

10/25/2024

Scientific Committee of ESG.IAMA

Report of the first (constituent) video meeting on October 25, 2024

Present at the meeting of the Scientific Committee (the “SC”) were:

Riccardo Realfonzo	– Appointed Chairman of the SC
Luca Testoni	– Appointed Secretary of the SC
Margherita Bianchini	– Member of the SC
Innocenzo Cipolletta	– Member of the SC
Sergio Corbello	– Member of the SC
Massimo Giusti	– Member of the SC
Manuela Mazzoleni	– Member of the SC
Alessandra Pasquoni	– Member of the SC
Alessandro Fenili	– Coordinator of ESG.IAMA

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1) AGENDA

Item 1 – Introduction and illustration of the meeting (project purpose and target of the meeting):

- (a) Reasons for the establishment of the SC;
- (b) Appointments: Riccardo Realfonzo as Chairman; Luca Testoni as Secretary.

Item 2 – Proposals for SC operation:

- (a) The SC serves as the authoritative guarantor of ESG.IAMA's principles of independence and consistency, validates the methodology, and performs advisory functions for the further development of the methodology and the overall project;
- (b) The SC meets (videocall) a minimum of 2 times a year, and upon convocation;
- (c) The SC defines its own operational operating procedures;
- (d) The SC gives its guidance and validates the findings of the ESG.IAMA questionnaire, proposes changes to the questionnaire, and decides whether and what comments to make public;
- (e) The SC may also make use of public or confidential comparisons with academics and practitioners for in-depth analysis and methodologies;
- (f) Public guidance will be posted on the ESG.IAMA website (a specific site will be created by the end of 2024);
- (g) The SC is open for co-option, with majority approval upon the proposal of the Chairman or Secretary. Membership is personal, free and non-binding, revocable subject to notice of withdrawal;
- (h) The Chairman represents the SC and will be invited to ESG.IAMA events, beginning with salone.SRI 2024.

Item 3 – SC Constitution.

2) DISCUSSION

These are the main points of discussion.

The SC is convened by the Chairman or Secretary. In addition to online meetings, the SC may also be convened for actual meetings, perhaps at significant moments (such as salone.SRI). In any case, each meeting will have written minutes that will be shared to the participants for comments and possible additions.

The SC is validly constituted with a majority of its members, and deliberates with a majority of those present. Any further mode of operation is deferred to the next SC meetings.

In any case of involvement of third parties (for study or consulting reasons), SC members agree to maintain and require from the mentioned third party limits of confidentiality on the dissemination of the questionnaire; and absolute non-disclosure on the results.

The SC agreed that it should not evaluate, let alone validate, the individual responses of asset managers to ESG.IAMA, nor their aggregate results, for which ET.Group remains solely responsible. Instead, the SC validates ESG.IAMA's methodology and operating models. In this capacity, the SC sets out thoughts and guidance, or proposes changes to questions and mechanisms, in order to make the self-assessment of asset managers as robust as possible.

The issue of EU legislation on rating agencies was highlighted. On this profile, it is ET.Group's opinion that at the moment such legislation does not fully intercept ESG.IAMA, as the results are provided free of charge to interested asset owners, and no indexes are produced on them. There is agreement, however, to continue to monitor the developments of this legislation and consider what to do.

As much as the responses to the questionnaire are already the responsibility of the asset manager who fills them out, the SC agreed that it would be useful to have more individualization of filling out responsibilities, as is done in RFPs. It was suggested that the names of those who filled out the questionnaire (one or more persons) should be requested, that the accountability of these individuals for the answers given should be specified, and that the signature of the CEO, or legal officer, on the veracity of the data provided should also be required.

Unless individuals decided otherwise (which can also be externalized after the meeting by emailing the Secretary and/or Chairman) those present were considered founding members of the SC of ESG.IAMA as discussed. And, as such, they will be involved in the next steps of the project.

3) NEXT STEPS

The SC will meet at 6:30 p.m. on Nov. 18, 2024 in the Scavi Room of Palazzo Mezzanotte, P.za degli Affari, 6, 20123 Milan, where it will introduce itself to the salone.SRI audience. The mode will be that of a panel discussion that will speak in anticipation of the presentation of the aggregate results of ESG.IAMA 2024.

It will follow:

- alignment on the content and messages of that roundtable;
- logistical details and hospitality directions to be provided by ET.Group.

Following Nov. 18, the study phase of the questionnaire will be initiated, culminating in a further online meeting (date to be decided) where possible changes to the assessment, its methodology and more will be discussed.

4) PRESS RELEASE:

Attached to this document you will find the draft press release, regarding the presentation of the SC of ESG.IAMA, which will be published on November 5, 2024. We ask everyone to read it to see if it needs any changes.

Milan October 30, 2024

Chairman Riccardo Realfonzo

Secretary Luca Testoni