

INTERNATIONAL EMISSIONS TRADING ASSOCIATION (I.E.T.A.)

**ASSOCIATION INTERNATIONALE POUR
L'ÉCHANGE DE DROITS D'ÉMISSION (A.I.E.D.E.)**

RULES & BY-LAWS

MEMBERS

1. All prospective Members whose application for membership is approved by the Board is required to pay in advance a non-refundable membership fee. For 2020, this fee shall be the equivalent of:
 - 23'400 Swiss Francs in the case of prospective Members having their headquarters in an OECD country and whose number of accredited employees has been, in the 12-month period leading up to application or renewal, 251 or more ("Large Member tier");
 - 11'700 Swiss Francs in the case of prospective Members having their headquarters in an OECD country whose total number of accredited employees has been, in the 12-month period leading up to application or renewal, between 51 and 250 inclusive (Medium Member tier");
 - 11'700 Swiss Francs in the case of prospective Members having their headquarters in a non-OECD country.
 - 7'800 Swiss Francs in the case of prospective Members whose total number of accredited employees has not, in the 12-month period leading up to application or renewal, exceeded 50 ("Small Member tier");
 - Subsidiary Companies of a current IETA Member (i.e. more than 50% of the issued share capital owned by the IETA Member on 1 January of the relevant membership year) are entitled to IETA membership in their own right at 50% of the appropriate current membership fee.
2. The fees above are the annual subscription fees for IETA membership, as referred to in 4.4 of IETA's Articles, and are subject to an automatic annual increase of three percent, for 2021 and each successive year.
3. For new applicants, only those prospective Members that have had their application for membership approved and paid the current year's membership fee will be considered as Members entitled to participate in the activities and attend and vote at General Meetings of the Association.
4. The membership fee is calculated on a calendar year basis and is payable pro rata from the beginning of the quarter immediately preceding the date of application for Members joining during the course of any year.
5. In principle, invoices for membership fees are payable within 30 days of receipt. The Council reserves the right, without prejudice to paragraph 10 of these Rules and By Laws, to charge interest for membership fees that are not timely paid, at a rate to be determined by the Council, acting reasonably and in the best interest of the Association.

6. A cost contribution may be charged to Members wishing to participate in specific events organised by the Association. Such contributions are generally calculated to reflect the costs of the event in question.
7. Beyond the annual membership fee and cost contributions for participation in specific events, Members do not incur any financial obligation or legal liability, save as provided in the Articles of the Association.
8. Arrangements for joining the Association and the membership fee structure shall be reviewed regularly by the Council. The Council shall have the right to vary from time to time, as it shall consider fit and appropriate, the membership fee and payment structure.
9. The Association will publish, from time to time, an updated list of all its Members on its website, in the hope that this will prove to be a useful tool for making and following up contacts, as well as facilitating interaction between Members consistent with the Mission and Objects of the Association.
10. A Member wishing to discontinue its membership at the end of any given year is required to announce in writing to the Council its intention to do so at least three months in advance, failing which it is liable for the following year's membership fee.
11. Save as provided in the Articles, the membership of any Member can be terminated at any time for conduct that is inconsistent with the Mission and Objects of the Association or that constitutes a prohibited practice as defined in IETA's anti-competition, bribery and corruption policies, and such termination will have immediate effect upon a decision of the Council.
12. A decision of the Council to terminate a membership is final and the Members explicitly renounce to the possibility of appealing such decision to any judicial authority ; a Member is entitled to be heard by the Council prior to a decision to terminate a membership.
13. As a preliminary measure membership may be suspended by the Council, particularly in circumstances where the Council considers that further clarification is required.
14. Members are required to designate two official contact persons, who shall be responsible for the Member's relationship with the Association and other Members. All official contact persons designated by Members must be senior executives or otherwise suitably qualified in the domain of the Associations activities.
15. Members shall be kept regularly informed of the activities and facilities offered by the Association through the Associations working groups, online resources and direct mailings.
16. The Association reserves the right to invite special guests to its activities if their presence is believed to add value for the Members taking part.
17. Members have the right to propose associates to be invited by the Association to specific activities of the Association, space permitting.

18. Members shall not make official statements on behalf of the Association without the prior written approval of the Council. The Council shall approve procedures for official statements and decision making and inform the Members of such approved procedures.

GENERAL MEETINGS

19. The Chair of the Council shall chair every General Meeting of the Association (AGM), or if there is no such Chair, or if the Chair is not present within fifteen minutes after the time appointed for the holding of the meeting or is unwilling to act, the Vice-Chair shall chair such meeting, or if there is no such Vice-Chair, or if such Vice-Chair is not present within fifteen minutes after the time appointed for the holding of the meeting or is unwilling to act, the Members present shall elect another Council Member to chair the meeting.

20. If at any General Meeting no Council Member is willing to act as Chair or if no Council Member is present within fifteen minutes after the time appointed for holding the meeting, the Members of the Association present shall choose the representative of an Association Member to chair the meeting.

21. The Chair may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Otherwise it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

22. No decision which requires a quorum of Members to be present shall be taken in AGM unless a quorum of Members is present at such AGM. The AGM may nonetheless proceed with any other matters to be discussed and decided upon.

23. In the event that the agenda for the AGM only contains matters which require a quorum of Members to be present for decisions to be taken or insofar as such items of the agenda are concerned, if within half an hour from the time appointed for the AGM a quorum is not present, the AGM or the relevant items as the case may be, shall be adjourned to another day, time and place at the Council's sole discretion.

24. At any AGM a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is demanded before the vote is taken :

(a) by the Chair or;

(b) by at least two Members present.

Unless a poll is so demanded, a declaration by the Chair that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the Minutes of the proceedings of the Association shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

25. Only one pre-designated senior representative of each Member is permitted to participate and vote at an AGM.
26. Any Member of the Association entitled to participate and vote at an AGM shall be entitled to appoint another Member as their proxy to participate and vote in their place. Any proxy so appointed shall have the same right as the Member to speak at the AGM.
27. In the case of an equality of votes, whether on a show of hands or on a poll, the Chair of the meeting shall be entitled to a second or casting vote.
28. A poll demanded on the election of a Chair, or on a question of adjournment, shall be taken immediately. A poll demanded on any other question shall be taken at such time and in such manner as the Chair of the meeting directs, and any business other than that upon which a poll has been demanded may proceed pending the taking of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
29. Any Member of the Association may by duly authorised direction of the Member authorise such other Member as it sees fit to act as its proxy or representative at any AGM, and the designated Member, so authorised, shall be entitled to exercise the same powers on behalf of the entity which it represents as it could exercise on its own behalf.

COUNCIL OF MANAGEMENT

30. The activities of the Association shall be managed by the Council, which may exercise all powers of the Council set out in the Articles.
31. Where possible the Association shall seek to ensure that appointments to the Council reflect a diverse sectoral and regional representation of the Members of the Association.
32. All cheques and other negotiable instruments and all receipts for monies paid to the Association, shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Council shall from time to time determine.

33. The Council shall cause Minutes to be made:

- (a) of all appointments of officers made by the Council
- (b) of the names of the Council Members present at each Council Meeting
- (c) of all resolutions and proceedings at all meetings of the Association and of the Council

34. The office of Council Member shall be vacated if the Member:

- (a) becomes insolvent, is unable to pay its debts when they come due, and/or makes any arrangements or composition with its creditors;
- (b) becomes incapable of managing and administering its property and affairs as a result of illness, infirmity, or capability;
- (c) resigns its office by written notice to the Association; or
- (d) is directly or indirectly interested in any contract with the Association and fails to declare the nature of its interest.

35. The Association may by ordinary resolution, of which special notice has been given, remove any Council Member before the expiration of its period of office. The Association may by ordinary resolution appoint another person in place of a Council Member so removed.

36. The Council may meet together for the dispatch of business, adjourn, and otherwise regulate their meetings, as they think fit. Questions arising at any meeting of the Council shall be decided by a majority of votes. In the case of an equality of votes the Chair shall have a second casting vote. A Council Member may at any time summon a Council Meeting.

37. The Council may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the number fixed by or pursuant to the Articles of the Association as the necessary quorum of Members, the Council may act for the purpose of increasing the number of Members to that number save as aforesaid, or to summon an AGM, but for no other purpose.

38. The Council may delegate any of their powers to Sub-Committees consisting of such persons as they think fit; any Sub-Committee so formed shall conform to any regulations that may be imposed on it by the Council and shall report all acts and proceedings to the Council as soon as reasonably practicable.

39. A Sub-Committee may elect a Chair of its meetings; if no such Chair is elected, or if at any meeting the Chair is not present within fifteen minutes after the time appointed for holding the same, the Members of the Sub-Committee present may choose one of their number to chair the meeting.
40. A Sub-Committee may meet and adjourn as it thinks proper. Questions arising at any meeting of a Sub-Committee shall be determined by a majority of votes of the Members present, and in the case of an equality of votes the Chairman shall have a second or casting vote.
41. All acts done by any meeting of the Council or of a Sub-Committee, or by any person acting as a Council Member, shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Member or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Council Member.

OFFICIAL LANGUAGE

42. English is the official language of the Association for purposes of all its Meetings and communications.

USE OF ASSOCIATION NAME AND LOGO

43. No prospectus, business letter, card or advertisement in any form for which a Member is responsible directly or indirectly shall bear the name, address or logo of the Association except and only in so far as to demonstrate that the Member is a Member of the Association.
44. No circulars, other than those relating to the activities of the Association, shall bear the name, address or logo of the Association, unless specifically approved by the Council.

ALTERATION AND INTERPRETATION

45. The Council may propose to add to or alter from time to time these Rules and By-Laws, as it shall consider fit and appropriate, provided that any such amendments and/or additions will come into force subject to approval by a subsequent AGM which shall take place no later than twelve months following the change.
46. All words and expressions contained in these Rules and By-Laws shall bear the same

meaning as that provided for in the Articles unless an alternative or contrary meaning is expressly attributed to the same.

47. These Rules and By-Laws shall be read in conjunction with the Articles of the Association. If there is any inconsistency between these Rules and By-Laws and the Articles, the Articles shall prevail.

Adopted by the Association in General Meeting on 28th October 1999 & amended during the General Meetings on 3rd November 2004, 6th December 2011, 20th November 2013, 22 September 2014, 11 December 2018 and 15 October 2020.

Signed by Chair, Vice Chairs and the CEO

- | | | |
|---|--|---|
| 1 | Jonathan Grant
Principal Advisor, Climate Change
RioTinto plc Head Office
6 St James's Square
London SW1Y 4AD
UK | _____
Signature

Place and date |
| 2 | Elisabeth (Lisa) DeMarco
Senior Partner
DeMarco Allan LLP
Bay Adelaide Centre
333 Bay Street, Suite 625
Toronto, ON M5H 2R2
Canada | _____
Signature

Place and date |
| 3 | Dirk Forrister
President and CEO
IETA
24 Rue Merle d'Aubigné
1207 Geneva
Switzerland | _____
Signature

Place and date |