

Business Alliance to Scale Climate Solutions (BASCS) - Operating Charter

V1:0: Adopted by BASCS on January 13, 2022

1. PURPOSE

- 1.1. This Operating Charter ('Charter') makes up the foundational document of the Business Alliance to Scale Climate Solutions ('BASCS'), which is a collaboration of BSR and BASCS' members (the 'Members').
- 1.2. BASCS is an alliance of companies, NGOs/IGOs, and experts working towards BASCS' mission to increase the scale and impact of corporate carbon credit purchases and other climate solutions funding (the "Mission"). BASCS provides a clearinghouse for information and a neutral platform for the global community of practice to meet, learn, discuss, and act together, accelerating the private sector's pivot from climate ambition to climate action. BASCS Members work towards BASCS' vision, which is that corporate climate funding acts as a critical component and catalyst in scaling climate solutions necessary to achieve a 1.5°C future (the "Vision").
- 1.3. BASCS will undertake activities in support of the Vision and Mission, including:
 - a) Building the alliance:
 - Convening the global community of practice to meet, learn, and act together to scale climate solutions, including avoidance, abatement, and removals;
 - Providing navigation assistance for companies, and a centralized corporate audience for other stakeholders;
 - Developing and advancing a strategy, including establishing, tracking, and reporting on BASCS' goals and objectives;
 - b) Learning and acting together:
 - Organizing expert and peer-to-peer learning sessions;
 - Empowering new funders through curating and creating clear guidance, resources, and learning opportunities that accelerate action and improve impact;
 - Advancing understanding and uptake of emerging climate solutions, standards and approaches;
 - c) Scaling impact:
 - Scaling the volume and impact of corporate carbon credit purchases and other climate solutions funding through facilitating and expanding partnerships, collaborative actions, and joint and individual procurement efforts and investments. Informing policy dialogues and efforts related to scaling voluntary carbon markets;
 - d) Amplifying success:
 - Sharing success stories for high-impact, high-integrity climate solutions;
 - Amplifying the funder voice as a proof point to support meaningful public sector action.

- 1.4. The Charter serves the purpose of providing an operational model for BASCS. It describes how BASCS Members will make decisions and prioritize activities, and outlines rights and obligations of membership, in addition to other key organizational elements.
- 1.5. The Charter may be revised in accordance with Section 15 to reflect how BASCS evolves.

2. GOVERNANCE

- 2.1. BASCS is a business-to-business network whose strategic direction is informed by Members, advised by the BASCS Council, and ratified by Leaders Circle companies. It is not a legal entity.
- 2.2. BSR shall be the only party to BASCS that can make legal or financial commitments on part of BASCS, including:
 - a) Overseeing BASCS' annual budget, expenditures, and fundraising;
 - b) Determining BASCS' legal status and handling of legal matters (e.g., antitrust);
 - c) Managing staffing, employment, and hiring;
 - d) Overseeing contractor selection and supervision;
 - e) Effect the dissolution or transfer of ownership, including the transfer of any property following dissolution of BASCS, in accordance with the terms of the Collaboration Agreement (as defined in the Glossary of Terms).

3. BSR

- 3.1. BSR shall be the Secretariat of BASCS.
- 3.2. BSR shall fulfil the duties and responsibilities set forth in this Charter. When the fulfilment of duties and responsibilities requires additional funding beyond what has been agreed to in the annual budget, prior approval must be sought from the BASCS Council and Leaders Circle before BSR takes further action.
- 3.3. BSR shall oversee the facilitation and implementation of BASCS workstreams; member recruitment, engagement, and services; communications; stakeholder engagement; fundraising and partnerships; and administration.
- 3.4. Notwithstanding any other terms contained herein, and except for intentional misconduct and/or negligence (as determined by the BASCS Council), BSR shall not be subject to removal or suspension from BASCS.

4. MEMBERSHIP

- 4.1. BASCS offers membership to organizations that contribute to BASCS' mission through one of the following roles:
 - a) **Climate Solutions Funders:** Organizations that invest in carbon credits and other climate solutions funding.

- b) **Service Providers:** Organizations or individuals who seek to promote their climate solutions and solicit funding.*
 - c) **BASCS Partners:** Non-governmental organizations (NGOs), intergovernmental organizations (IGOs), or individuals with expertise that is relevant to BASCS or one of its workstreams.
 - d) **BASCS Donors:** Organizations which contribute philanthropic support to advance BASCS' workplan and mission.
- 4.2. If an organization that applies to participate in BASCS engages in both climate solutions funding and climate service provision, they should select the role that is most aligned with their core business. This selection will be used to define the organization's role in BASCS membership.
- a) The BASCS Council will be the final arbiter in assigning a Members' role and corresponding rights and obligations.
- 4.3. There is no limit to the number of Climate Solutions Funders or BASCS Donors.
- 4.4. Except as provided in Section 6.1.c, Service Providers and BASCS Partners must be nominated by a member of the BASCS' Leaders' Circle and invited by the BASCS Council to participate. To maintain a balance of membership:
- a) The number of Service Providers admitted into BASCS' membership shall not exceed one-third of the total number of Climate Solutions Funders.
 - b) The number of BASCS Partners admitted into BASCS' membership shall not exceed one-half of the total number of Climate Solutions Funders.
- 4.5. BSR shall maintain a list of all admissions to, and departures from, membership.
- 4.6. BASCS may establish and collect annual dues from its Members. Annual dues shall be recommended by BSR, and shall be based on the annual budget, proposed by the BASCS Council, and approved by the Leaders Circle by simple majority vote at the Annual Leaders Circle Member meeting. Payment of dues shall be required sixty (60) days after the invoice is issued. Failure to make payment of annual dues to BASCS shall result in the suspension of the Member's rights in BASCS.
- 4.7. Membership commences when the BASCS Council has accepted the application for annual membership, a Collaboration Agreement has been signed, and any dues have been paid. Dues must be paid in advance and in full and are non-refundable. Non-payment of membership dues will result in cancellation of membership.
- 4.8. Members may cancel their membership at any time without penalty (but without refund of annual dues already owing or paid) by written notice to BSR and the BASCS Council. Notice may be submitted via email to the Project Director assigned by BSR, who will be responsible for informing the BASCS Council. Members that cancel their membership are welcome to reapply at any time, and will be considered for participation by the BASCS Council. No participants may renew their membership if it has been suspended or revoked.

* Note: Service providers may participate in BASCS, but shall not be granted preferential access or information related to Requests for Proposals (RFPs) or other service provision opportunities through BASCS, it's members or it's working groups.

5. RIGHTS AND OBLIGATIONS OF MEMBERS

5.1. All Members of BASCS have the following obligations:

- a) To respect this Charter;
- b) To respect and adhere to BASCS' Anti-Trust Compliance Policy and Non-Solicitation Policy (linked here: [Anti-Trust Compliance Policy](#); and here: [Non-Solicitation Policy](#) respectively);
- c) To promote the Vision and Mission of BASCS;
- d) To endorse and use the tools developed by BASCS to the fullest extent feasible;
- e) To assign a senior team member to participate in the BASCS' meetings and in-person convenings that are available for their level of membership;
- f) To assist with the recruitment of new BASCS members;
- g) To provide information for the purposes of BASCS' reporting on activities, consistent with the objectives of BASCS and the requirements of individual participants.

5.2. All Members of BASCS have the following rights:

- a) To propose to the BASCS Council items for discussion at Member meetings, Working Group meetings, and Leaders Circle meetings;
- b) To publicly promote their participation in BASCS, e.g. on their website and through their communications channels;
- c) To promote and communicate the vision and mission of BASCS within the Members' organization as well as externally, provided the Member indicates they are speaking as a BASCS member and not on behalf of BASCS;
- d) To provide voluntary financial donations to BASCS to advance its Vision and Mission.

5.3. Climate Solutions Funders have the following additional obligations:

- a) To pay annual membership dues in full and on time. Members that have not paid their dues in full will not be permitted to participate in BASCS activities or take part in the Leaders Circle until payment has been received.

5.4. Solutions Providers have the following additional obligations:

- a) To pay annual membership dues in full and on time. Service Providers that have not paid their dues in full will not be permitted to participate in BASCS activities until payment has been received.

5.5. BASCS Partners have the following additional obligations:

- a) To actively contribute to the mission of BASCS through provision of expertise, promotion and outreach to networks, and/or communications and advocacy support.

5.6. BASCS Donors have the following obligations:

- a) To disburse donations to BASCS in a timely manner consistent with the controlling grant agreement.

6. APPLICATIONS FOR MEMBERSHIP

- 6.1 Any organization may apply to participate in BASCS via the [BASCS website](#). Service Providers and potential BASCS Partners may additionally be invited by the BASCS Council to apply for membership, upon receiving a nomination from a Leaders Circle Member.
- a) Applicants will be requested to select the role that is most aligned with their core business. This selection will be used to define the organization's role in BASCS membership.
 - b) Applicants are required to complete an application form, to sign a statement of commitment to BASCS Core Principles, and may be asked by the BASCS Council to provide other information as it may require to review the application and verify the identity and intentions of the applicant.
 - c) If the applicant seeks a position as a Service Provider or a BASCS Partner and has not been invited to apply, their application will be reviewed by the BASCS Council on at least a quarterly basis, and will be considered for Membership at that time.
 - d) Upon acceptance to the Membership, applicants will be required to sign a Collaboration Agreement.
- 6.2 Applications for membership will be made to the BASCS Council, which may deny or grant membership based on a majority vote or by no objections.
- a) If the BASCS Council decides to refuse admission, it shall inform the Applicant in writing of the reasons for refusal.

7. LEADERS CIRCLE & QUORUM

- 7.1. The Leaders Circle is composed entirely of Climate Solutions Funders. Entry to the Leaders Circle requires Climate Solutions Funders to provide evidence to BSR that they have external validation of a science-based target and/or ambitious internal reductions in line with a 1.5°C future. †
- 7.2. There is no limit to the number of Climate Solutions Funders that can be part of the Leaders Circle. Any Climate Solutions Funder that meets the requirements provided for in 7.1 may become a member of the Leaders Circle so long as they are in compliance with those requirements. All members of the Leaders Circle shall be considered equal within the group.
- 7.3. Leaders Circle Members have the following rights in addition to the rights of their general membership:
- a) To nominate Partners and Solutions Providers to be considered by the BASCS Council for invitation to participate in BASCS Membership;
 - b) To apply for a position on the BASCS Council;
 - c) To lead a BASCS Working Group, with the approval of the BASCS Council;
 - d) To vote on the selection of BASCS Council members, on the basis of one vote per Member;
 - e) To participate in Annual Leaders Circle meetings and vote on resolutions, on the basis of one vote per Member.

† † A current definition of how BASCS defines a target in line with a 1.5°C future may be found on the BASCS website.

- 7.4. Leaders Circle Members have the following obligations in addition to the obligations of their general membership:
- a) To provide evidence to BSR that the Member organization has met the entry criteria for the Leaders Circle.[‡]
- 7.5. To uphold and contribute to BASCS' commitments to accountability and transparency through reporting. The nature and timing of required reporting will be determined by the BASCS Council. The BASCS Council will call an Annual Leaders Circle meeting each calendar year and may convene other meetings as appropriate to advance the Vision and Mission of BASCS.
- 7.6. The business of the Annual Leaders Circle meeting may include (but not be limited to):
- a) Elections to the BASCS Council;
 - b) Ratification of BASCS' annual work plan, associated budget, and Annual Membership Dues;
 - c) Changes to this Charter;
 - d) Such other business considered appropriate by the BASCS Council.
- 7.7. Except as provided in Section 7.8, quorum for any Leaders Circle meeting will be one third of the total number of Leaders Circle Members. No business is to be transacted without a quorum. Leaders Circle Members may be present by proxy, an authorized representative, or through telepresence.
- 7.8. If a Leaders Circle meeting has to be terminated for lack of a quorum, another Leaders Circle meeting will be held within six months. Notice of such a meeting will be provided to the Leaders Circle, and any number of Leaders Circle Members attending this meeting will constitute a quorum.

8. DECISION MAKING AND VOTING

- 8.1. The BASCS Council has authority to make day to day decisions, while all other decisions will be ratified by the Leaders Circle.
- 8.2. Leaders Circle participants will make decisions primarily through consensus. Consensus is achieved when no participating Leaders Circle Member objects to a decision.
- 8.3. When consensus is not reached, the Leaders Circle will make decisions through voting. Decisions will be by ordinary resolution, which requires a simple majority of Leaders Circle Members present and voting.
- 8.4. Votes will occur according to the following rules:
- a) The BASCS Council will provide recommendations to the members of the Leaders Circle. If consensus is not achieved by the Leaders Circle Members on the recommendations, the BASCS Council will prepare any resolutions for a vote.
 - b) Every Leaders Circle company holds one vote on each resolution put to vote. Each Leaders Circle company's primary contact will be contacted with the resolution, and may either vote themselves or designate another representative to vote on the company's behalf.

[‡] This obligation shall be suspended for BASCS Founders for 2 years upon BASCS' formal launch date.

- c) Leaders Circle participants will be given a deadline for casting the vote. A minimum of five (5) working days will be provided for Leaders Circle Members to review the documents and cast their vote (either in person at the Annual Leaders Circle meeting or virtually by email). If participants do not vote within the given time frame, their vote will not be recognized.
 - d) The results of the vote will be recorded by BSR.
- 8.5. The BASCS Council, at their discretion, may further determine to submit any issues for deliberation and vote by the Leaders Circle.

9. BASCS COUNCIL

- 9.1. The BASCS Council is to be made up of representatives from Leaders Circle, BASCS Service Providers and/or BASCS Partners.[§]
- a) Climate Solutions Funders shall hold the majority of seats on the BASCS Council at all times, up to five seats.
 - b) At least one of the BASCS Council participants shall be from any combination of Service Providers and/or BASCS Partners.
 - c) BASCS Council Members may elect to offer additional honorary roles on the BASCS Council to non-Member donors that provide a certain level of financial support to BASCS. The BASCS Council will determine the level of funding required to qualify for an honorary role, the term of such honorary role, as well as the rights and responsibilities of the role.
- 9.2. With the exception of honorary roles, appointments to the BASCS Council are for a two-year term. Members can be reappointed to serve as many terms as they are elected to the position by the Leaders' Circle.
- a) If the organization that the BASCS Council Member represents is no longer a Member or Partner of BASCS, then that BASCS Council Member shall automatically cease to be a member of the BASCS Council.
 - b) If the BASCS Council Member ceases to be an employee of a Member of BASCS, then that BASCS Council Member shall automatically cease to be a member of the BASCS Council. In such an event, the BASCS Council, at its option, may vote that the vacancy left by such member be filled by another employee of the participating organization.
 - c) The BASCS Council may vote on the removal of a BASCS Council Member if the BASCS Council Member changes employment to that of another participant of BASCS.
 - d) The BASCS Council may vote on the removal from the BASCS Council of one (1) or more members of the BASCS Council (the "BASCS Council Members") if there is reasonable doubt of the BASCS Council Member's commitment to BASCS' mission or the Anti-trust Compliance Policy.
 - e) Decisions relating to the removal of BASCS Council Members require the affirmative vote of two-thirds of the BASCS Council Members present and entitled to vote (in which case

[§] At the initiation of BASCS, the BASCS Council is to consist of Founding Members. Prior to the establishment of the BASCS Council, the Founding Members will make decisions related to membership admittance on behalf of BASCS.

the BASCS Council Member in question cannot attend the BASCS Council meeting nor cast a vote at the BASCS Council meeting at which their removal is being considered).

- f) In the instance that a BASCS Council Member is removed or resigns from the role, additional BASCS Council Members shall be elected by the Leaders Circle as soon as possible.

9.3. The business of the BASCS Council includes:

- a) Setting the strategy and direction of BASCS, including the establishment of any Working Groups;
- b) Setting the agenda for Annual Leaders Circle meetings and other Member meetings;
- c) Approving admission of Members including Climate Solutions Funders, Service Providers, BASCS Partners, and BASCS Donors;
- d) Suspending and terminating membership;
- e) Recommending to the Leaders Circle BASCS' annual workplan and corresponding budget, including Annual Membership Dues;
- f) Assisting with new member and donor outreach;
- g) In consultation with BSR, inviting and receiving contributions, and raising funds where appropriate, to finance the work of BASCS;
- h) Establishing any Advisory Panels consisting of external experts and stakeholders;
- i) Recommending amendments to this Charter.

9.4. Minutes will be taken at each meeting by BSR and will be available to the BASCS Council for reference. A summary of BASCS Council discussions will be made available to Members.

9.5. The BASCS Council will not be remunerated or reimbursed expenses for participation in BASCS Council meetings. The costs of any third-party services or venues used for BASCS Council meetings will be met out of BASCS' annual budget.

9.6. Quorum for BASCS Council meetings is at least half of the BASCS Council.

9.7. The BASCS Council will aim to make decisions based on consensus and vote on the basis of simple majority, except for decisions relating to the suspension of Members (in which case any BASCS Council representative associated with the Member in question shall not attend the BASCS Council meeting and shall not have a vote at the BASCS Council meeting).

9.8. In case of a tie-vote, the motion is not passed. The motion may be put before a vote immediately, or at the next BASCS Council meeting. In the case of a second tie-vote, the BASCS Council may bring the motion for a vote at a Leaders Circle meeting where the motion will be voted according to the rules for such meetings.

9.9. The BASCS Council will convene on a quarterly basis as a minimum.

10. WORKING GROUPS

10.1. The BASCS Council may set up Working Groups consisting of Climate Solutions Funders, Service Providers, BASCS Partners, BASCS Donors, or other organizations outside of BASCS

membership when considered relevant, in support of the Vision and Mission of BASCS. No Working Group shall be established without the approval of the BASCS Council.

- 10.2. The BASCS Council will determine the specific mandate for each Working Group including terms for participation, operational role in BASCS, reporting, requirements for consultation with BASCS participants or other stakeholders, decision making procedure, and timeline. At a minimum, prior to submission of recommendations to the BASCS Council for final consideration, Working Groups will make recommendations available for written consultation with the full membership for no less than two weeks.
- 10.3. Working Groups operate through a “member volunteer” model whereby Members and other participating organizations participate in Working Groups to manage specific tasks and make recommendations to the BASCS Council.

11. OUTSIDE FUNDING

- 11.1. On behalf of BASCS, BSR may seek financial and other support from government, non-government, and private funders for projects and initiatives relevant to the pursuit of the BASCS’ Vision and Mission. The identities of those funders, the amount of the financial and other support, and an assessment of the costs and benefits of such support shall be disclosed to the BASCS Council and Leaders Circle.
- 11.2. BASCS cannot at any time hold liabilities greater than the BASCS’ annual budget.

12. PUBLIC REPORTING

- 12.1. BASCS shall create and maintain a website that includes information about the activity, Members (subject to the terms of the Collaboration Agreement) BASCS’ Rules, the Anti Trust & Competition Law Policy, the Non-Solicitation Policy, and the general policies of BASCS.
- 12.2. BASCS shall, subject to the terms of the Collaboration Agreement, report publicly on its activities on an annual basis.

13. SUSPENSION AND TERMINATION OF MEMBERSHIP

- 13.1. Membership of BASCS is not transferable and ceases on resignation.
- 13.2. Membership may also be suspended and then terminated:
 - a) On violation of this Charter or on exhibiting behaviors that run contrary to the BASCS Vision and Mission, that would result in injury to the reputation of BASCS or its Members; or
 - b) If a Member fails to honor its obligations; or
 - c) If a Member has not participated in any Member Meeting, Working Group or other activities for more than a 12-month period.
- 13.3. Members have the right to withdraw from BASCS at any time without penalty or further obligation. Any paid or currently owed annual membership dues are forfeited and not reimbursable.

14. LAW AND JURISDICTION

- 14.1 This Charter is governed by and construed in accordance with California law. Any dispute arising out of or in connection with this Charter shall be referred to the proper court in the State of California which has exclusive jurisdiction.

15. AMENDMENT

- 15.1 The terms of this Charter may only be amended or waived by simple majority vote by the Leaders Circle members; provided that any such amendment or waiver that results in a change of position, responsibilities, or rights with respect to BSR shall require the additional consent of BSR (excluding in the case of intentional misconduct or negligence, as determined by the BASCS Council)..

GLOSSARY OF TERMS

- 1 “Applicants” are companies or incorporated organizations that have submitted an application for membership to the BASCS Council.
- 2 “Collaboration Agreement” means the Collaboration Agreement between an individual Member organization and BSR, which is required to be signed by all Members of BASCS, whether paying or otherwise.
- 3 “Incorporated organizations,” mean legal entities that are recognized by the law but are not natural persons.
- 4 “Quorum” means a minimum number of BASCS members that is required to be present in BASCS meetings before any valid business can be transacted.
- 5 “Resignation” means the written statement from a BASCS Member notifying its desire to cease its membership with BASCS.
- 6 “Resolution” means a decision that is taken by BASCS members during Member Meetings.