

**Response Form**  
**for the**  
***Exposure Draft of the***  
***CFA Institute Diversity, Equity and Inclusion Code (USA and Canada)***

Diversity, equity, and inclusion (DEI) is critical to the future of the investment industry. **We recognize that a diversity of perspectives will lead to better investor outcomes**; an inclusive investment industry will better serve our diverse society. Further, we recognize that an organization, with an inclusive culture, awareness and education, and effective working relationships, is a better place to work.

CFA Institute is developing a voluntary, DEI Code (the “Code”), to be launched firstly in the USA and Canada. The purpose of the Code is to drive greater diversity, equity, and inclusion within the investment industry. The Code has been designed for the investment industry, by members of the investment industry. It is intended to meet industry where it is, define the current state, and drive improvement from a realistic foundation. Organizations from across the investment industry are invited to become signatories, including investment managers, asset owners and consultants.

The Code is supported by Implementation Guidance which is based upon tested practice from our industry research. It will be regularly updated to reflect changing DEI practice in the investment industry and elsewhere. We have designed a Reporting Framework to guide signatories in the process of reporting on their progress, which is included [here](#) for information only. Individual signatory reports will be kept confidential by CFA Institute, which will in turn report on industry developments.

The goal for this Exposure Draft is to elicit feedback on the proposed principles and recommendations within the Code. Please refer to the “Providing Feedback” guidelines for submitting comments.

**All comments must be received by 4 September 2021 in order to be considered.**

### **Providing Feedback**

Public commentary on the Exposure Draft will help shape the final version of the Code, 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 [deicode@cfainstitute.org](mailto:deicode@cfainstitute.org). Designated spaces for comments appear in the Response Form in the order in which the Principles appear in the Exposure Draft. Questions directed toward the Codes’ intended users are posed in the Response Form, followed by designated spaces for comments related to the Principles and Implementation Guidance. General or summary comments on the Exposure Draft may be provided in the designated section at the end of the Response Form.

When providing feedback on a specific principle, it may be helpful to consider whether the meaning of the principle is clearly stated and whether the principle will add value for users of the Code. You may provide as few or as many comments as you wish.

The deadline for providing feedback is 4 September 2021. **Comments received after 4 September 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 [deicode@cfainstitute.org](mailto:deicode@cfainstitute.org) by 5:00 PM E.T. on 4 September 2021.**

**General Information (required)**

<p><b>Respondent:</b></p> <p><i>(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.)</i></p>	Cascade Investment Advisors, Inc.
<p><b>Stakeholder Group:</b></p> <p><i>(Please select the stakeholder group with which you most closely identify.)</i></p>	Investment Manager
<p><b>Region:</b></p> <p><i>(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.)</i></p>	North America
<p><b>Country:</b></p> <p><i>(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.)</i></p>	US
<p><b>Confidentiality Preference:</b></p> <p><i>(Please select your preference for whether or not your response is published on the CFA Institute website.)</i></p>	yes, my response may be published

## QUESTIONS FOR INTENDED USERS

### Questions for Investment Managers, Asset Owners, Consultants, and Investors

1. Do you agree that the investment industry needs a DEI Code to drive change?

Maybe.

2. Do you consider the Principles cover the key areas for change?

No

3. Is there a DEI area that you would like to see covered by the Code that is not in the draft Code?

Equity does not mean merit based outcomes, which is confusing equity with equality. Equity means giving opportunity or recompense immediately to under represented groups, in a restorative move to atone for past racist behavior. More exploration on this topic is necessary – or, don't call it "equity".

I would like to see a discussion around how the Institute plans to change its testing to obtain the CFA charter in order to explore how that testing may exhibit a lack of inclusion and/or biases. The cost of the tests and materials and classes to obtain the charter should be examined for less privileged participants. A precedent is being set in some states in the legal profession where passing the bar may no longer be required to enter practice. Of course, one can still be a financial analyst without obtaining the CFA charter, but in today's world, that circumstance may hold back participants in terms of advancement, pay, equal opportunity. The Institute needs to do some soul searching on this topic if it is to put real teeth into a DEI strategy.

4. Will the draft Code help establish the changes in processes and practices that investment industry organizations need to drive up DEI internally?

Maybe.

5. Will the draft Implementation Guidance help enable the changes in process and practice that investment industry organizations need to drive up DEI internally?

Maybe.

6. To what extent would an investment firm becoming a signatory to the Code help provide the DEI-related information that is typically provided or asked for in Requests for Proposals (RFPs), Due Diligence Questionnaires (DDQs), other types of questionnaires and in client DEI-related discussions?

Unknown.

7. To what extent are the draft Principles supportive of and complementary with local laws and regulations and other DEI codes and standards?

Unknown.

Would an investment organization becoming a signatory to the Code help provide investor reassurance about the investment organization's culture?

Unknown

8. Would it be helpful if the Implementation Guidance to the Code is reviewed and updated annually or less frequently?

Yes.

9. Would your firm be prepared to contribute examples of tested DEI practice to update the Implementation Guidance to the Code?

No.

## DEI CODE AND IMPLEMENTATION GUIDANCE FOR INVESTMENT ORGANIZATIONS

### General comments section

#### 10. General comments on the Code and Implementation Guidance:

We are a five person firm. We hire only experienced staff as we have no time to train. Our primary goal is to deliver high quality, custom service to every client, no matter how large or small, in our book of business. The delivery of service requires the following talents:

Perfect English including written and spoken.

An ability to intuit client needs by processing client requests against a background of experience with similar situations.

Outstanding analytical ability; strong facility with math.

Experience with estate planning, operations, tax law, etc.

We require every professional in our firm to attain CFA charter holder status.

While I appreciate the “measurement” portion of the code as written, part of the “measurement” for us needs to be how pursuit of DEI helps our firm deliver **better investor outcomes and better service levels**.

I would like to see the data for the statement in the introduction for this response form that DEI improves investor outcomes, especially for firms like ours, and sources for that data should be included as references in the CFA DEI code. We are, after all, a data driven organization.

#### 11. Comments on Principle #1 and associated Implementation Guidance:

<COMMENT\_12>

ENTER RESPONSE HERE

<COMMENT\_12>

#### 12. Comments on Principle #2 and associated Implementation Guidance:

<COMMENT\_13>

ENTER RESPONSE HERE

<COMMENT\_13>

13. Comments on Principle #3 and associated Implementation Guidance:

<COMMENT\_14>

ENTER RESPONSE HERE

<COMMENT\_14>

14. Comments on Principle #4 and associated Implementation Guidance:

<COMMENT\_15>

ENTER RESPONSE HERE

<COMMENT\_15>

15. Comments on Principle #5 and associated Implementation Guidance:

<COMMENT\_16>

ENTER RESPONSE HERE

<COMMENT\_16>

16. Comments on Principle #6 and associated Implementation Guidance:

<COMMENT\_17>

ENTER RESPONSE HERE

<COMMENT\_17>