether a member, proxy or Authorised Representative of a member) and entitled to vote shall have a maximum of one vote.
- 39.2 On a vote on a resolution on a poll at a meeting every member present in person or by proxy or Authorised Representative shall have one vote.
- 39.3 In the case of an equality of votes, whether on a show of hands or on a poll, the chair of the meeting shall not be entitled to a casting vote in addition to any other vote he or she may have.
- 39.4 No member shall be entitled to vote at any general meeting unless all monies presently payable by him, her or it to the Company have been paid.
- 39.5 The following provisions apply to any organisation that is a member ("a Member Organisation"):
  - 39.5.1 a Member Organisation may nominate any individual to act as its representative ("an Authorised Representative") at any meeting of the Company;
  - 39.5.2 the Member Organisation must give notice in Writing to the Company of the name of its Authorised Representative. The Authorised Representative will not be entitled to represent the Member Organisation at any meeting of the Company unless such notice has been received by the Company. The Authorised Representative may continue to represent the Member Organisation until notice in Writing is received by the Company to the contrary;



- 39.5.3 a Member Organisation may appoint an Authorised Representative to represent it at a particular meeting of the Company or at all meetings of the Company until notice in Writing to the contrary is received by the Company;
- 39.5.4 any notice in Writing received by the Company shall be conclusive evidence of the Authorised Representative's authority to represent the Member Organisation or that his or her authority has been revoked. The Company shall not be required to consider whether the Authorised Representative has been properly appointed by the Member Organisation;
- 39.5.5 an individual appointed by a Member Organisation to act as its Authorised Representative is entitled to exercise (on behalf of the Member Organisation) the same powers as the Member Organisation could exercise if it were an individual member;
- 39.5.6 on a vote on a resolution at a meeting of the Company, the Authorised Representative has the same voting rights as the Member Organisation would be entitled to if it was an individual member present in person at the meeting; and
- 39.5.7 the power to appoint an Authorised Representative under this Article 39.5 is without prejudice to any rights which the Member Organisation has under the Companies Acts and the Articles to appoint a proxy or a corporate representative.

## **40. Poll votes**

- 40.1 A poll on a resolution may be demanded:
  - 40.1.1 in advance of the general meeting where it is to be put to the vote; or
  - 40.1.2 at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- 40.2 A poll may be demanded by:
  - 40.2.1 the chair of the meeting;
  - 40.2.2 the Directors;
  - 40.2.3 two or more persons having the right to vote on the resolution;
  - 40.2.4 any person, who, by virtue of being appointed proxy for one or more members having the right to vote at the meeting, holds two or more votes; or
  - 40.2.5 a person or persons representing not less than one tenth of the total voting rights of all the members having the right to vote on the resolution.
- 40.3 A demand for a poll may be withdrawn if:
  - 40.3.1 the poll has not yet been taken; and
  - 40.3.2 the chair of the meeting consents to the withdrawal.
- 40.4 Polls must be taken immediately and in such manner as the chair of the meeting directs.



## 41. Errors and disputes

- 41.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
- 41.2 Any such objection must be referred to the chair of the meeting whose decision is final.

## 42. Content of proxy notices

- 42.1 Proxies may only validly be appointed by a notice in writing (a “Proxy Notice”) which:
- (a) states the name and address of the member appointing the proxy;
  - (b) identifies the person appointed to be that member’s proxy and the general meeting in relation to which that person is appointed;
  - (c) is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the directors may determine; and
  - (d) is delivered to the Company in accordance with the Articles and any instructions contained in the notice of the general meeting to which they relate.
- 42.2 The Company may require Proxy Notices to be delivered in a particular form, and may specify different forms for different purposes.
- 42.3 Proxy Notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- 42.4 Unless a Proxy Notice indicates otherwise, it must be treated as:
- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
  - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

## 43. Delivery of proxy notices

- 43.1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid Proxy Notice has been delivered to the Company by or on behalf of that person.
- 43.2 An appointment under a Proxy Notice may be revoked by delivering to the Company a notice in Writing given by or on behalf of the person by whom or on whose behalf the Proxy Notice was given.
- 43.3 A notice revoking the appointment of a proxy only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.



## 44. Amendments to resolutions

- 44.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
- 44.1.1 notice of the proposed amendment is given to the Company in Writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chair of the meeting may determine); and
  - 44.1.2 the proposed amendment does not, in the reasonable opinion of the chair of the meeting, materially alter the scope of the resolution.
- 44.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
- 44.2.1 the chair of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
  - 44.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 44.3 If the chair of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chair's error does not invalidate the vote on that resolution.

## WRITTEN RESOLUTIONS

### 45. Written resolutions

- 45.1 Subject to Article 45.3, a written resolution of the Company passed in accordance with this Article 45 shall have effect as if passed by the Company in general meeting:
- 45.1.1 a written resolution is passed as an ordinary resolution if it is passed by a simple majority of the total voting rights of eligible members.
  - 45.1.2 a written resolution is passed as a special resolution if it is passed by members representing not less than 75% of the total voting rights of eligible members. A written resolution is not a special resolution unless it states that it was proposed as a special resolution.
- 45.2 In relation to a resolution proposed as a written resolution of the Company the eligible members are the members who would have been entitled to vote on the resolution on the Circulation Date of the resolution.
- 45.3 A members' resolution under the Companies Acts removing a Director or an auditor before the expiration of his or her term of office may not be passed as a written resolution.
- 45.4 A copy of the written resolution must be sent to every member together with a statement informing the member how to signify their agreement to the resolution and



the date by which the resolution must be passed if it is not to lapse. Communications in relation to written notices shall be sent to the Company's auditors in accordance with the Companies Acts.

- 45.5 A member signifies their agreement to a proposed written resolution when the Company receives from him or her an authenticated Document identifying the resolution to which it relates and indicating his or her agreement to the resolution.
  - 45.5.1 If the Document is sent to the Company in Hard Copy Form, it is authenticated if it bears the member's signature.
  - 45.5.2 If the Document is sent to the Company by Electronic Means, it is authenticated if it bears the member's signature or if the identity of the member is confirmed in a manner agreed by the Directors or if it is accompanied by a statement of the identity of the member and the Company has no reason to doubt the truth of that statement or if it is from an email Address notified by the member to the Company for the purposes of receiving Documents or information by Electronic Means.
- 45.6 A written resolution is passed when the required majority of eligible members have signified their agreement to it.
- 45.7 A proposed written resolution lapses if it is not passed within 60 days beginning with the Circulation Date.

## **ADMINISTRATIVE ARRANGEMENTS AND MISCELLANEOUS**

### **46. Means of communication to be used**

- 46.1 Subject to the Articles, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which the Companies Act 2006 provides for Documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company.
- 46.2 Subject to the Articles, any notice or Document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or Documents for the time being.
- 46.3 A Director may agree with the Company that notices or Documents sent to that Director in a particular way are to be deemed to have been received within an agreed time of their being sent, and for the agreed time to be less than 48 hours.



## 47. Irregularities

The proceedings at any meeting or on the taking of any poll or the passing of a written resolution or the making of any decision shall not be invalidated by reason of any accidental informality or irregularity (including any accidental omission to give or any non-receipt of notice) or any want of qualification in any of the persons present or voting or by reason of any business being considered which is not referred to in the notice unless a provision of the Companies Acts specifies that such informality, irregularity or want of qualification shall invalidate it.

## 48. Minutes

- 48.1 The Directors must cause minutes to be made in books kept for the purpose:
- 48.1.1 of all appointments of officers made by the Directors;
  - 48.1.2 of all resolutions of the Company and of the Directors; and
  - 48.1.3 of all proceedings at meetings of the Company and of the Directors, and of committees of Directors, including the names of the Directors present at each such meeting;  
and any such minute, if purported to be signed (or in the case of minutes of Directors' meetings signed or authenticated) by the chair of the meeting at which the proceedings were had, or by the chair of the next succeeding meeting, shall, as against any member or Director of the Company, be sufficient evidence of the proceedings.
- 48.2 The minutes must be kept for at least ten years from the date of the meeting, resolution or decision.

## 49. Records and accounts

The Directors shall comply with the requirements of the Companies Acts as to maintaining a members' register, keeping financial records, the audit or examination of accounts and the preparation and transmission to the Registrar of Companies:

- 49.1 annual reports;
- 49.2 annual returns; and
- 49.3 annual statements of account.



## 50. Company Rules

50.1 The Company rules shall be proposed by the Directors from time to time for the effective operation of the Company. If there is a conflict between the terms of these Articles and the Company rules, the terms of the Articles shall prevail.

## 51. Indemnity

51.1 Subject to Article 51.2, a relevant Director of the Company or an associated company may be indemnified out of the Company's assets against:

- (a) any liability incurred by that Director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company;
- (b) any liability incurred by that Director in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006); and
- (c) any other liability incurred by that Director as an officer of the Company or an associated company.

51.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

51.3 In this Article:

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
- (b) a "relevant Director" means any Director or former Director of the Company or an associated company.

## 52. Insurance

52.1 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant Director in respect of any relevant loss.

52.2 In this Article:

- (a) a "relevant Director" means any Director or former Director of the Company or an associated company;
- (b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant Director in connection with that Director's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the company or associated company; and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.



### **53. Exclusion of model articles**

The relevant model articles for a company limited by guarantee are hereby expressly excluded.



# SCHEDULE

## 1. INTERPRETATION

## 2. DEFINED TERMS

1. In the Articles, unless the context requires otherwise, the following terms shall have the following meanings:

Term	Meaning
1.1 “Address”	includes a number or address used for the purposes of sending or receiving Documents by Electronic Means;
1.2 “Articles”	the Company’s articles of association;
1.3 “Authorised Representative”	means any individual nominated by a Member Organisation to act as its representative at any meeting of the Company in accordance with Article 39;
1.4 “bankruptcy”	includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;
1.5 “Chair”	has the meaning given in Article 9;
1.6 “chairman of the meeting”	has the meaning given in Article 35;
1.7 “Circulation Date”	in relation to a written resolution, has the meaning given to it in the Companies Acts;
1.8 “Clear Days”	in relation to the period of a notice, that period excluding the day when the notice is given and the day for which it is given or on which it is to take effect;
1.9 “Companies Acts”	means the Companies Acts (as defined in Section 2 of the Companies Act 2006), in so far as they apply to the Company;
1.10 “Company”	Hemp Trades Association UK Ltd;



1.11	<b>“Conflict of Interest”</b>	any direct or indirect interest of a Director (whether personal, by virtue of a duty of loyalty to another organisation or otherwise) that conflicts, or might conflict with the interests of the Company;
1.12	<b>“Director”</b>	a director of the Company, and includes any person occupying the position of director, by whatever name called;
1.13	<b>“Document”</b>	includes, unless otherwise indicated, any Document sent or supplied in Electronic Form;
1.14	<b>“Electronic Form” and “Electronic Means”</b>	have the meanings respectively given to them in Section 1168 of the Companies Act 2006;
1.15	<b>“Hard Copy Form”</b>	has the meaning given to it in the Companies Act 2006;
1.16	<b>“Memorandum”</b>	the Company’s memorandum of association;
1.17	<b>“paid”</b>	means paid or credited as paid;
1.18	<b>“participate”</b>	in relation to a Directors’ meeting, has the meaning given in Article 14;
1.19	<b>“Proxy Notice”</b>	has the meaning given in Article 42;
1.20	<b>“Secretary”</b>	the secretary of the Company (if any);
1.21	<b>“specified”</b>	means specified in the memorandum and articles of association of the Company for the purposes of this paragraph;
1.22	<b>“subsidiary”</b>	has the meaning given in section 1159 of the Companies Act 2006;
1.23	<b>“transfer”</b>	includes every description of disposition, payment, release or distribution, and the creation or extinction of an estate or interest in, or right over, any property; and
1.24	<b>“Writing”</b>	the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in Electronic Form or otherwise.
1.25	<b>“Present”</b>	means, for the purposes of physical general meetings, present in person or, for the purposes of electronic general meetings, present by electronic means;



### **3. NEW CLAUSE**

- 3.1 Subject to clause 3 of this Schedule, any reference in the Articles to an enactment includes a reference to that enactment as re-enacted or amended from time to time and to any subordinate legislation made under it.
- 3.2 Unless the context otherwise requires, other words or expressions contained in these Articles bear the same meaning as in the Companies Act 2006 as in force on the date when the Articles become binding on the Company.
- 3.3 References to electronic platforms include, without limitation, website addresses and conference systems, and references to persons attending meetings by electronic means attendance at electronic general meetings via the electronic platform(s) stated in the notice of such meeting.
- 3.4 References to speaking in relation to General Meetings include communication via electronic platform messaging systems as well as verbal communication and speak shall be construed accordingly.

### **4. CODE OF CONDUCT**

#### **4.1 Professional Integrity**

- 4.1.1** Members must conduct their business with honesty, integrity, and transparency.
- 4.1.2** Misleading advertising, false claims, and deceptive practices are strictly prohibited.
- 4.1.3** Members must ensure that all marketing and promotional materials comply with UK laws and regulations

#### **4.2 Compliance with Laws and Regulations**

- 4.2.1** Members must comply with all relevant UK laws, regulations, and guidelines pertaining to the cannabis industry.
- 4.2.2** Members must ensure that all products meet the legal standards for safety, quality, and efficacy.

#### **4.3 Consumer Protection**

- 4.3.1** Members must prioritise the health and safety of consumers.



**4.3.2** Clear, accurate, and comprehensive information must be provided to consumers regarding product usage, benefits, and potential risks.

**4.3.3** Members must handle consumer complaints and queries promptly and fairly.

#### **4.4 Product Quality and Safety**

**4.4.1** Members must implement rigorous quality control measures to ensure product safety and consistency.

**4.4.2** Products must be tested by accredited laboratories for contaminants and potency, with results made available to consumers.

#### **4.5 Environmental Responsibility**

**4.5.1** Members must strive to minimise their environmental impact through sustainable practices.

**4.5.2** Waste management and recycling protocols should be in place to reduce the environmental footprint.

#### **4.6 Ethical Sourcing and Fair Trade**

**4.6.1** Members must ensure that all raw materials and products are sourced ethically and sustainably.

**4.6.2** Fair trade principles must be adhered to, ensuring fair compensation and working conditions for all workers involved in the supply chain.

#### **4.7 Confidentiality and Data Protection**

**4.7.1** Members must respect the confidentiality of sensitive information related to consumers, clients, and business partners.

**4.7.2** All data must be handled in accordance with the UK General Data Protection Regulation (GDPR).



## **4.8 Training and Education**

**4.8.1** Members must ensure that all employees and stakeholders receive appropriate training on compliance, product knowledge, and industry best practices.

**4.8.2** Basic training programmes provided by the CTA must be completed by all members, covering the following key areas:

**4.8.2.1** Overview of UK cannabis laws and regulation.

**4.8.2.2** Ethical business practices and professional integrity

**4.8.2.3** Quality control and product safety

**4.8.2.4** Consumer protection and handling complaints

**4.8.2.5** Environmental sustainability in the cannabis industry

## **4.9 Disciplinary Procedures**

**4.9.1** Any member found to be in breach of this Code of Conduct will be subject to disciplinary action, which may include suspension or termination of membership.

**4.9.2** Complaints and concerns regarding member conduct should be reported to the CTA for investigation to: [complaints@cannabistrades.org](mailto:complaints@cannabistrades.org)

## **4.10 Confidentiality and Data Protection**

**4.10.1** Members must respect the confidentiality of sensitive information related to consumers, clients, and business partners.

**4.10.2** All data must be handled in accordance with the UK General Data Protection Regulation (GDPR).

## **4.11 Review and Amendments**

**4.11.1** This Code of Conduct will be reviewed annually and amended as necessary to reflect changes in legislation and industry standards.

**4.11.2** Members will be notified of any changes and are expected to comply with the updated Code of Conduct.

# **5 DIVERSITY AND INCLUSION STATEMENT**

The Cannabis Trades Association is committed to fostering an inclusive and diverse environment where all voices are valued and respected. We believe that diversity drives innovation and collaboration, and we strive to represent the varied perspectives of our members and the wider community.



By championing equality, embracing cultural differences, and promoting accessibility across all our initiatives, we aim to build, foster, and support a cannabis and hemp industry that thrives on fairness and mutual respect.

At the CTA, we are dedicated to creating opportunities for everyone to contribute to and benefit from a sustainable and inclusive future.

## 6 ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG) ALIGNMENT

**6.1** The Cannabis Trades Association is committed to fostering sustainable growth and promoting the highest standards of Environmental, Social, and Governance (ESG) practices within the cannabis and hemp industries. This commitment is embedded in our organisational objectives and operational principles as follows:

### **6.2 Environmental Responsibility:**

The CTA supports initiatives and practices that reduce environmental impact across the hemp and cannabis sectors, including promoting sustainable cultivation methods, encouraging renewable energy use, and advocating for environmentally friendly policies and innovations.

### **6.3 Social Commitment:**

The CTA values inclusivity, equality, and social responsibility. We strive to create opportunities within the industry for diverse stakeholders, uphold human rights, and contribute positively to the communities we serve through education, collaboration, and advocacy.

### **6.4 Governance Excellence:**

The CTA upholds integrity, transparency, and accountability in all its activities. We are dedicated to ensuring ethical governance, fostering collaboration among members, and maintaining compliance with applicable legal and regulatory frameworks.

## 7 ETHICS IN ADVERTISING AND MARKETING

### **7.1 Compliance with Advertising Laws and Ethical Standards**

**7.1.1** All members shall ensure that their advertising, marketing, and promotional materials comply with applicable UK laws and regulatory guidance, including but not limited to:

**7.1.1.1** Consumer Protection from Unfair Trading Regulations 2008



**7.1.1.2** The Human Medicines Regulations 2012 (Part 14 - Advertising)

**7.1.1.3** Misuse of Drugs Act 1971 and associated regulations

**7.1.1.4** UK Code of Non-broadcast Advertising, Sales Promotion, and Direct Marketing (CAP Code)

**7.1.1.5** MHRA Guidance Note 8

**7.1.1.6** Cancer Act 1939

**7.1.2** Members shall also adhere to the highest ethical standards by ensuring that advertisements:

**7.1.2.1** Are not misleading, deceptive, or unfair.

**7.1.2.2** Clearly distinguish between factual claims and opinions.

**7.1.2.3** Are substantiated by verifiable evidence, particularly for health and wellness products.

**7.1.2.4** Avoid any exaggerated or unsubstantiated claims about efficacy, safety, or benefits.

## **7.2 Establishment of an Ethics in Advertising Advisory Committee**

**7.2.1** The Association shall establish an Ethics in Advertising Advisory Committee tasked with:

**7.2.1.1** Reviewing complaints or allegations of breaches in advertising, marketing, or promotional practices.

**7.2.1.2** Providing recommendations for compliance with The Human Medicines Regulations 2012 (Part 14 - Advertising) and MHRA Guidance Note 8.

**7.2.1.3** Supporting members in aligning their marketing practices with both legal requirements and industry best practices.

## **7.3 Complaint Review Process**

**7.3.1** The Ethics in Advertising Advisory Committee shall follow a clear, impartial, and transparent process to address complaints, including:

**7.3.1.1** Accepting complaints from stakeholders, including members, regulatory authorities, or the public.

**7.3.1.2** Investigating complaints with reference to applicable legislation and standards, including The Human Medicines



Regulations 2012 (Part 14 - Advertising) and MHRA Guidance Note 8.

- 7.3.1.3** Preparing a written report of findings and issuing recommendations for corrective actions where necessary.

#### **7.4 Sanctions for Breaches**

**7.4.1** In cases where a breach is confirmed, the Advisory Committee may recommend actions such as:

- 7.4.1.1** Issuing written warnings or requiring amendments to offending materials.
- 7.4.1.2** Requiring public retractions or corrections.
- 7.4.1.3** Suspension or termination of membership for repeated or egregious breaches.

#### **7.5 Commitment to Member Support and Education**

**7.5.1** The Association shall provide ongoing education and resources to members, including:

- 7.5.1.1** Training on the requirements of The Human Medicines Regulations 2012 (Part 14 - Advertising) and MHRA Guidance Note 8.
- 7.5.1.2** Workshops or webinars to ensure members are fully informed about advertising compliance.
- 7.5.1.3** Best practice guidelines to align marketing strategies with legal and ethical standards.

#### **7.6 Periodic Review and Updates**

**7.6.1** The Ethics in Advertising Advisory Committee shall periodically review and update the Association's advertising compliance standards to reflect changes in legislation, regulatory guidance, and industry practices.

## **8 DIGITAL SECURITY AND DATA PROTECTION**

### **8.1 Purpose**

The Cannabis Trades Association (CTA) is committed to ensuring the confidentiality, integrity, and availability of digital assets and the personal data of its members, employees, and stakeholders. This clause outlines the Association's obligations and



practices to safeguard digital security and comply with relevant data protection laws, including the UK General Data Protection Regulation (UK GDPR), the Data Protection Act 2018, and any other applicable regulations.

## **8.2 Scope**

This clause applies to all directors, officers, employees, and contractors of the CTA. It also governs the use, processing, storage, and transmission of all data under the CTA's control, including member data, financial records, and any other sensitive information.

## **8.3 Data Protection Principles**

The CTA commits to processing personal data lawfully, fairly, and transparently, adhering to the following principles:

- 8.3.1** Lawfulness, fairness, and transparency: Data will only be processed in compliance with applicable laws and in a manner that is clear and transparent to data subjects.
- 8.3.2** Purpose limitation: Data will be collected for specified, explicit, and legitimate purposes and not processed in ways incompatible with those purposes.
- 8.3.3** Data minimisation: Only the data necessary for the purposes outlined will be collected and processed.
- 8.3.4** Accuracy: Personal data will be accurate and, where necessary, kept up to date.
- 8.3.5** Storage limitation: Data will be retained only as long as necessary for the purposes for which it is processed, in line with the CTA's retention schedule.
- 8.3.6** Integrity and confidentiality: Appropriate security measures will be implemented to protect data against unauthorised or unlawful processing and accidental loss, destruction, or damage.

## **8.4 Digital Security Obligations**

- 8.4.1** To ensure the security of its digital assets, the CTA will:

**8.4.1.1** Adopt robust cybersecurity measures: Implement firewalls, encryption, two-factor authentication, and regular vulnerability assessments to safeguard digital systems.

**8.4.1.2** Access controls: Limit access to data and systems based on the principles of least privilege and role-based permissions.

**8.4.1.3** Incident response: Maintain a documented incident response plan for managing data breaches and cybersecurity incidents, in compliance with legal reporting obligations.

**8.4.1.4** Regular audits: Conduct regular audits of digital security practices and data protection compliance.

**8.4.1.5** Training: Provide mandatory training to directors, employees, and contractors on digital security and data protection policies.

## **8.5 Data Subject Rights**

**8.5.1** The CTA recognises the rights of individuals under the UK GDPR, including:

**8.5.1.1** The right to access their personal data.

**8.5.1.2** The right to rectification of inaccurate or incomplete data.

**8.5.1.3** The right to erasure ("right to be forgotten").

**8.5.1.4** The right to restrict processing.

**8.5.1.5** The right to data portability.

**8.5.1.6** The right to object to processing.

**8.5.1.7** The right not to be subject to automated decision-making, including profiling.

**8.5.1.8** Requests to exercise these rights will be handled promptly and in accordance with statutory timeframes.

**8.5.2** The CTA will not share personal data with third parties except where:

**8.5.2.1** It is necessary for legitimate purposes and in accordance with contractual or legal obligations.



**8.5.2.2** Explicit consent has been obtained from the data subject.

**8.5.2.3** Sharing is required by law or regulation.

**8.5.3** All third-party service providers handling CTA data must sign a Data Processing Agreement (DPA) to ensure compliance with this clause.

## **8.6 Governance and Oversight**

**8.6.1** The CTA Board of Directors will appoint a Data Protection Officer (DPO) or equivalent responsible for overseeing data protection compliance and digital security practices. The DPO will:

**8.6.1.1** Monitor compliance with this clause and applicable laws.

**8.6.1.2** Act as a point of contact for data subjects and supervisory authorities.

**8.6.1.3** Conduct regular reviews and updates of data protection and security policies.

## **8.7 Enforcement and Penalties**

**8.7.1** Any breach of this clause will be investigated promptly and may result in disciplinary action, including termination of membership, employment or association with the CTA. Where applicable, the CTA will report data breaches to the Information Commissioner's Office (ICO) and affected data subjects within statutory timeframes.

## **8.8 Amendments**

**8.8.1** This clause will be reviewed annually or as required to reflect changes in legislation, best practices, or organisational needs.