Response Form
for the
Exposure Draft of the CFA Institute ESG Disclosure Standards for Investment Products

CFA Institute is developing voluntary, global industry standards, the CFA Institute ESG Disclosure Standards for Investment Products (the "Standards"), to establish disclosure requirements for investment products with ESG-related features. The purpose of the Standards is to provide greater transparency and consistency in ESG-related disclosures, resulting in clearer communication regarding the ESG-related features of investment products. The goal for this Exposure Draft is to elicit feedback on the proposed principles, requirements, and recommendations within the Standards. Please refer to the "Providing Feedback" guidelines for submitting comments. **All comments must be received by 14 July 2021 in order to be considered.**

Providing Feedback

Public commentary on the Exposure Draft will help shape the final version of the Standards, which is expected to be issued in November 2021. Comments should be provided in this Response Form, found here on the CFA Institute website, and submitted to standards@cfainstitute.org. Designated spaces for comments appear in the Response Form in the order in which the related topic sections appear in the Exposure Draft. Questions directed toward the Standards' intended users are posed in the Exposure Draft's Introduction, and these questions appear first in the Response Form, followed by designated spaces for comments related to the Guiding Principles, Provisions, and Glossary. General or summary comments on the Exposure Draft may be provided in the designated section at the end of the Response Form.

Each topic section in the Response Form contains a space for providing general comments pertaining to that section as well as spaces to provide comments for each provision in the section. When providing feedback on a specific provision, it may be helpful to consider whether the meaning of the provision is clearly stated and whether the provision will add value for users of the Standards. You may provide as few or as many comments as you wish.

The deadline for providing feedback is 14 July 2021. **Comments received after 14 July 2021 will not be considered**. Unless otherwise requested, all comments will be posted on the CFA Institute website.

Guidelines for submission

Comments are most useful when they:

- directly address a specific issue or question,
- provide a rationale and support for the opinions expressed, and
- suggest alternative solutions in the event of disagreement.

Positive comments in support of a proposal are equally as helpful as those that provide constructive suggestions for improvement.

Requirements for submission

In order for comments to be considered, please adhere to the following requirements:

- **Insert responses in the designated areas of the response form.**
- **Assign a unique file name to your response form before submitting.**
- **Provide all comments in English.**
- **Submit the response form as a Microsoft Word document.**
- **Submit the response form to** standards@cfainstitute.org **by 5:00 PM E.T. on 14 July 2021.**

General Information (required)

Respondent: *(Please enter your full name if you are submitting as an individual or the name of the organization if you are submitting on behalf of an organization.)*	Ernst & Young LLP (UK)
Stakeholder Group: *(Please select the stakeholder group with which you most closely identify.)*	Service Provider
Region: *(If you are submitting as an individual, please select the region in which you live. If you are submitting on behalf of an organization and the organization has a significant presence in multiple regions, please select "Global". Otherwise, please select the region in which the organization has its main office.)*	Global
Country: *(If you are submitting as an individual, please enter the country in which you live. If you are submitting on behalf of an organization, please enter the country in which the organization has its main office.)*	United Kingdom
Confidentiality Preference: *(Please select your preference for whether or not your response is published on the CFA Institute website.)*	yes, my response may be published

QUESTIONS FOR INTENDED USERS

Questions for Investment Managers

1. Are the draft provisions helpful in establishing or clarifying the type of information that should be included in an investment product's disclosures regarding the ESG-related aspects of the investment product's strategy?

   <QUESTION_01_01>
   ENTER RESPONSE HERE
   <QUESTION_01_01>

2. To what extent are the draft provisions supportive of and complementary with local laws and regulations and other codes and standards? Would preparing and presenting a compliant presentation in any way hinder your ability to comply with local laws and regulation or with other codes and standards?

   <QUESTION_01_02>
   ENTER RESPONSE HERE
   <QUESTION_01_02>

3. Do you expect it will be feasible and practical for your organization to provide the information required by the draft disclosure provisions and adhere to the draft fundamental provisions?

   <QUESTION_01_03>
   ENTER RESPONSE HERE
   <QUESTION_01_03>

4. To what extent would a compliant presentation proactively provide to asset owners, consultants, and advisors the ESG-related information they commonly request in their Requests for Proposals (RFPs), Due Diligence Questionnaires (DDQs), and other types of questionnaires?

   <QUESTION_01_04>
   ENTER RESPONSE HERE
   <QUESTION_01_04>

5. Would it be helpful if the Standards contained a recommended format or template for compliant presentations?

   <QUESTION_01_05>
   ENTER RESPONSE HERE
   <QUESTION_01_05>

Questions for Investors and Asset Owners

1. After reviewing the draft provisions and the sample compliant presentations, do you think a compliant presentation would help you understand how and why an investment product uses ESG information or addresses ESG issues?

   <QUESTION_02_01>
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   <QUESTION_02_01>

2. To what extent would a compliant presentation provide the ESG-related information that you typically request in your Requests for Proposals (RFPs), Due Diligence Questionnaires (DDQs), and other types of questionnaires? Is there information that you would like to see disclosed in a compliant presentation that is not required by the draft provisions? Is there information required by the draft provisions that is not necessary?

   <QUESTION_02_02>
   ENTER RESPONSE HERE
   <QUESTION_02_02>

3. Would the provision of compliant presentations by investment managers complement, streamline, or otherwise improve any of your existing processes, e.g., due diligence, certification, or reporting?

   <QUESTION_02_03>
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   <QUESTION_02_03>

4. Would you find it helpful if the Standards contained a recommended format or template for compliant presentations?

   <QUESTION_02_04>
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   <QUESTION_02_04>

Questions for Consultants and Advisors

1. After reviewing the draft provisions and the sample compliant presentations, do you think a compliant presentation would help you understand how and why an investment product uses ESG information or addresses ESG issues?

   <QUESTION_03_01>
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   <QUESTION_03_01>

2. Would a compliant presentation help facilitate client discussions regarding ESG-related needs and preferences and suitable investment products?

   <QUESTION_03_02>
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   <QUESTION_03_02>

3. To what extent would a compliant presentation provide the ESG-related information that you or your clients typically request in Requests for Proposals (RFPs), Due Diligence Questionnaires (DDQs), and other types of questionnaires? Is there information that you would like to see disclosed in a compliant presentation that is not required by the draft provisions? Is there information required by the draft provisions that is not necessary?

   <QUESTION_03_03>
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   <QUESTION_03_03>

4. Would the provision of compliant presentations by investment managers complement, streamline, or otherwise improve any of your existing processes, e.g., investment product due diligence or overall assessments of investment managers' capabilities?

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   <QUESTION_03_04>

5. Would you find it helpful if the Standards contained a recommended format or template for compliant presentations?

   <QUESTION_03_05>
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   <QUESTION_03_05>

Questions for Database Providers and Users

1. To what extent would a compliant presentation provide the ESG-related information that users are looking for?

   <QUESTION_04_01>
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   <QUESTION_04_01>

2. Is it necessary, or would it be helpful, for compliant presentations to be in a standardized format? Would it be helpful if a machine-readable template was developed?

   <QUESTION_04_02>
   ENTER RESPONSE HERE
   <QUESTION_04_02>

Questions for regulators and investment professionals

1. Are the draft provisions helpful in establishing or clarifying the type of information that should be included in an investment product's disclosures regarding the ESG-related aspects of the investment product's strategy?

   <QUESTION_05_01>
   The draft provisions are helpful in establishing or clarifying this information due to the different regulations principles, codes, etc. that have been considered when developing the standards. This demonstrates that all relevant information for an investment products ESG disclosures have been covered from those mentioned. The provisions, their notes and the example disclosure reports help clarify this type of information and so it can be seen as a consolidated model. Please note we have responded to the questions for regulators and investment professionals as those we can add most contribution to, in the absence of a verifier question category.
   <QUESTION_05_01>

2. Is there information that you would like to see disclosed in a compliant presentation that is not required by the draft provisions? Is there information required by the draft provisions that is not necessary?

   <QUESTION_05_02>
   In relation to the 'double materiality' of sustainability, for investment managers who operate under this concept, it could be valuable to include specific disclosures on (a) the effects of ESG factors on the portfolio and (b) the effect of the portfolio on ESG factors. According to the EU SFDR, it should be considered to include adverse impacts (emission footprints) to track the impact of a portfolio on ESG factors. This inclusion could have two lenses through which to view environmental and social issues. These disclosures appear to be appropriate for section 8 of the draft standards.

   We note on page 11 of the Exposure Draft (ED), in the analysis of the Sustainable Finance Disclosure Regulation (SFDR), the intention to consider periodic reporting in the future if there is market demand. While this is challenging due to limitations in available market data, and would bring further challenges in terms of developing a global framework that is consistent with the different taxonomies emerging in geographies and markets, ultimately periodic reporting would enhance the value of the presentation for a user. We therefore support the intention to keep periodic reporting under review as a potential enhancement to the suggested presentation.

   <QUESTION_05_02>

3. Would the Standards be helpful in maintaining a commitment to professional ethics and integrity?

   <QUESTION_05_03>
   Since the draft Standards are linked to the CFA Institute Code of Ethics and Standards of Professional Conduct, which state that investment professionals who adhere to these codes have specific responsibilities when it comes to client communications i.e. developing clear,

frequent and thorough communication practices to enable the client to make well-informed decisions, the Standards could help to maintain professional ethics and integrity.

<QUESTION_05_03>

4. Would the Standards be helpful in providing investor protection through product transparency?

<QUESTION_05_04>
The general principles used for the Standards support investor protection, as they require the disclosures to be complete, reliable, consistent, clear and concise, and accessible – which is in line with general investor protection guidelines. However, we have provided further feedback to particular sections of the draft Standards, to help further promote product transparency. In particular, the disclosures are to include all material information and not be false or misleading as the primary drivers of investor protection.
<QUESTION_05_04>

5. Would the Standards be useful in serving as a mechanism to help investors align their ESG-related objectives with those of suitable products?

<QUESTION_05_05>
EY is of the view that the Standards could support investors in aligning their ESG-related objectives with those of suitable investment products. In developing the Standards and assessing the 125 ESG related regulations, principles, codes, standards, amongst others has led to the consideration of a vast amount of ESG related topics from different jurisdictions, and could help clients obtain an overview of the existing regulations, principles relevant to investment products. This could support the alignment of sustainable investment goals and the decision-making process.

Given the 10 relevant regulations and voluntary codes and standards related to investment products being considered, there could also be an element of staying up to date with changes to these.

<QUESTION_05_05>

6. Would the Standards be useful in serving as a mechanism to develop product labelling in your country?

<QUESTION_05_06>
In our view, the Standards could be used as guidance to developing a country specific label for investment products as they do not exclude certain phrases or require a specific language. Where investment managers follow the standards, this would encourage providing clear and more consistent information for the evaluation of investment products and thus product labeling.
<QUESTION_05_06>

GENERAL PRINCIPLES FOR INVESTMENT PRODUCT DISCLOSURES

General comments on the Principles:

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Comments on Principle #1:

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Comments on Principle #2:

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Comments on Principle #3:

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Comments on Principle #4:

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<COMMENT_00_04>

Comments on Principle #5:

<COMMENT_00_05>
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<COMMENT_00_05>

SECTION 1: FUNDAMENTAL REQUIREMENTS AND RECOMMENDATIONS

General comments on Section 1:

<COMMENT_01A00>
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<COMMENT_01A00>

Comments on Provision 1.A.1:

<COMMENT_01A01>
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Comments on Provision 1.A.2:

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Comments on Provision 1.A.3:

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Comments on Provision 1.A.4:

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Comments on Provision 1.A.5:

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Comments on Provision 1.A.6:

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Comments on Provision 1.A.7:

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Comments on Provision 1.A.8:

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Comments on Provision 1.A.9:

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Comments on Provision 1.A.10:

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Comments on Provision 1.A.11:

<COMMENT_01A11>
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Comments on Provision 1.A.12:

<COMMENT_01A12>
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Comments on Provision 1.A.13:

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<COMMENT_01A13>

Comments on Provision 1.A.14:

<COMMENT_01A14>
The Standards are not accurately reflecting the difference between reasonable and limited assurance. The term “examination” in the context of the American Institute of Certified Public Accountants (AICPA) attestation standards refers to a reasonable assurance engagement performed in accordance with the AT-C 205, *Examination Engagements.* The Standards, however, state that the verification will be based on a limited assurance, rather than a reasonable assurance model. Since the CFA institute is issuing separate guidance for verifiers, the recommendation of whether reasonable or limited assurance is provided will be addressed as that guidance is finalized. In order to provide flexibility on the potential

assurance approach, we recommend that the Standards are amended to use term “assurance” instead of “examination” here and throughout. For example, this requirement 1.A.14 may be reworded as follows: “*If the investment manager chooses to* ***<u>obtain assurance over</u>*** *~~have~~ a compliant presentation ~~examined~~ by an independent third party, it must gain an understanding of the verifier’s policies for maintaining independence and must consider the verifier’s assessment of independence.*”

<COMMENT_01A14>

Comments on Provision 1.A.15:

<COMMENT_01A15>
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Comments on Provision 1.A.16:

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Comments on Provision 1.A.17:

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Comments on Provision 1.A.18:

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Comments on Provision 1.A.19:

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Comments on Provision 1.B.1:

<COMMENT_01B01>
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Comments on Provision 1.B.2:

<COMMENT_01B02>
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<COMMENT_01B02>

SECTION 2: GENERAL INFORMATION

General comments on Section 2:

<COMMENT_02A00>
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Comments on Provision 2.A.1:

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Comments on Provision 2.A.2:

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Comments on Provision 2.A.3:

<COMMENT_02A03>
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Comments on Provision 2.A.4:

<COMMENT_02A04>
As the option for a third party verification of the ESG disclosure report is available, we believe it could be more appropriate for information to be for a period of time. This is similar to the concept of GIPS verification, where in order to test implementation of policies, it would need to reflect a period of time. Where information would need to be correct as at date, these should be labeled as so.
<COMMENT_02A04>

Comments on Provision 2.A.5:

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Comments on Provision 2.A.6:

<COMMENT_02A06>
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<COMMENT_02A06>

Comments on Provision 2.A.7:

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Comments on Provision 2.A.8:

<COMMENT_02A08>
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<COMMENT_02A08>

Comments on Provision 2.B.1:

<COMMENT_02B01>
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<COMMENT_02B01>

SECTION 3: OBJECTIVES

General comments on Section 3:

<COMMENT_03A00>
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<COMMENT_03A00>

Comments on Provision 3.A.1:

<COMMENT_03A01>
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<COMMENT_03A01>

Comments on Provision 3.A.2:

<COMMENT_03A02>
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Comments on Provision 3.B.1:

<COMMENT_03B01>
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<COMMENT_03B01>

SECTION 4: BENCHMARKS

General comments on Section 4:

<COMMENT_04A00>
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<COMMENT_04A00>

Comments on Provision 4.A.1:

<COMMENT_04A01>
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<COMMENT_04A01>

Comments on Provision 4.A.2:

<COMMENT_04A02>
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Comments on Provision 4.A.3:

<COMMENT_04A03>
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<COMMENT_04A03>

SECTION 5: SOURCES AND TYPES OF ESG INFORMATION

General comments on Section 5:

<COMMENT_05A00>
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<COMMENT_05A00>

Comments on Provision 5.A.1:

<COMMENT_05A01>

Section 5.A.1 stipulates that *"An investment manager may choose, but is not required, to disclose the names of third-party data providers when describing the sources of ESG information. When an investment manager obtains ESG information from an ESG data provider, it is sufficient to state that the ESG information comes from an ESG data provider. Investment managers may choose, but are not required, to describe the ESG data provider's sources".* This could be challenging since the intention of the ESG Disclosure Standards is to provide greater transparency and consistency. It is particularly pertinent to scores and ratings from third-party providers, as an investment manager would be in compliance with the disclosure Standards, as currently drafted, by stating that they used ESG scores in their investment process but not naming the provider of said scores nor justifying the methodology used to calculate the scores, which can often utilise data from several other third-parties. This, therefore, may unintentionally allow for several layers of unknowns: i) the name of the provider; ii) the methodology used; and, iii) the data sources, which does not provide transparency to the investor.

Third-party providers are not unfamiliar with having to represent their methodologies. As such, we would suggest reconsidering the provision to require the investment managers to disclose the name of the provider and the data provider to publish the methodology. This could give the provider responsibility to ensure updates are transparent and could cover the investment manager if they are disclosing data from different providers. In our view, this could further encourage greater transparency by all parties.

<COMMENT_05A01>

Comments on Provision 5.A.2:

<COMMENT_05A02>

Section 5.A.2 relates specifically to the quality and reliability of ESG data, a topic which is critical to the advancement of ESG and sustainable investing. The provision could encourage investment managers to apply scrutiny to the data and communicate this to investors in order to push for improved quality, instill confidence and mitigate investor skepticism surrounding ESG. The provision specifically lays out *"the investment product's compliant presentation must include a description of the efforts taken, <u>if any</u>, to evaluate the reliability of the ESG information used in the investment process or stewardship activities".* However, within the 5.A.2 notes it states *that:* "*compliant presentation must include a description of the investment manager's efforts to evaluate the reliability of the ESG information used*". In our view, the provision and the notes could be misunderstood when considered together due to the phrase 'if any' omitted in the latter. It could therefore be helpful to provide clarity here by being consistent with the language in both.

In addition, section 5.A.2 includes examples of efforts, which include *“evaluation of the accuracy or completeness of a dataset when determining the sources and types of ESG information that will be used in the investment process,”* and “*evaluation of models that estimate or interpolate missing data elements*”. Based on our experience, the most common issue surrounding ESG data concerns incomplete disclosure and data gaps due to inconsistencies across asset classes, regions, sectors etc. It could, therefore, be practicable to include disclosures regarding this issue. Specifically, the provision could–ensure that a description of how the investment manager deals with such irregularity is included. This is of utmost importance, as improper application of a dataset with gaps could also result in an increased risk that the outcomes will deviate from those that are intended or expected. It is perhaps the case that the issue is covered by Provision 7.A.4, by the description of how financially material ESG information is used, however this is not stated and thus clarification would be useful.

<COMMENT_05A02>

SECTION 6: ESG EXCLUSIONS

General comments on Section 6:

<COMMENT_06A00>
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Comments on Provision 6.A.1:

<COMMENT_06A01>

As detailed in our comments on 5.A.1, it could be helpful to explicitly require the inclusion of a brief description of the methodology utilised by third-party providers where it pertains to ESG exclusions. For example, 6.A.1 c. reads *"A reference, where applicable, to any law, regulation, and third-party standard, guideline, or framework used in the establishment or evaluation of the criterion*". Thus, it could be interpreted that the investment manager is only required to reference a provider and not describe the details of the methodology used. This is also contradictory to 5.A.1, which suggests that it is optional for an investment manager to disclose the providers' name and third-party sources. Hence, in our view 5.A.1 could be revised as previously suggested. In addition, further clarity is desirable since the notes section of 6.A.1 outlines that *"the description of the ESG exclusion criteria must reflect, as much as possible, the manner in which the criteria are implemented, using language that is both technically precise and understandable to a typical investor to whom the investment product is offered. The description of the ESG exclusion criteria must indicate the characteristics of an investment that are evaluated to determine whether the investment is to be excluded from the investment product"*, which would suggest that a methodology is required. Therefore we would suggest making this clear within the provision itself.

<COMMENT_06A01>

Comments on Provision 6.A.2:

<COMMENT_06A02>
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Comments on Provision 6.A.3:

<COMMENT_06A03>

This provision requires investment managers to describe the circumstances in which the investment products ESG exclusion criteria are not applied and then provide some sample circumstances. We believe there is a risk that this could be viewed as somewhat of a loophole in the need for the ESG investment products to strictly adhere to their investment strategy, although we imagine it would be used in extremely rare and very limited circumstances. That said, in addition to providing a description of the circumstances in which the ESG exclusion criteria are not applied to all investments, we propose the provision requires investment managers to disclose how many instances of exceptions/breaks from the exclusion criteria occurred during the year. This could provide additional transparency to investors and allow them to assess independently with this information whether the investment product still aligns to their goals/strategy.

<COMMENT_06A03>

Comments on Provision 6.A.4:

<COMMENT_06A04>
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SECTION 7: ESG INFORMATION IN FINANCIAL ANALYSIS AND VALUATION

General comments on Section 7:

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Comments on Provision 7.A.1:

<COMMENT_07A01>
Section 7 is comprehensive since 7.A.1 states that rationale must be included, 7.A.2 necessitates the disclosure of the research and analysis undertaken to determine the ESG information that is financially material and 7.A.4 requires a description of how financially material ESG information is used in financial analysis and valuation of the investment product’s investments, differentiated by type of investment when necessary.

<COMMENT_07A01>

Comments on Provision 7.A.2:

<COMMENT_07A02>
Given the broad diversity of the materiality concept amongst standard setters in the ESG space, where these range from concepts of Double Materiality, Dynamic Materiality and Nested Materiality, it would be helpful for investment managers to define the concept of materiality being followed. This would be in addition to describing the research/analysis used to determine if information is “material”. For comparability of information between investment product ESG disclosures and to ensure investment managers are applying one consistent application of materiality for all investment products, it is important that the investment managers define their view of materiality in the disclosure or an internal policy and procedures document. Especially if leveraging research/information from multiple sources which may view differently. Alternatively, given the different definitions of “material ESG information” across standard setters, the CFA Institute could solicit feedback on whether to adopt one of these concepts/definitions of materiality solely for purposes of compliant presentation.
<COMMENT_07A02>

Comments on Provision 7.A.3:

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Comments on Provision 7.A.4:

<COMMENT_07A04>
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SECTION 8: PORTFOLIO-LEVEL ESG CRITERIA AND CHARACTERISTICS

General comments on Section 8:

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Comments on Provision 8.A.1:

<COMMENT_08A01>

Provision 8.A.1 lists examples of data that could be used for portfolio-level ESG criteria such as Scope 1 greenhouse gas emissions and board gender diversity, both of which can be categorised as corporate ESG disclosure data. It could, therefore, be helpful to require investment managers to disclose how gaps in data are managed. This would fit where the provision states "*The description of the portfolio-level ESG criteria must reflect, as much as possible, the manner in which the criteria are implemented, using language that is both technically precise and understandable to a typical investor to whom the investment product is offered".* It is noted that the provision discusses whether the criterion is a binding constraint or guideline, however it would be useful to differentiate between companies that do not meet the constraint and those that simply do not disclose data. Transparency on this matter is vital to driving consistent reporting and disclosure.

<COMMENT_08A01>

Comments on Provision 8.A.2:

<COMMENT_08A02>
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Comments on Provision 8.B.1:

<COMMENT_08B01>

In our view, the CFA could reconsider whether this recommendation - which is to provide support showing the most recent portfolio level ESG characteristics of the portfolio as at a point in time or over a period of time – should be moved to a required disclosure. If the goal is to provide transparency and comfort to investors, providing evidence and support as of a period of time of the ESG characteristics/make-up of a portfolio, absent a mandatory independent third party examination, could be needed. Absent this information being directly accessible to investors or a third party providing assurance, there could be greater risk of so-called greenwashing through omission of information increases.

<COMMENT_08B01>

SECTION 9: PROCESS TO ACHIEVE IMPACT OBJECTIVE

General comments on Section 9:

<COMMENT_09A00>
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Comments on Provision 9.A.1:

<COMMENT_09A01>
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Comments on Provision 9.A.2:

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Comments on Provision 9.A.3:

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Comments on Provision 9.A.4:

<COMMENT_09A04>
The requirement described in the notes to provision 9.A.4, which investment managers have to follow could be viewed as subjective and wide reaching. It may need to be more specific in terms of the disclosure, as this particular requirement could present difficulty for an assurance provider to confirm or the investment manager to prove the completeness of the disclosure of all of the required considerations.
<COMMENT_09A04>

Comments on Provision 9.A.5:

<COMMENT_09A05>
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<COMMENT_09A05>

Comments on Provision 9.B.1:

<COMMENT_09B01>
Similarly to our response to provision 8.B.1, in our view the CFA could reconsider whether this recommendation could be changed to a required disclosure for investment managers – including

instructions on how to obtain the most recent report describing the progress toward the achievement of the impact objective over a period of time. This information is vital for investors to be able to evaluate investment managers on how they are performing against their stated objectives. Allowing investment managers to communicate a detailed/specific impact objective to attract investors and then, subsequently, not making it a requirement for them to disclose their progress against those impact objectives over time (which would enable investors to hold them accountable to these stated objectives), could increase the risk of so-called greenwashing through omission of information.

<COMMENT_09B01>

SECTION 10: STEWARDSHIP

General comments on Section 10:

<COMMENT_10A00>
ENTER RESPONSE HERE
<COMMENT_10A00>

Comments on Provision 10.A.1:

<COMMENT_10A01>
Stewardship reporting may not be mandatory in many countries, so firms may not have this information readily available. This provision is however consistent with the code and could help to drive the stewardship agenda.
<COMMENT_10A01>

Comments on Provision 10.A.2:

<COMMENT_10A02>
Stewardship policies may be available, but it may not be possible to disaggregate these to investment product level. Stewardship policies may further be integrated within responsible investment policies, which could make it difficult to provide clarity to investors on how they apply to a given product.
<COMMENT_10A02>

Comments on Provision 10.A.3:

<COMMENT_10A03>
This information will be readily available, again where Stewardship reporting already exists. Where firms do not report, they could still use the framework of the UK's Financial Reporting Council's (FRC) 2020 Stewardship Code principles to provide guidance on what to include in compliant presentations, e.g. Principle 2: governance, resources and incentives, Principle 7: Investment approach including material environmental, social and governance issues including climate change and Principle 8: Monitoring managers and service providers.
<COMMENT_10A03>

Comments on Provision 10.A.4:

<COMMENT_10A04>
Where ESG issues are explicitly considered, they should be easy to articulate. As above in response to 10A13.
<COMMENT_10A04>

Comments on Provision 10.B.1:

<COMMENT_10B01>
In our view, links could be provided to stewardship reports where they exist. This could include not only the company in question but the stewardship reports of any delegated asset managers. Where

standalone stewardship reporting is not available, voting histories could be presented and any information on engagement activity, such as an engagement log or details of any collaborative initiatives that the company is involved with and what engagement has been performed by these initiatives.

<COMMENT_10B01>

GLOSSARY

General comments on Glossary:

<COMMENT_11A00>
ENTER RESPONSE HERE
<COMMENT_11A00>

Comments on **BENCHMARK**:

<COMMENT_11A01>
ENTER RESPONSE HERE
<COMMENT_11A01>

Comments on **COMPLIANT PRESENTATION**:

<COMMENT_11A02>
ENTER RESPONSE HERE
<COMMENT_11A02>

Comments on **ESG INFORMATION**:

<COMMENT_11A03>
ENTER RESPONSE HERE
<COMMENT_11A03>

Comments on **ESG ISSUE**:

<COMMENT_11A04>
ENTER RESPONSE HERE
<COMMENT_11A04>

Comments on **EXCLUSION**:

<COMMENT_11A05>
ENTER RESPONSE HERE
<COMMENT_11A05>

Comments on **FINANCIAL OBJECTIVE**:

<COMMENT_11A06>
ENTER RESPONSE HERE
<COMMENT_11A06>

Comments on **IMPACT OBJECTIVE**:

<COMMENT_11A07>

ENTER RESPONSE HERE
<COMMENT_11A07>

Comments on **INVESTMENT MANAGER**:

<COMMENT_11A08>
ENTER RESPONSE HERE
<COMMENT_11A08>

Comments on **INVESTMENT PRODUCT**:

<COMMENT_11A09>
ENTER RESPONSE HERE
<COMMENT_11A09>

Comments on **INVESTOR**:

<COMMENT_11A10>
ENTER RESPONSE HERE
<COMMENT_11A10>

Comments on **STEWARDSHIP**:

<COMMENT_11A11>
ENTER RESPONSE HERE
<COMMENT_11A11>

Comments on **STEWARDSHIP ACTIVITY**:

<COMMENT_11A12>
ENTER RESPONSE HERE
<COMMENT_11A12>

GENERAL COMMENTS

General comments on Exposure Draft:

<COMMENT_12A00>
ENTER RESPONSE HERE
<COMMENT_12A00>