

Compensate Foundation Scientific Advisory Panel Terms of Reference (revised June 2020)

Compensate is a non-profit foundation (hereinafter referred to as “the Foundation”) that brings consumers and businesses together in the fight against climate change. The Foundation works with companies that want to provide their customers an easy and reliable way to offset their carbon footprint. The purpose of the Foundation is to empower people to take responsibility and repair the damage they cause to the atmosphere.

Emissions reductions are the primary tool in the fight against climate change, but in addition to this, we must systematically remove carbon from the atmosphere. Removal of carbon dioxide from the atmosphere is a necessary part of the fight against climate change, but there is still uncertainty in its removal and measurement, which requires the involvement of the broad scientific community.

The Foundation always directs the compensation payments from consumers and businesses to projects that are most cost-effective, sustainable and reliable for reducing CO₂ in the atmosphere. The Foundation always allocates compensation payments to the projects in its entirety and covers its own administrative expenses with funds raised from other sources.

2. Purpose / role of the panel

The Scientific Advisory Panel (hereinafter referred to as “the Panel”) was formed in 2019 jointly by the Foundation, Academy Professor Markku Kulmala and the University of Helsinki.

The Panel has two important tasks:

- The Panel assists the Foundation in developing criteria to identify and evaluate the most sustainable, reliable and cost-effective carbon capture projects available on the voluntary carbon market.
- The Panel monitors research and practical applications in the field of carbon capture and guides the Foundation’s research and development work in evaluating new innovative carbon capture technologies.

The Panel will also provide the Foundation access to the panel members wide networks of experts and keep the Foundation up to date with the latest developments in scientific research on carbon capture. In addition, the Foundation will, as appropriate, consult members of the Panel on individual climate issues, subject to expert scheduling.

2.1 Criteria for carbon capture projects

The Foundation and the Panel have jointly created a set of criteria for evaluating land-use based carbon capture projects. The criteria is based on four areas:

- a) Climate integrity
- b) Biodiversity conservation
- c) Human and community rights, stakeholder participation and sustainable community development
- d) Long-term project viability, and the projects’ compatibility with the objectives of the Paris Agreement.



The Foundation screens and evaluates projects using the criteria. The Panel provides additional expertise to the Foundation in evaluating projects. If necessary, the Panel also assists the Foundation in finding the required expertise to be able to evaluate the potential projects according to the set criteria.

The Panel works jointly with the Foundation to constantly update the criteria so that it is in accordance with the latest scientific research. The Panel and the Foundation will also jointly expand the existing criteria to cover other than land-use based methods of capturing carbon from the atmosphere.

The Panel has solely an advisory role and it is not responsible for the approval or disapproval of specific carbon capture projects. The Foundation is solely responsible for choosing the most appropriate projects.

2.2 Supporting the Foundations Research and Development

The Panel is the Foundation's scientific advisor in searching for new innovative ways of capturing carbon. The Panel will assist and guide the Foundation's work in evaluating new alternative carbon capture technologies. The Panel will also participate in developing, implementing and applying for funding for carbon capture pilot or research projects together with the Foundations and other parties.

3. Composition and Structure

The Foundation and the University of Helsinki will elect the Panel's Chairperson, who will bring together a group of top experts in the disciplines essential to the Foundation's work.

The Panel's collective expertise will cover a range of specialties and subspecialties relevant to the types of carbon capture projects that the Foundation uses or is considering. The Panel may also consult other experts when deemed necessary. These ad hoc consultants will support the work of the Panel on a voluntary basis.

The Panel will elect its members in consultation with the Foundation for a period of three years. A Panel member's term can be renewed twice.

Both the Panel members and the Foundation have the right to terminate the cooperation for well- founded reasons.

The Panel will appoint a Secretary General from among its members. The role of the Secretary General will be to provide support to the Foundation about 15-20 hours a month. The University of Helsinki will be remunerated for this work according to a joint agreement between the Foundation and the University of Helsinki.

Approximately half of the work time of the Secretary General is allocated to assisting with the evaluation of existing projects in areas where Compensate lacks expertise. The workload on this support function is limited to one project per month. The rest of the time is allocated to supporting the development of research/pilot projects in carbon capture and climate change mitigation and could include contribution together with other parties.

The Foundation will provide core expertise and technical secretariat to enable the Panel to work effectively.

4. Modalities of Work

The Panel will regularly meet in quarterly (on average every three months) meetings by the invitation of the Chairman of the Panel and the Foundation. Additional meetings can be arranged when deemed necessary. Members of the Panel may also attend meetings remotely. The Chair shall forward in advance the agenda of the meetings of the Panel and representatives of the Foundation shall attend the meetings of the Panel as appropriate.

The Panel will normally meet in Helsinki.

5. Remuneration

Members of the Panel are donating their time on a voluntary basis and shall not be remunerated. The Foundation shall also reimburse any travel and material expenses incurred by its members that are related to the work of the Panel.

6. Accountability and Publicity

The Panel shall act as an advisory scientific body to the Foundation. It is the responsibility of the Panel to ensure that their recommendations and advice to the Foundation are consistent with current scientific information. The Panel shall have no responsibility for the use of the Foundation's compensation payments.

The membership and role of the Panel is public, and the Foundation informs about its composition and decisions in its communications. The information produced by the Panel will also be publicly available on the Foundation's website. The Panel will review and approve all communications regarding its work.

7. Revision and termination of the terms of reference of the Panel

The Foundation and the Panel may jointly revise these TOR as necessary. The mandate of the Panel may be terminated by the Foundation, if deemed necessary.

8. Confidentiality

The members of the Panel will sign a separate Confidentiality Agreement.